

CITY OF FLORENCE, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2019

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FINANCIAL SECTION



JOHN CUTLER & ASSOCIATES

Honorable Mayor and Members of the City Council
City of Florence
Florence, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Florence, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Florence, 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 and required supplementary information on pages 33-35 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 schedules and compliance that collectively comprise the City's basic financial statements. The combining and individual fund schedules and State Compliance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules and compliance are fairly stated in all material respects in relation to the financial statements as a whole.

John Luttrell & Associates, LLC

July 27, 2020

City of Florence Management's Discussion and Analysis

The Management Discussion and Analysis (MD&A) is designed to provide an easy-to-read discussion of the City of Florence's (City) financial condition and operating results and to disclose to the reader important financial activities and issues related to the City's basic operations and mission.

The City has two separate financial categories or activities - government-type activities and those covered or referred to as business type activities. Within the government type activities, the City Council has designated eleven separate budgets: a General Fund, a Police Equipment/Supplies Fund, an Equipment Replacement Fund, a Conservation Trust Fund, a Capital Improvements Fund, a Community Projects Fund, a Cemetery Construction Fund, a Pool, Park and Recreation Fund, a Capital Projects Fund, a Recreation Fund, and a Perpetual Care Trust Fund. The government type activities are funded through the City's ad-valorem property tax, sales and use taxes, highway user's tax and fees for services. The business type activities are in one Enterprise: the Water Fund. The Water Fund receives revenue through water sales, water tap fees and other fees.

The City also maintains one agency fund, the School Land Dedication Fees Fund, which is used to pass through funds received for special projects. The City has no discretion on the utilization of the funds in the School Land Dedication Fees Fund.

DESCRIPTION OF FINANCIAL STATEMENTS

This annual report consists of four parts - management's *discussion and analysis* (this section), the *basic financial statements*, *required supplementary information*, and *Other Supplemental Schedules*. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the City's overall financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the City government, reporting the City's operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explains and supports the information in the financial statements.

Government-wide Statements

The government-wide statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the City as a whole and include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net position* and changes in net position. The City's net position, the difference between assets and liabilities, is one way to measure the City's financial health, or *financial position*. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating. Other non-financial factors, however, such as changes in the City's property tax base, are needed to assess the overall health of the City.

In the Statement of Net Position and the Statement of Activities, the City is divided into two kinds of activities:

- **Governmental Activities** - The activity of the City for its General Fund (which includes the Police Equipment/Supplies Fund, Equipment Replacement Fund, and the Capital Improvement Fund), Conservation Trust, Capital Projects Fund (which includes the Community Projects Fund and the Cemetery Construction Fund), the Pool, Park and Recreation Fund (which includes the Recreation Fund) are reported here. Property taxes, specific ownership taxes, highway users tax, sales tax, fees for services and interest income are the sources that fund most of these activities.
- **Business-Type Activities** - The City manages one enterprise fund, the Water Fund. The Water Fund develops and operates the City's water supply and assets and the water supply and assets of the Regional Water System.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's funds, focusing on its most significant funds - not the City as a whole. The City's two kinds of funds *governmental and proprietary* - use different accounting principles.

Governmental fund - The City's activity of its General and special revenue funds are reported as governmental funds, which focus on how money flows into and out of the funds and the balances left at year-end. Governmental funds report using an accounting principle called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the City's general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs.

Proprietary (Enterprise) fund - the activity of the City's Enterprise fund is reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the City's enterprise fund is the same as the business-type activities reported in the governmental-wide statements but provide more detail and additional information, such as cash flows.

The other financial statements included are for the City's Agency Fund and also include notes that explain some of the information in the financial statements and provide more detailed data.

HIGHLIGHTS

Governmental Activities

- Total assets for governmental activities at December 31, 2019 were \$6,164,095

Business-type Activities

- In 2019, total assets were \$31,731,383 compared to \$32,506,189 at the end of fiscal year 2018. This is a decrease of \$774,806 in 2019, revenues from water sales decreased by \$337, 223 from \$4,088,875 to \$3,751,652.
- Total Enterprise liabilities decreased from \$17,389,366 in 2018 to \$16,424,619 in 2019, a decrease of \$964,747.

STATEMENTS OF NET POSITION

The perspective of the statement of net position is of the City as a whole. Following is a summary of the City's net position for 2019:

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 4,215,239	\$ 4,063,755	\$ 10,112,170	\$ 9,728,007	\$ 14,327,409	\$ 13,791,762
Capital assets	1,948,856	1,859,974	21,619,213	22,778,182	23,568,069	\$ 24,638,156
Total assets	<u>6,164,095</u>	<u>5,923,729</u>	<u>31,731,383</u>	<u>32,506,189</u>	<u>37,895,478</u>	<u>38,429,918</u>
Deferred outflows of resources						
Long-term debt outstanding	140,264	117,628	16,324,874	17,240,169	16,465,138	17,357,797
Other liabilities	66,423	136,958	99,745	149,197	166,168	286,155
Total liabilities	<u>206,687</u>	<u>254,586</u>	<u>16,424,619</u>	<u>17,389,366</u>	<u>16,631,306</u>	<u>17,643,952</u>
Deferred Inflow of Resources						
Related to pensions	9,850	58,643			9,850	58,643
Deferred Property Tax Revenue	605,960	552,393			605,960	552,393
Net assets:						
Invested in capital assets, net of related debt	1,978,651	1,798,516	5,249,184	5,490,801	7,227,835	7,289,317
Restricted	479,886	467,154	-	-	479,886	467,154
Unrestricted For Emergencies	3,318,076	2,966,409	10,057,580	9,626,022	13,375,656	12,592,431
Total net assets	<u>\$ 5,776,613</u>	<u>\$ 5,232,079</u>	<u>\$ 15,306,764</u>	<u>\$ 15,116,823</u>	<u>\$ 21,083,377</u>	<u>\$ 20,348,902</u>

The change in net position for the Governmental Activities was an increase of \$351,667 or 1.01%. The change in net assets for the Business-Type Activities was an increase of \$431,558 or 4.29% with an overall increase of \$783,225.

STATEMENTS OF ACTIVITIES

The perspective of the statement of activities is of the City as a whole. The following table reflects the change in net assets for fiscal year 2018 and 2019.

	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for services	\$ 427,697	\$ 722,297	\$ 3,728,218	\$ 4,084,863	\$ 4,155,915	\$ 4,807,160
Operating grants and contributions	14,294	193,125	-	-	14,294	\$ 193,125
Capital grants and contributions	889,742	135,742	112,590	87,192	1,002,332	\$ 222,934
Total Program Revenues	1,331,733	1,051,164	3,840,808	4,172,055	5,172,541	5,223,219
General Revenues:						
Property taxes	554,579	527,809	-	-	554,579	\$ 527,809
Sales and use taxes	1,306,493	1,345,391	-	-	1,306,493	\$ 1,345,391
Other general revenues	944,490	818,453	(100,691)	(218,024)	843,799	\$ 600,429
Total General Revenues	2,805,562	2,691,653	(100,691)	(218,024)	2,704,871	2,473,629
Total Revenue	4,137,295	3,742,817	3,740,117	3,954,031	7,877,412	7,696,848
Program Expenses:						
General government	901,013	847,163	-	-	901,013	\$ 847,163
Police	1,428,017	1,476,091	-	-	1,428,017	\$ 1,476,091
Public works	896,884	844,891	-	-	896,884	\$ 844,891
Sanitation	-	-	-	-	-	\$ -
Planning and building	221,490	191,387	-	-	221,490	\$ 191,387
Cemetery	-	-	-	-	-	\$ -
Parks and recreation	145,357	245,197	-	-	145,357	\$ 245,197
Interest on long-term debt	-	3,217	-	-	-	\$ 3,217
Water	-	-	2,914,810	2,930,504	2,914,810	\$ 2,930,504
Swimming pool	-	-	-	-	-	\$ -
Interest on long-term debt	-	-	635,366	635,184	635,366	\$ 635,184
Total Expenses	3,592,761	3,607,946	3,550,176	3,565,688	7,142,937	7,173,634
Transfers	-	-	-	-	-	-
Increase (Decrease) in Net Assets	544,534	134,871	189,941	388,343	734,475	523,214
Beginning Net Assets	5,232,079	5,097,208	15,116,823	14,746,480	20,348,902	19,843,688
Ending Net Assets	5,776,613	5,232,079	15,306,764	15,134,823	21,083,377	20,366,902

Governmental Activities

The following table presents the cost of each of the City's largest governmental program's as well as each programs net cost (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions

Activity	Cost of Services	Net Cost of Services
General government	\$ 901,013	\$ (770,370.00)
Police	1,428,017	\$ (1,214,405.00)
Streets	896,884	\$ (9,120.00)
Planning	221,490	\$ (221,490.00)
Parks & Rec	145,357	\$ (45,643.00)
Debt	-	\$ -
Totals	\$ 3,592,761	\$ (2,261,028.00)

Budgetary Analysis of the General Fund

General Fund revenues were \$98,459 more than budget. General Fund expenditures were \$57,815 less than budget.

