

**TOWN OF EAGLE, COLORADO**

FINANCIAL STATEMENTS  
AND  
AUDITOR'S REPORT

DECEMBER 31, 2019

**TOWN OF EAGLE, COLORADO**  
**FOR THE YEAR ENDED**  
December 31, 2019

TOWN COUNCIL

- Anne McKibbin – Mayor
- Kevin Brubeck – Mayor Pro-Tem
- Andy Jessen, Trustee
- Mikel Kerst, Trustee
- Matt Solomon, Trustee
- Paul Witt, Trustee
- Scott Turnipseed, Trustee

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**Maggard  
& Hood, P.C.**

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CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Mayor and Members  
of the Town Council  
Eagle, Colorado

**INDEPENDENT AUDITOR'S REPORT**

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eagle, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town of Eagle'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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eagle as of December 31, 2019 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information, listed as required supplementary information in the table of contents, 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 accounting standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding 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 supplementary 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 performed for the purpose of forming opinions on the financial statements that collectively comprise the Town of Eagle's basic financial statements. The combining and individual fund financial statements and schedules, and the County, Cities and Towns Annual Statement of Receipts and Expenditures for Roads, Bridges and Streets, which are listed as Other Supplemental Information in the table of contents, are for purposes of additional analysis and are not a required part of the basic financial statements. The Other Supplemental Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplemental Information is fairly stated, in all material aspects, in relation to the basic financial statements taken as a whole.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 25, 2020, on our consideration of the Town of Eagle's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Eagle's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Eagle's internal control over financial reporting and compliance.



MAGGARD & HOOD, P.C.

*Glenwood Springs, Colorado*

September 25, 2020

REQUIRED SUPPLEMENTARY INFORMATION  
MANAGEMENT'S DISCUSSION AND ANALYSIS

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Town of Eagle was incorporated on March 17, 1905 as a statutory town pursuant to the constitution and laws of the State of Colorado. In April of 2020, the Town's electorate approved home rule status and provisions of its home rule charter were adopted which govern the Town. The Town serves as the county seat of Eagle County and is located on Interstate 70 approximately 130 miles west of Denver, and 130 miles east of Grand Junction, Colorado. The legislative and corporate authority of the Town is vested in the Town Council.

The discussion and analysis of the Town of Eagle's financial performance provides an overall review of the Town's financial activities for the fiscal year. The intent of this discussion and analysis is to look at the Town's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the Town's overall financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year ended December 31, 2019 are as follows:

- In total the Town's *overall* net position increased \$4,781,907 (5%) from the previous fiscal year.
- The Town's *overall* General Revenues accounted for \$8,020,593 (44%) of all revenues. These general revenues include taxes, grants and entitlements not restricted to specific programs, and general interest and non-program revenues. Program specific revenues, in the form of charges for services and program specific grants and contributions, accounted for \$10,283,952 (66%) of total revenues of \$18,304,545.
- *Overall* the Town had \$13,522,638 in expenses, of which \$8,164,098 were offset by program specific charges for services, as well as grants and contributions of \$2,119,854.

**USING THE BASIC FINANCIAL STATEMENTS**

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements*, and *required supplementary information*. These statements are organized so the reader can understand the Town of Eagle as a financial whole, or as an entire operating activity. The basic financial statements include two types of information on the same statement that present different views of the Town.

- *Government-wide financial statements* that provide both *long-term* and *short-term* information about the Town's *overall* financial status.
- *Fund financial statements* that focus on *individual parts* of the Town government, reporting the Town'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. Additional supplemental information has also been included to enhance the readers understanding of the report.



**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**REPORTING THE TOWN AS A WHOLE**

**Statement of Net Position and Statement of Activities**

While this report contains all funds used by the Town to