CAPITAL ASSETS AND DEBT ADMINISTRATION - CITY WIDE

At year-end the City had \$23,568,069 invested in a broad range of capital assets including buildings, vehicles and other equipment, and water treatment facilities. The table below summarizes the capital assets owned by the City.

	Governmental Activities		Business Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 125,693	\$ 125,693	\$ 79,425	\$ 79,425	\$ 205,118	\$ 205,118
Easements	5,935	5,935	-	-	5,935	5,935
Water shares	-	-	563,889	563,889	563,889	563,889
Buildings and improvements	2,232,425	2,232,425	-	-	2,232,425	2,232,425
Plant	-	-	4,616,324	4,590,280	4,616,324	4,590,280
Distribution system	-	-	7,499,542	7,499,542	7,499,542	7,499,542
Vehicles and equipment	1,181,748	1,000,957	2,252,230	2,219,285	3,433,978	3,220,242
Regional fixed assets	-	-	28,138,879	26,796,308	28,138,879	26,796,308
Regional construction	-	-	-	-	-	-
Swimming pool	611,460	611,460	-	-	611,460	611,460
Office equipment and furniture	-	-	-	-	-	-
Construction in progress	-	-	-	1,317,571	-	1,317,571
Infrastructure	1,947,274	1,592,417	-	-	1,947,274	1,592,417
Less accumulated depreciation	(4,155,679)	(3,708,913)	(21,531,076)	(20,288,188)	(25,686,755)	(23,997,101)
Net fixed assets	<u>\$ 1,948,856</u>	<u>\$ 1,859,974</u>	<u>\$ 21,619,213</u>	<u>\$ 22,778,112</u>	<u>\$ 23,568,069</u>	<u>\$ 24,638,086</u>

DEBT OUTSTANDING

The City's Business-Type long-term debt consists of water revenue bonds and a loan. During 2013, the City refunded the 2003A series bond and issued Series 2013A and 2013B. As of December 31, 2019 the outstanding balance of both bonds and loans is \$16,324,874. Activity for Governmental Activities and Business-Type Activities during the year are as follows:

Description	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
Governmental Activities					
Capital Leases	44,286	0	29,124	15,162	15,162
Compensated Absences	73,342	0	62,129	11,213	0
Total Governmental Activities	<u>\$117,628</u>	<u>\$0</u>	<u>\$91,253</u>	<u>\$26,375</u>	<u>\$15,162</u>
Business-Type Activities					
Water Revenue Refunding Bond Series 2003A	\$5,026,796	\$0	\$714,144	\$4,312,652	\$728,038
CWR&PDA Loan (series 2003B)	0	0	0	0	0
CWR&PDA Loan Dated January 2005	332,318	0	42,678	289,640	44,185
CWR&PDA Loan Dated October 2009	1,100,000	0	100,000	1,000,000	100,000
Refunding Bond Series 2013A	9,710,000	0	20,000	9,690,000	20,000
Bond Premium	152,690		10,530	142,160	
Compensated Absences	8,365	2,057	0	10,422	
Refunding Bond Series 2013B	910,000	0	30,000	880,000	30,000
Total	<u>\$17,240,169</u>	<u>\$2,057</u>	<u>\$917,352</u>	<u>\$16,324,874</u>	<u>\$922,223</u>

ECONOMIC AND OTHER FACTORS

The economy of the City of Florence, and the surrounding region, continues to grow at a rapid rate, sales tax and property values have been enjoying good economic times.

In November 2005 the voters approved an additional 1/2% sales tax to fund pool operations and construction of a new pool. This tax started January 1, 2006. The tax was approved with a 10-year clause that did sunset December 2015. This 1/2% sales tax was extended by the voters to be used for street repairs starting January 1, 2016.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide the general public with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact:

Finance Officer
City of Florence
600 West Third Street
Florence, CO 81226
Tel: (719) 748-4848 ext 223
Fax: (719) 784-0228

BASIC FINANCIAL STATEMENTS

CITY OF FLORENCE, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2019

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS	
			2019	2018
ASSETS				
Cash and Investments	\$ 3,384,405	\$ 8,788,057	\$ 12,172,462	\$ 10,585,370
Restricted Cash and Investments	86,068	1,149,722	1,235,790	1,889,495
Receivables				
Property Taxes	605,690	-	605,690	552,393
Sales and Other	139,076	-	139,076	263,336
Accounts	-	86,386	86,386	273,810
Employee Advances	-	-	-	1,550
Inventory	-	88,005	88,005	83,174
Net Pension Asset	-	-	-	142,635
Capital Assets, not Depreciated	131,628	643,314	774,942	2,092,513
Capital Assets, Depreciated, Net of Accumulated Depreciation	1,817,228	20,975,899	22,793,127	22,545,643
TOTAL ASSETS	<u>6,164,095</u>	<u>31,731,383</u>	<u>37,895,478</u>	<u>38,429,919</u>
DEFERRED OUTFLOWS				
Related to Pensions	434,745	-	434,745	173,971
LIABILITIES				
Accounts Payable	28,145	36,888	65,033	141,543
Accrued Expenses	32,676	3,072	35,748	76,916
Accrued Interest	-	55,577	55,577	55,577
Unearned Revenue	5,602	-	5,602	7,611
Deposits and Escrow	-	4,208	4,208	4,508
Noncurrent Liabilities				
Due within One Year	15,162	922,223	937,385	935,946
Due in More Than One Year	11,213	15,402,651	15,413,864	16,421,851
Net Pension Liability	113,889	-	113,889	-
TOTAL LIABILITIES	<u>206,687</u>	<u>16,424,619</u>	<u>16,631,306</u>	<u>17,643,952</u>
DEFERRED INFLOWS				
Related to Pensions	9,850	-	9,850	58,643
Deferred Property Tax Revenue	605,690	-	605,690	552,393
TOTAL DEFERRED OUTFLOWS	<u>615,540</u>	<u>-</u>	<u>615,540</u>	<u>611,036</u>
NET POSITION				
Investment in Capital Assets	1,978,651	5,249,184	7,227,835	7,289,317
Restricted for Emergencies	225,000	-	225,000	222,000
Restricted for Cemetery Care	254,886	-	254,886	245,154
Unrestricted	3,318,076	10,057,580	13,375,656	12,592,431
TOTAL NET POSITION	<u>\$ 5,776,613</u>	<u>\$ 15,306,764</u>	<u>\$ 21,083,377</u>	<u>\$ 20,348,902</u>

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

CITY OF FLORENCE , COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2019

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 901,013	\$ 116,349	\$ 14,294	\$ -
Public Safety	1,428,017	84,455	-	129,157
Public Works	896,884	172,133	-	715,631
Planning	221,490	-	-	-
Parks and Recreation	145,357	54,760	-	44,954
Interest on Long-Term Debt	-	-	-	-
Total Governmental Activities	<u>3,592,761</u>	<u>427,697</u>	<u>14,294</u>	<u>889,742</u>
Business-Type Activities				
Water	2,914,810	3,728,218	-	112,590
Interest on Long-Term Debt	<u>635,366</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Business-Type Activities	<u>3,550,176</u>	<u>3,728,218</u>	<u>-</u>	<u>112,590</u>
Total Primary Government	<u>\$ 7,142,937</u>	<u>\$ 4,155,915</u>	<u>\$ 14,294</u>	<u>\$ 1,002,332</u>

GENERAL REVENUES

Sales Taxes
Property Taxes
Specific Ownership Taxes
Franchise Taxes
Other Taxes
Interest
Other
Transfers

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning, as Restated

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
		2019	2018
\$ (770,370)	\$ -	\$ (770,370)	\$ (575,730)
(1,214,405)	-	(1,214,405)	(1,063,697)
(9,120)	-	(9,120)	(664,666)
(221,490)	-	(221,490)	(191,387)
(45,643)	-	(45,643)	(58,085)
-	-	-	(3,217)
<u>(2,261,028)</u>	<u>-</u>	<u>(2,261,028)</u>	<u>(2,556,782)</u>
-	925,998	925,998	1,241,551
-	(635,366)	(635,366)	(653,184)
<u>-</u>	<u>290,632</u>	<u>290,632</u>	<u>588,367</u>
(2,261,028)	290,632	(1,970,396)	(1,968,415)
1,020,712	-	1,020,712	1,016,541
554,579	-	554,579	527,809
100,083	-	100,083	114,712
185,698	-	185,698	214,138
258,685	-	258,685	10,424
64,676	194,726	259,402	229,886
302,278	23,434	325,712	360,119
318,851	(318,851)	-	-
<u>2,805,562</u>	<u>(100,691)</u>	<u>2,704,871</u>	<u>2,473,629</u>
544,534	189,941	734,475	505,214
<u>5,232,079</u>	<u>15,116,823</u>	<u>20,348,902</u>	<u>19,843,688</u>
<u>\$ 5,776,613</u>	<u>\$ 15,306,764</u>	<u>\$ 21,083,377</u>	<u>\$ 20,348,902</u>

CITY OF FLORENCE, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2019

	GENERAL FUND	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
			2019	2018
ASSETS				
Cash and Investments	\$ 1,743,708	\$ 1,640,697	\$ 3,384,405	\$ 3,019,760
Restricted Cash and Investments	86,068	-	86,068	84,082
Taxes Receivable	605,690	-	605,690	552,393
Accounts Receivable	104,054	35,022	139,076	263,336
Employee Advances	-	-	-	1,550
TOTAL ASSETS	\$ 2,539,520	\$ 1,675,719	\$ 4,215,239	\$ 3,921,121
LIABILITIES AND FUND EQUITY				
LIABILITIES				
Accounts Payable	\$ 27,514	\$ 631	\$ 28,145	\$ 59,689
Accrued Expenses	32,676	-	32,676	69,358
Unearned Revenues	5,602	-	5,602	7,611
Deposits and Escrow	-	-	-	300
TOTAL LIABILITIES	65,792	631	66,423	136,958
DEFERRED INFLOWS				
Deferred Revenues	605,690	-	605,690	552,393
Fund Balance				
Nondisposable	-	-	-	1,550
Restricted	225,000	1,094,911	1,319,911	1,536,914
Assigned	278,877	580,177	859,054	383,521
Unassigned	1,364,161	-	1,364,161	1,309,785
TOTAL FUND EQUITY	1,868,038	1,675,088	3,543,126	3,231,770
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY	\$ 2,539,520	\$ 1,675,719		

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

Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.

1,948,856 1,859,974

Long-term liabilities and related assets are not due and payable in the current period and are not reported in the funds. This includes Capital Leases (\$15,162), Accrued Compensated Absences (\$11,213), Net Pension Liability (\$113,889), Deferred Outflows Related to Pensions of \$434,745, and Deferred Inflows Related to Pensions of (\$9,850).

284,631 140,335

Net position of governmental activities

\$ 5,776,613 \$ 5,232,079

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

CITY OF FLORENCE, COLORADO

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

	GENERAL FUND	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS	
			2019	2018
REVENUES				
Taxes	\$ 1,632,172	\$ 228,899	\$ 1,861,071	\$ 1,873,199
Licenses and Permits	92,771	-	92,771	75,819
Intergovernmental	311,042	95,384	406,426	326,392
Charges for Services	196,211	54,760	250,971	246,984
Fines and Forfeitures	84,455	-	84,455	85,749
Sale of Assets	258,685	-	258,685	313,745
Interest	30,698	33,978	64,676	45,130
Miscellaneous	302,278	497,111	799,389	369,007
TOTAL REVENUES	2,908,312	910,132	3,818,444	3,336,025
EXPENDITURES				
General Government	772,041	-	772,041	832,767
Public Safety	1,560,714	-	1,560,714	1,430,375
Public Works	614,169	-	614,169	665,770
Planning	221,490	-	221,490	191,387
Parks and Recreation	65,971	100,401	166,372	187,602
Debt Service				
Principal	-	-	-	27,591
Interest	-	-	-	3,217
Capital Outlay	-	491,153	491,153	209,603
TOTAL EXPENDITURES	3,234,385	591,554	3,825,939	3,548,312
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(326,073)	318,578	(7,495)	(212,287)
OTHER FINANCING USES				
Transfer In	381,899	12,927	394,826	427,817
Transfer Out	-	(75,975)	(75,975)	(21,025)
TOTAL OTHER FINANCING USES	381,899	(63,048)	318,851	406,792
NET CHANGE IN FUND BALANCES	55,826	255,530	311,356	194,505
FUND BALANCES, Beginning	1,812,212	1,419,558	3,231,770	3,037,265
FUND BALANCES, Ending	<u>\$ 1,868,038</u>	<u>\$ 1,675,088</u>	<u>\$ 3,543,126</u>	<u>\$ 3,231,770</u>

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

CITY OF FLORENCE, COLORADO

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

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 311,356
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay \$535,648, exceeded depreciation (\$446,766) in the current period.	88,882
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include a payments of Capital Leases \$29,124 and change in accrued compensated absences \$62,129.	91,253
Deferred Charges related to pension are not recognized in the governmental funds. However, for the government-wide funds that amount is capitalized and amortized.	<u>53,043</u>
Change in Net Position of Governmental Activities	<u><u>\$ 544,534</u></u>

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

CITY OF FLORENCE, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 As of December 31, 2019

ASSETS	2019	2018
Current Assets		
Investments	\$ 8,788,057	\$ 7,565,610
Restricted Investments	1,149,722	1,805,413
Accounts Receivable	86,386	273,810
Inventory	88,005	83,174
	<u>10,112,170</u>	<u>9,728,007</u>
Noncurrent Assets		
Capital Assets, net of accumulated depreciation	21,619,213	22,778,182
	<u>21,619,213</u>	<u>22,778,182</u>
	<u>31,731,383</u>	<u>32,506,189</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	36,888	81,854
Accrued Expenses	3,072	7,558
Accrued Interest Payable	55,577	55,577
Notes Payable, Current	922,223	906,822
	<u>1,017,760</u>	<u>1,051,811</u>
Noncurrent Liabilities		
Deposits	4,208	4,208
Accrued Compensated Absences	10,422	8,365
Notes Payable, Long Term	15,392,229	16,324,982
	<u>15,406,859</u>	<u>16,337,555</u>
	<u>16,424,619</u>	<u>17,389,366</u>
NET POSITION		
Investment in Capital Assets	5,249,184	5,490,801
Unrestricted	10,057,580	9,626,022
	<u>\$ 15,306,764</u>	<u>\$ 15,116,823</u>

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

CITY OF FLORENCE, COLORADO

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

	<u>2019</u>	<u>2018</u>
OPERATING REVENUES		
Charges for Services	\$ 2,358,584	\$ 2,537,725
Debt Retirement	1,369,634	1,547,138
Other Revenues	<u>23,434</u>	<u>4,012</u>
TOTAL OPERATING REVENUES	<u>3,751,652</u>	<u>4,088,875</u>
OPERATING EXPENSES		
Administration	351,274	59,989
Water System	1,320,578	1,582,446
Depreciation	1,242,958	1,254,491
Capital Outlay	<u>-</u>	<u>33,578</u>
TOTAL OPERATING EXPENSES	<u>2,914,810</u>	<u>2,930,504</u>
OPERATING INCOME (LOSS)	<u>836,842</u>	<u>1,158,371</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest Income	194,726	184,756
Transfers In	-	-
Transfers Out	(318,851)	(406,792)
Interest Expense	<u>(635,366)</u>	<u>(653,184)</u>
TOTAL NON-OPERATING REVENUES (EXPENSES)	<u>(759,491)</u>	<u>(875,220)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	<u>77,351</u>	<u>283,151</u>
Tap Fees and Capital Contributions	<u>112,590</u>	<u>87,192</u>
NET INCOME	189,941	370,343
NET POSITION, Beginning	<u>15,116,823</u>	<u>14,746,480</u>
NET POSITION, Ending	<u>\$ 15,306,764</u>	<u>\$ 15,116,823</u>

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

CITY OF FLORENCE, COLORADO

STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPE

Year Ended December 31, 2019

Increase (Decrease) in Cash and Cash Equivalents

	<u>2019</u>	<u>2018</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 3,938,344	\$ 4,029,778
Cash Paid to Suppliers	(1,426,221)	(1,058,607)
Cash Paid to Employees	(287,327)	(287,327)
Net Cash Provided (Used) by Operating Activities	<u>2,224,796</u>	<u>2,683,844</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
Sale (Purchase) of Investments	(566,756)	466,632
Transfer to Other Funds	(318,851)	(953,312)
Net Cash Provided by NonCapital and Related Financing Activities	<u>(885,607)</u>	<u>(486,680)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of Capital Assets	(94,519)	(916,704)
Principal Payments on Long Term Debt	(906,090)	(888,694)
Interest Payments	(645,896)	(663,714)
Tap Fees and Capital Contributions	112,590	87,192
Net Cash Used by Capital and Related Financing Activities	<u>(1,533,915)</u>	<u>(2,381,920)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	<u>194,726</u>	<u>184,756</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-
CASH AND CASH EQUIVALENTS, Beginning	<u>-</u>	<u>-</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income	\$ 836,842	\$ 1,704,891
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities		
Depreciation	1,253,488	1,254,491
Changes in Assets and Liabilities		
Accounts Receivable	186,692	(59,097)
Inventory	(4,831)	(48,722)
Accounts Payable	(44,966)	(136,047)
Retainage Payable	-	(30,425)
Accrued Expenses	(4,486)	(1,247)
Compensated Absences	2,057	-
Total Adjustments	<u>1,387,954</u>	<u>978,953</u>
Net Cash Provided by Operating Activities	<u>\$ 2,224,796</u>	<u>\$ 2,683,844</u>

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

CITY OF FLORENCE, COLORADO

STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND- SCHOOL DEDICATION FEES
December 31, 2019

	<u>Agency Fund</u>
ASSETS	
Cash and Investments	<u>\$ 18,369</u>
LIABILITIES	
Due to School District	<u>\$ 18,369</u>

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

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Florence, Colorado was founded in 1887. The City is governed by a City Manager and seven-member council (including the Mayor) elected by the residents.

The accounting policies of the City of Florence, Colorado (the “City”) conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the City of Florence has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The City is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if City officials appoint a voting majority of the organization’s governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. The City may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the City does not include additional organizations in its reporting entity.

Government-Wide and Fund Financial Statements

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

The statement of activities demonstrates the degree to which the direct expenses of the 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 applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

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

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

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

The City reports the following major proprietary fund:

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

CITY OF FLORENCE, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the City reports the following fund type:

Permanent Fund – The *Perpetual Care Reserve Fund* accounts for the activities of the City cemetery, including the sale of plots and maintenance.

Agency Fund – The *School Dedication Fees Agency Fund* accounts for funds dedicated to the City's School District. The City holds all assets in a purely custodial capacity.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

Inventory

Inventories are recorded under the cost method. These items are recorded as expenditures when purchased throughout the year to facilitate budgetary comparisons.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property and equipment of the City is depreciated using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10 - 30 years
Plant	5 - 50 years
Distribution System	20 - 72 years
Machinery and Equipment	3 - 10 years
Infrastructure	10 years

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Outflows/Inflows of Resources

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

In addition to the liabilities, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position and fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

Employees of the City accrue vacation time based on years of service. Employees are allowed to accumulate unused vacation time up their annual accrual and a maximum of 480 hours of unused sick time. Upon termination of employment from the City, employees will be compensated for all accrued vacation time at their current pay rate. Employees are not compensated for any of their accrued sick time.

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

CITY OF FLORENCE, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Position

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represent assets that do not have any third-party limitation on their use. While City management may have categorized and segmented portion for various purposes, the City Council has the unrestricted authority to revisit or alter these managerial decisions.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The City did not report any committed fund balances of December 31, 2019.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The City has classified the following amounts as restricted as of December 31, 2019:

Emergency Reserves	\$	225,000
Parks and Recreation		735,011
Capital Projects		105,014
Cemetery Care		<u>254,886</u>
Total		<u>\$ 1,319,911</u>

CITY OF FLORENCE, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The City did not report any committed fund balances of December 31, 2019.

- Assigned – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. Assigned amounts represent intended uses established by City Council or a City official delegated that City by City Charter or ordinance.

The City has classified the following amounts as assigned as of December 31, 2019:

Equipment Replacement	\$ 15,382
Capital Improvements	292,632
Capital Projects	45,625
Community Projects	45,104
Cemetery Construction	<u>489,448</u>
Total	<u>\$ 888,191</u>

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The City would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources.

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

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

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

- Prior to September 30, the City staff submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.
- The City Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council.

CITY OF FLORENCE, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2019

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

- Budgets are legally adopted for all funds of the City. Budgets for the General, Conservation Trust, and Cemetery Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparisons presented for the Utility Fund is presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the City Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations by fund.

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2019 follows:

Petty Cash	\$ 300
Deposits	2,758,074
Investments	<u>10,668,247</u>
Total	<u>\$ 13,426,621</u>

The above amounts are classified in the statement of Net Position as follows:

Governmental Activities	\$ 3,470,473
Business-Type Activities	9,937,779
Agency Fund	<u>18,369</u>
Total	<u>\$ 13,426,621</u>

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2019, State regulatory commissioners have indicated that all financial institutions holding deposits for the City are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The City has no policy regarding custodial credit risk for deposits.

At December 31, 2019, the City had deposits with financial institutions with a carrying amount of \$2,758,074. The bank balances with the financial institutions were \$2,711,562. Of these balances, \$611,627 was covered by federal depository insurance and \$2,099,935 was covered by collateral held by authorized escrow agents in the financial institution's name (PDPA).

Investments

Interest Rate Risk

The City does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

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

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

CITY OF FLORENCE, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Investments (Continued)

The above investments are authorized for all funds and fund types used by Colorado municipalities.

Local Government Investment Pools

The City had invested \$10,668,247 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned 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 the entities.

ColoTrust is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables, and payables.

Fair Value

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. At December 31, 2019, the City does not hold any investments that required fair value categorization.

Restricted Cash and Investments

Cash and investments in the amount of \$86,068 is restricted in the General Fund for the City's emergency reserve and \$1,149,722 is restricted in the Water Fund for payment of debt service and capital projects.

CITY OF FLORENCE, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2019 is summarized below:

	Balances <u>12/31/18</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/19</u>
Governmental Activities				
Capital Assets, not depreciated				
Land	\$ 125,693	\$ -	\$ -	\$ 125,693
Easements	<u>5,935</u>	<u>-</u>	<u>-</u>	<u>5,935</u>
Total Capital Assets, not depreciated	<u>131,628</u>	<u>-</u>	<u>-</u>	<u>131,628</u>
Capital Assets, depreciated				
Buildings and Improvements	2,232,425	-	-	2,232,425
Pool	611,460	-	-	611,460
Machinery and Equipment	1,000,957	180,791	-	1,181,748
Infrastructure	<u>1,592,417</u>	<u>354,857</u>	<u>-</u>	<u>1,947,274</u>
Total Capital Assets, depreciated	<u>5,437,259</u>	<u>535,648</u>	<u>-</u>	<u>5,972,907</u>
Less Accumulated Depreciation				
Buildings and Improvements	1,464,962	137,747	-	1,602,709
Pool	455,915	26,782	-	482,697
Machinery and Equipment	778,277	110,860	-	889,137
Infrastructure	<u>1,009,759</u>	<u>171,377</u>	<u>-</u>	<u>1,181,136</u>
Total Accumulated Depreciation	<u>3,708,913</u>	<u>446,766</u>	<u>-</u>	<u>4,155,679</u>
Total Capital Assets, depreciated, Net	<u>1,728,346</u>	<u>88,882</u>	<u>-</u>	<u>1,817,228</u>
Governmental Activities, Capital Assets, Net	<u>\$ 1,859,974</u>	<u>\$ 88,882</u>	<u>\$ -</u>	<u>\$ 1,948,856</u>

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

Governmental Activities	
General Government	\$ 128,972
Public Safety	56,094
Public Works	200,104
Parks and Recreation	<u>61,596</u>
Total	<u>\$ 446,766</u>

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 4: CAPITAL ASSETS (Continued)

	Balances <u>12/31/18</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/19</u>
Business-Type Activities				
Capital Assets, not depreciated				
Land	\$ 79,425	\$ -	\$ -	\$ 79,425
Water Rights	563,889	-	-	563,889
Construction in Process	<u>1,317,571</u>	<u>-</u>	<u>1,317,571</u>	<u>-</u>
Total Capital Assets, not depreciated	<u>1,960,885</u>	<u>-</u>	<u>1,317,571</u>	<u>643,314</u>
Capital Assets, depreciated				
Water Treatment Plant	4,590,280	26,044	-	4,616,324
Transmission and Distribution	7,499,542	-	-	7,499,542
Regional Assets	26,796,308	1,342,571	-	28,138,879
Machinery and Equipment	<u>2,219,285</u>	<u>32,945</u>	<u>-</u>	<u>2,252,230</u>
Total Capital Assets, depreciated	<u>40,105,415</u>	<u>1,401,560</u>	<u>-</u>	<u>42,506,975</u>
Less: Accumulated Depreciation				
Water Treatment Plant	3,031,465	163,703	-	3,195,168
Transmission and Distribution	4,595,137	255,357	-	4,850,494
Regional Assets	11,196,317	759,840	-	11,956,157
Machinery and Equipment	<u>1,465,199</u>	<u>64,058</u>	<u>-</u>	<u>1,529,257</u>
Total Accumulated Depreciation	<u>20,288,118</u>	<u>1,242,958</u>	<u>-</u>	<u>21,531,076</u>
Total Capital Assets, depreciated, Net	<u>20,817,297</u>	<u>158,602</u>	<u>-</u>	<u>20,975,899</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 22,778,182</u>	<u>\$ 158,602</u>	<u>\$ 1,317,571</u>	<u>\$ 21,619,213</u>

NOTE 5: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2019.

	Balance <u>12/31/18</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/19</u>	Due In <u>One Year</u>
Capital Leases	\$ 44,286	\$ -	\$ 29,124	\$ 15,162	\$ 15,162
Accrued Compensated Absences	<u>73,342</u>	<u>-</u>	<u>62,129</u>	<u>11,213</u>	<u>-</u>
Total	<u>\$ 117,628</u>	<u>\$ -</u>	<u>\$ 91,253</u>	<u>\$ 26,375</u>	<u>\$ 15,162</u>

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

CITY OF FLORENCE, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 5: LONG-TERM DEBT(Continued)

Capital Leases

The City has entered into a capital lease agreement to purchase equipment which will be paid from revenues of the General Fund. This lease requires a monthly payment of \$2,567 including interest of 5.42%. The lease matures in June 2020.

Future Debt Service Requirements

Following is a schedule of the future minimum lease payments required under the capital lease obligation at December 31, 2019:

Year Ended December 31,

2020	\$ <u>15,404</u>
Less: Interest	_____ (242)
Present Value of Minimum Lease Payments	\$ <u>15,162</u>

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2019.

	Balance <u>12/31/18</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/19</u>	Due In <u>One Year</u>
2003 CWRPDA Loan	\$ 5,026,796	\$ -	\$ 714,144	\$ 4,312,652	\$ 728,038
2005 CWRPDA Loan	332,318	-	42,678	289,640	44,185
2009 CWRPDA Loan	1,100,000	-	100,000	1,000,000	100,000
Refunding Bond Series 2013A	9,710,000	-	20,000	9,690,000	20,000
Refunding Bond Series 2013B	910,000	-	30,000	880,000	30,000
Bond Premium	152,690	-	10,530	142,160	-
Compensated Absences	<u>8,365</u>	<u>2,057</u>	<u>-</u>	<u>10,422</u>	<u>-</u>
Total	<u>\$ 17,240,169</u>	<u>\$ 2,057</u>	<u>\$ 917,352</u>	<u>\$ 16,324,874</u>	<u>\$ 922,223</u>

CITY OF FLORENCE, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 5: LONG-TERM DEBT(Continued)

Loans Payable

2003 Colorado Water Resources and Power Development City (CWRPDA) Loan

Proceeds from this loan were used to finance projects related to the City's water facilities. Principal and interest payments are due semi-annually on June 1 and December 1. Interest accrues at 3.51%. This loan matures on June 1, 2025.

2005 Colorado Water Resources and Power Development City (CWRPDA) Loan

Proceeds from this loan were used to finance the City's water resource project. Principal and interest payments are due semi-annually on June 1 and December 1. Interest accrues at 3.5%. This loan matures on December 1, 2025.

2009 Colorado Water Resources and Power Development City (CWRPDA) Loan

Proceeds from this loan were used to finance the drilling and construction of wells, transmission lines and controls. This is an interest free ARRA loan. Principal payments are due semi-annually on June 1 and December 1. This loan matures on December 1, 2029.

Bonds Payable

Water Revenue Refunding Bonds Series 2013A and 2013B

Proceeds from these bonds were used to fully refund the City's 2013A Water Revenue Refunding Bonds Series 2003A and to finance the construction and acquisition of water capital projects. Interest payments are due semi-annually on June 1 and December 1 and principal payments are due annually on December 1 beginning in 2016. Interest rates range from 3% to 5%. The 2013A bonds mature in December 2033 and the 2013B bonds mature in December 2026.

CITY OF FLORENCE, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2019

NOTE 5: LONG-TERM DEBT (Continued)

Future Debt Service Requirements

Annual debt service requirements for the outstanding loans and bonds at December 31, 2018 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 922,222	\$ 667,968	\$ 1,590,190
2021	940,455	648,560	1,589,015
2022	966,523	627,777	1,594,300
2023	1,003,762	589,965	1,593,727
2024	1,080,510	524,674	1,605,184
2025-2029	5,943,820	1,879,158	7,822,978
2030-2033	<u>5,315,000</u>	<u>637,500</u>	<u>5,952,500</u>
Total Debt Service Requirements	<u>\$16,172,292</u>	<u>\$ 5,575,602</u>	<u>21,747,894</u>

NOTE 6: INTERFUND TRANSFERS

Interfund transfers for the year ended December 31, 2019, were comprised of the following:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Pool, Park and Recreation Fund	General Fund	\$ 701
Capital Projects Fund	General Fund	6,017
Perpetual Care Fund	General Fund	6,209
General Fund	Conservation Trust Fund	75,975
General Fund	Water Fund	<u>318,851</u>
Total		<u>\$ 407,753</u>

The General Fund transferred funds to the Pool, Park and Recreation Fund, Capital Projects Fund, and Perpetual Care Fund to subsidize operations in those funds. The Conservation Trust Fund and the Water Fund transferred funds to the General Fund to reimburse the General Fund for capital expenditures and administrative costs.

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 7: DEFINED BENEFIT PENSION PLANS

Statewide Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The City contributes to the Statewide Defined Benefit Pension Plan (“SWDB Plan”), a cost-sharing multiple employer defined benefit pension plan, which is administered by the 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. That report may be obtained on FPPA’s website at <http://www.fppaco.org>.

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

The annual normal retirement benefit is 2 percent of the average of the member’s highest three years’ base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually.

Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the 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 credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution.

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

General Information about the Pension Plan (Continued)

Alternatively, a member with a least five years of accredited service may leave contributions with the SWDP 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. 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 10.0 percent and 8 percent, respectively, of base salary for a total contribution rate of 18.0 percent in 2017. In 2014, the members elected to increase the member contribution rate to the SWDB Plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 21.5 percent of base salary in 2017. 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 and 4 percent, respectively, of base salary for a total contribution rate of 9 percent in 2017. Per the 2014 member election, members of the affiliate social security group will have 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, 2018, the City reported a liability in the amount of \$113,889 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2019. The City's proportion of the net pension asset was based on the City's contributions to the SWDB Plan for the calendar year 2018 relative to the total contributions of participating employers to the SWDB Plan.

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

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

At December 31, 2019, the City's proportion was 0.09008%, which was a decrease of 0.00906% from its proportion measured as of December 31, 2018.

For the year ended December 31, 2019 the City recognized a pension expense of \$23,742. At December 31, 2019, the City 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	\$146,338	\$1,217
Net difference between projected and actual earnings on pension plan investments	\$89,591	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$11,733	\$8,633
Change in assumptions and other inputs	\$110,298	N/A
Contributions subsequent to the measurement date	\$76,785	N/A
Total	\$434,745	\$9,850

\$76,785 reported as deferred outflows of resources related to contributions made subsequent to the measurement date but before the end of the City's reporting period, will be recognized as a reduction of the net pension liability in the year December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	
2019	\$65,578
2020	\$46,875
2021	\$39,939
2022	\$65,994
2023	\$32,198
Thereafter	\$97,526

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

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

Actuarial assumptions. The actuarial valuations for the SWBP 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 assumptions and other inputs:

Total Pension Liability:

Actuarial Valuation Date	January 1, 2019
Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term investment Rate of Return*	7.00 percent
Projected salary increases*	4.25 – 11.25 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2.5%	

Actuarially Determined Contributions:

Actuarial Valuation Date	January 1, 2018
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term investment Rate of Return*	7.50 percent
Projected salary increases*	4.0 – 14.0 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 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 the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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.

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

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

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 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%
Illiquid Alternatives	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	100.0%	

The discount rate used to measure the total pension liability was 7.50 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 payment) to determine the total pension liability.

CITY OF FLORENCE, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2019

NOTE 7: DEFINED BENEFIT PENSION PLANS (Continued)

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.71% (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%.

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate. Regarding the sensitivity of the net asset liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability (asset)	\$441,649	\$113,889	(\$157,981)

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 <http://www.fppaco.org>.

NOTE 8: OTHER RETIREMENT COMMITMENTS

Deferred 457 Compensation Plan

The City has a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. Participation in the Plan is optional for employees. The City matches the contribution of participating employees up to 3% after the employee has been employed at the City for one year. The City's contributions to the Plan during the years ended December 31, 2019 and 2018, were \$25,900 and \$23,600, respectively. The Plan is administered by One America.

CITY OF FLORENCE, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2019

NOTE 9: PUBLIC ENTITY RISK POOL

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the City is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers' compensation coverages and to assist members in preventing and reducing losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 10: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 1994, voters within the City approved the collection, retention and expenditure of State grants, all sales and use taxes and all other revenue generated by the City in 1995 and subsequent years without limitation, notwithstanding the provisions of the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2018, the emergency reserve of \$225,000 was recorded as a restriction of fund balance in the General Fund.

CITY OF FLORENCE, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2019

NOTE 11: SUBSEQUENT EVENTS

Potential subsequent events were considered through July 27, 2020. It was determined that the following event is required to be disclosed through this date.

Covid-19

As a result of the coronavirus pandemic (COVID-19), economic uncertainties may have economic implications on the financial position, results of operations and cash flows of the City. The duration of these uncertainties and the ultimate financial effects cannot be estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF FLORENCE, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2019

	2019			VARIANCE	2018 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Taxes	\$ 1,622,143	\$ 1,623,493	\$ 1,632,172	\$ 8,679	\$ 1,678,561
Licenses and Permits	78,400	78,400	92,771	14,371	75,819
Intergovernmental	193,600	193,600	311,042	117,442	190,650
Charges for Services	185,000	185,000	196,211	11,211	195,614
Fines and Forfeitures	130,050	130,050	84,455	(45,595)	85,749
Sale of Assets	125,250	125,100	258,685	133,585	313,745
Interest	31,960	37,460	30,698	(6,762)	20,361
Miscellaneous	325,600	436,750	302,278	(134,472)	369,007
TOTAL REVENUES	<u>2,692,003</u>	<u>2,809,853</u>	<u>2,908,312</u>	<u>98,459</u>	<u>2,929,506</u>
EXPENDITURES					
Current					
General Government	1,168,710	898,110	772,041	126,069	830,042
Public Safety	1,025,350	1,348,950	1,560,714	(211,764)	1,430,375
Public Works	825,320	819,920	614,169	205,751	665,770
Planning	137,450	137,450	221,490	(84,040)	191,387
Parks and Recreation	87,770	87,770	65,971	21,799	64,787
Capital Outlay	-	-	-	-	51,119
Debt Service					
Principal	-	-	-	-	27,591
Interest	-	-	-	-	3,217
TOTAL EXPENDITURES	<u>3,244,600</u>	<u>3,292,200</u>	<u>3,234,385</u>	<u>57,815</u>	<u>3,264,288</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(552,597)</u>	<u>(482,347)</u>	<u>(326,073)</u>	<u>156,274</u>	<u>(334,782)</u>
OTHER FINANCING SOURCES (USES)					
Loan Received	-	28,617	-	(28,617)	-
Transfer In	591,000	480,000	381,899	(98,101)	415,817
Transfer Out	-	-	-	-	(12,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>591,000</u>	<u>480,000</u>	<u>381,899</u>	<u>(98,101)</u>	<u>403,817</u>
NET CHANGE IN FUND BALANCE	38,403	(2,347)	55,826	58,173	69,035
FUND BALANCE, Beginning	<u>1,868,038</u>	<u>1,868,038</u>	<u>1,812,212</u>	<u>(55,826)</u>	<u>1,743,177</u>
FUND BALANCE, Ending	<u>\$ 1,906,441</u>	<u>\$ 1,865,691</u>	<u>\$ 1,868,038</u>	<u>\$ 2,347</u>	<u>\$ 1,812,212</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
City's proportionate share of the Net Pension Liability (Asset)	0.087%	0.091%	0.099%	0.095%	0.099%	0.090%
City's proportionate share of the Net Pension Liability (Asset)	\$(102,775)	\$ (77,479)	\$ (1,742)	\$ 34,380	\$(142,635)	\$ 113,889
City's covered payroll	\$ 355,764	\$ 388,051	\$ 469,653	\$ 439,514	\$ 555,473	\$ 555,473
City's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered payroll	-28.89%	-19.97%	-0.37%	7.82%	-25.68%	20.50%
Plan fiduciary net position as a percentage of the total pension liability	106.80%	105.80%	100.10%	98.20%	106.30%	106.30%

Notes:

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

SCHEDULE OF THE CITY'S CONTRIBUTIONS
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Statutorily required contributions	\$ 30,108	\$ 32,758	\$ 37,852	\$ 36,899	\$ 46,393	\$ 48,274	\$ 48,382
Contributions in relation to the Statutorily required contributions	<u>30,108</u>	<u>32,758</u>	<u>37,852</u>	<u>36,899</u>	<u>46,393</u>	<u>48,274</u>	<u>48,382</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered payroll	\$ 355,764	\$ 388,051	\$ 469,653	\$ 439,514	\$ 555,473	\$ 579,258	\$ 580,095
Contributions as a percentage of covered payroll	8.46%	8.44%	8.06%	8.40%	8.35%	8.33%	8.34%

Notes:

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

CITY OF FLORENCE, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2019

	SPECIAL REVENUE FUNDS				PERMANENT
	CONSERVATION TRUST FUND	POOL, PARK AND RECREATION FUND	CAPITAL PROJECTS FUND	STREET IMPROVEMENT FUND	FUND PERPETUAL CARE RESERVE FUND
ASSETS					
Cash and Investments	\$ 107,086	\$ 628,052	\$ 580,177	\$ 70,496	\$ 254,886
Accounts Receivable	-	-	-	35,022	-
TOTAL ASSETS	<u>\$ 107,086</u>	<u>\$ 628,052</u>	<u>\$ 580,177</u>	<u>\$ 105,518</u>	<u>\$ 254,886</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ 127	\$ -	\$ 504	\$ -
FUND EQUITY					
Fund Balance					
Restricted for Cemetery Care	\$ -	\$ -	\$ -	\$ -	\$ 254,886
Restricted for Park and Recreation	107,086	627,925	-	-	-
Restricted for Capital Projects	-	-	-	105,014	-
Assigned for Community Projects	-	-	-	-	-
Assigned for Cemetery Construction	-	-	-	-	-
Assigned for Capital Projects	-	-	580,177	-	-
TOTAL FUND EQUITY	<u>107,086</u>	<u>627,925</u>	<u>580,177</u>	<u>105,014</u>	<u>254,886</u>
TOTAL LIABILITIES AND FUND EQUITY	<u>\$ 107,086</u>	<u>\$ 628,052</u>	<u>\$ 580,177</u>	<u>\$ 105,518</u>	<u>\$ 254,886</u>

See the accompanying independent auditors' report.

TOTALS

<u>2019</u>	<u>2018</u>
\$ 1,640,697	\$ 1,338,960
<u>35,022</u>	<u>93,933</u>
<u>\$ 1,675,719</u>	<u>\$ 1,432,893</u>

<u>\$ 631</u>	<u>\$ 13,335</u>
---------------	------------------

\$ 254,886	\$ 245,154
735,011	791,522
105,014	278,238
-	44,088
-	51,104
<u>580,177</u>	<u>9,452</u>

<u>1,675,088</u>	<u>1,419,558</u>
------------------	------------------

<u>\$ 1,675,719</u>	<u>\$ 1,432,893</u>
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CITY OF FLORENCE, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2019

	<u>SPECIAL REVENUE FUNDS</u>				<u>PERMANENT</u>
	<u>CONSERVATION</u>	<u>POOL, PARK</u>	<u>CAPITAL</u>	<u>STREET</u>	<u>FUND</u>
	<u>TRUST</u>	<u>AND RECREATION</u>	<u>PROJECTS</u>	<u>IMPROVEMENT</u>	<u>CARE RESERVE</u>
	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>
REVENUES					
Sales and Use Taxes	\$ -	\$ -	\$ -	\$ 228,899	\$ -
Intergovernmental	44,954	-	50,430	-	-
Charges for Services	-	54,760	-	-	-
Interest	883	18,567	4,585	6,420	3,523
Miscellaneous	-	-	497,111	-	-
TOTAL REVENUES	<u>45,837</u>	<u>73,327</u>	<u>552,126</u>	<u>235,319</u>	<u>3,523</u>
EXPENDITURES					
General Government	-	-	-	-	-
Parks and Recreation	-	100,401	-	-	-
Capital Outlay	-	-	82,610	408,543	-
TOTAL EXPENDITURES	<u>-</u>	<u>100,401</u>	<u>82,610</u>	<u>408,543</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>45,837</u>	<u>(27,074)</u>	<u>469,516</u>	<u>(173,224)</u>	<u>3,523</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	-	701	6,017	-	6,209
Transfers Out	(75,975)	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(75,975)</u>	<u>701</u>	<u>6,017</u>	<u>-</u>	<u>6,209</u>
NET CHANGE IN FUND BALANCES	(30,138)	(26,373)	475,533	(173,224)	9,732
FUND BALANCES, Beginning	<u>137,224</u>	<u>654,298</u>	<u>104,644</u>	<u>278,238</u>	<u>245,154</u>
FUND BALANCES, Ending	<u>\$ 107,086</u>	<u>\$ 627,925</u>	<u>\$ 580,177</u>	<u>\$ 105,014</u>	<u>\$ 254,886</u>

See the accompanying independent auditors' report.

TOTALS

<u>2019</u>	<u>2018</u>
\$ 228,899	\$ 194,638
95,384	135,742
54,760	51,370
33,978	24,769
<u>497,111</u>	<u>-</u>
<u>910,132</u>	<u>406,519</u>
-	2,725
100,401	122,815
491,153	158,484
<u>591,554</u>	<u>284,024</u>
<u>318,578</u>	<u>122,495</u>
12,927	12,000
<u>(75,975)</u>	<u>(9,025)</u>
<u>(63,048)</u>	<u>2,975</u>
255,530	125,470
<u>1,419,558</u>	<u>1,294,088</u>
<u>\$ 1,675,088</u>	<u>\$ 1,419,558</u>

CITY OF FLORENCE, COLORADO

CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2019

	2019		VARIANCE Positive (Negative)	2018 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Intergovernmental	\$ 45,000	\$ 44,954	\$ (46)	\$ 39,691
Interest	1,000	883	(117)	1,745
TOTAL REVENUES	<u>46,000</u>	<u>45,837</u>	<u>(163)</u>	<u>41,436</u>
EXPENDITURES				
Parks and Recreation	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>46,000</u>	<u>45,837</u>	<u>(163)</u>	<u>41,436</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(45,000)</u>	<u>(75,975)</u>	<u>(30,975)</u>	<u>(9,025)</u>
NET CHANGE IN FUND BALANCE	1,000	(30,138)	(31,138)	32,411
FUND BALANCE, Beginning	<u>137,224</u>	<u>137,224</u>	-	<u>104,813</u>
FUND BALANCE, Ending	<u>\$ 138,224</u>	<u>\$ 107,086</u>	<u>\$ (31,138)</u>	<u>\$ 137,224</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

POOL, PARK AND RECREATION FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2019

	2019			VARIANCE Positive (Negative)	2018 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		
REVENUES					
Sales and Use Tax	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for Services	53,050	53,050	54,760	1,710	51,370
Interest	7,000	8,500	18,567	10,067	14,102
Other	-	-	-	-	-
TOTAL REVENUES	60,050	61,550	73,327	11,777	65,472
EXPENDITURES					
Parks and Recreation	96,850	151,850	100,401	51,449	122,815
TOTAL EXPENDITURES	96,850	151,850	100,401	51,449	122,815
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(36,800)	(90,300)	(27,074)	63,226	(57,343)
OTHER FINANCING SOURCES					
Transfer In	43,800	47,800	-	(47,800)	978
Transfer Out	(5,000)	-	701	701	978
NET CHANGE IN FUND BALANCE	(41,800)	(90,300)	(26,373)	63,927	(56,365)
FUND BALANCE, Beginning	654,298	654,298	654,298	-	710,663
FUND BALANCE, Ending	<u>\$ 612,498</u>	<u>\$ 563,998</u>	<u>\$ 627,925</u>	<u>\$ 63,927</u>	<u>\$ 654,298</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

CAPITAL PROJECTS FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2019

	2019			VARIANCE	2018 ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	Positive (Negative)	
REVENUES					
Intergovernmental	\$ 50,003	\$ 50,003	\$ 50,430	\$ 427	\$ 96,051
Interest	7,200	1,700	4,585	2,885	2,207
Miscellaneous	-	-	497,111	497,111	-
TOTAL REVENUES	<u>57,203</u>	<u>51,703</u>	<u>552,126</u>	<u>500,423</u>	<u>98,258</u>
EXPENDITURES					
Parks and Recreation	30,000	30,000	-	30,000	-
Capital Outlay	-	67,000	82,610	(15,610)	93,717
TOTAL EXPENDITURES	<u>30,000</u>	<u>97,000</u>	<u>82,610</u>	<u>14,390</u>	<u>93,717</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>27,203</u>	<u>(45,297)</u>	<u>469,516</u>	<u>514,813</u>	<u>4,541</u>
OTHER FINANCING SOURCES					
Transfer In	6,001	6,001	6,017	16	5,511
Loan Received	28,617	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>34,618</u>	<u>6,001</u>	<u>6,017</u>	<u>16</u>	<u>5,511</u>
NET CHANGE IN FUND BALANCE	61,821	(39,296)	475,533	514,829	10,052
FUND BALANCE, Beginning	<u>104,644</u>	<u>104,644</u>	<u>104,644</u>	<u>-</u>	<u>94,592</u>
FUND BALANCE, Ending	<u>\$ 166,465</u>	<u>\$ 65,348</u>	<u>\$ 580,177</u>	<u>\$ 514,829</u>	<u>\$ 104,644</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

STREET IMPROVEMENT FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2019

	2019			VARIANCE Positive (Negative)	2018 ACTUAL
	ORIGINAL BUDGET	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES					
Sales and Use Tax	\$ 180,000	\$ 180,000	\$ 228,899	\$ 48,899	\$ 194,638
Interest	500	500	6,420	5,920	3,694
TOTAL REVENUES	<u>180,500</u>	<u>180,500</u>	<u>235,319</u>	<u>54,819</u>	<u>198,332</u>
EXPENDITURES					
General Government	-	-	-	-	2,725
Capital Outlay	180,500	409,500	408,543	957	64,767
TOTAL EXPENDITURES	<u>180,500</u>	<u>409,500</u>	<u>408,543</u>	<u>957</u>	<u>67,492</u>
NET CHANGE IN FUND BALANCE	-	(229,000)	(173,224)	55,776	130,840
FUND BALANCE, Beginning	<u>278,238</u>	<u>278,238</u>	<u>278,238</u>	-	<u>147,398</u>
FUND BALANCE, Ending	<u>\$ 278,238</u>	<u>\$ 49,238</u>	<u>\$ 105,014</u>	<u>\$ 55,776</u>	<u>\$ 278,238</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

PERPETUAL CARE RESERVE FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2019

	2019		VARIANCE Positive (Negative)	2018 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Interest Income	\$ 7,000	\$ 3,523	\$ (3,477)	\$ 3,021
TOTAL REVENUES	<u>7,000</u>	<u>3,523</u>	<u>(3,477)</u>	<u>3,021</u>
EXPENDITURES				
Cemetery Care	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>7,000</u>	<u>3,523</u>	<u>(3,477)</u>	<u>3,021</u>
OTHER FINANCING SOURCES				
Transfer In	<u>4,000</u>	<u>6,209</u>	<u>2,209</u>	<u>5,511</u>
NET CHANGE IN FUND BALANCE	11,000	9,732	(1,268)	8,532
FUND BALANCE, Beginning	<u>245,154</u>	<u>245,154</u>	<u>-</u>	<u>236,622</u>
FUND BALANCE, Ending	<u>\$ 256,154</u>	<u>\$ 254,886</u>	<u>\$ (1,268)</u>	<u>\$ 245,154</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

WATER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2019

	2019		VARIANCE Positive (Negative)	2018 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 2,325,000	\$ 2,358,584	\$ 33,584	\$ 2,537,725
Tap Fees and Contributions	40,000	112,590	72,590	87,192
Debt Retirement	1,553,451	1,369,634	(183,817)	1,547,138
Interest	36,000	194,726	158,726	184,756
Other Revenues	2,708,314	23,434	(2,684,880)	4,012
Transfers In	1,000,000	-	(1,000,000)	-
TOTAL REVENUES	<u>7,662,765</u>	<u>4,058,968</u>	<u>(3,603,797)</u>	<u>4,360,823</u>
EXPENDITURES				
Administration	755,210	351,274	403,936	59,989
Water System	1,941,670	2,563,536	(621,866)	1,582,446
Debt Service	2,053,451	635,366	1,418,085	1,541,878
Transfers Out	2,538,451	318,851	2,219,600	406,792
Capital Outlay	124,500	-	124,500	950,282
TOTAL EXPENDITURES	<u>7,413,282</u>	<u>3,869,027</u>	<u>3,544,255</u>	<u>4,541,387</u>
NET INCOME, Budget Basis	<u>\$ 249,483</u>	189,941	<u>\$ (59,542)</u>	(180,564)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		-		916,704
Loan Principal Payments		-		888,694
Depreciation		(1,242,958)		(1,254,491)
NET INCOME, GAAP Basis		(1,053,017)		370,343
NET POSITION, Beginning		<u>15,116,823</u>		<u>14,746,480</u>
NET POSITION, Ending		<u>\$ 14,063,806</u>		<u>\$ 15,116,823</u>

See the accompanying independent auditors' report.

CITY OF FLORENCE, COLORADO

AGENCY FUND - SCHOOL DEDICATION FEES
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 Year Ended December 31, 2019

	BALANCE DECEMBER 31, <u>2018</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	BALANCE DECEMBER 31, <u>2019</u>
ASSETS				
Cash and Investments	<u>\$ 17,945</u>	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ 18,369</u>
LIABILITIES				
Due To School District	<u>\$ 17,945</u>	<u>\$ 424</u>	<u>\$ -</u>	<u>\$ 18,369</u>

See the accompanying independent auditors' report.

COMPLIANCE

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

ANNUAL HIGHWAY FINANCE REPORT - CY19

Email address: lori.cobler@florencecolorado.org

City/County: Florence

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	\$	553,429.18
3. Other local imposts: <i>from A.3. Total below</i>	\$	106,503.39
4. Miscellaneous local receipts: <i>from A.4. Total below</i>	\$	0.00
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00
SubTotal:	\$	659,932.57

B. Private Contributions

\$ 0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	0.00
2. Infrastructure and Impact Fees:	\$	0.00
3. Liens:	\$	0.00
4. Licenses:	\$	0.00
5. Specific Ownership and/or Other:	\$	106,503.39

Total: *(a + b) carried to 'Other local imposts' above* \$ 106,503.39

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	0.00
45		
h. Traffic fines & Penalties:	\$	0.00

ANNUAL HIGHWAY FINANCE REPORT - CY19

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5. Click on "Edit Mode" at the bottom of the form to return to editing your work.
6. Save any changes that are made using the "Save" button.

Email address: lori.cobler@florencecolorado.org
 City/County: Florence

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	\$ 553429.18
3. Other local imposts: <i>from A.3. Total below</i>	\$ 106,503.39
4. Miscellaneous local receipts: <i>from A.4. Total below</i>	\$ 0.00
5. Transfers from toll facilities	\$ 0.00
6. Proceeds of sale of bonds and notes	
a. Bonds - Original Issues:	\$ 0.00
b. Bonds - Refunding Issues:	\$ 0.00
c. Notes:	\$ 0.00
SubTotal:	\$ 659,932.57

B. Private Contributions \$ 0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	0.00
2. Infrastructure and Impact Fees:	\$	0.00
3. Liens:	\$	0.00
4. Licenses:	\$	0.00
5. Specific Ownership and/or Other:	\$	106503.39
Total: (a + b) carried to 'Other local imposts' above)		\$ 106,503.39

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	0.00
b. Traffic fines & Penalties:	\$	0.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	0.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	0.00
g. Other Misc. Receipts:	\$	0.00
h. Other:	\$	0.00
Total: (a through h) carried to 'Misc local receipts' above)		\$ 0.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$	145205.32
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	15560.84
d. Other (Specify):		
Comments: undefined	\$	0.00
e. Other (Specify):		
Comments: undefined	\$	0.00
Total: (1+3c,d,e)		\$ 160,766.16

D. Receipts from Federal Government

Please no commas or dollar signs for the input

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

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: <i>(from A.1.d. 'Total Capital Outlay' below)</i>	\$	0.00
2. Maintenance:	\$	297104.13
3. Road and street services		
a. Traffic control operations:	\$	0.00
b. Snow and ice removal:	\$	54018.93
c. Other:	\$	30719.42
4. General administration & miscellaneous	\$	0.00
5. Highway law enforcement and safety	\$	438856.25
		<hr/>
Total: (A.1-5)	\$	820,698.73

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
		<hr/>
SubTotal: (1+2)	\$	0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	\$	0.00
D. Payments to Toll Facilities:	\$	0.00
		<hr/>
Total Disbursements: (A+B+C+D)	\$	820,698.73

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A. 1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00
b. Engineering Costs:	\$ 0.00	\$ 0.00	\$ 0.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 0.00	\$ 0.00
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:	48		\$ 0.00

d. Total Capital Outlay: *(Lines A.1.a. + 1.b. + 1.c.5)*

\$ 0.00

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

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

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 820,698.73	\$ 820,698.73	\$ 0.00	\$ 0.00

Notes & Comments:

undefined

Please enter your name:

Please provide a telephone number where you may be reached:

Please click on the "Save" button before viewing the data in a print format.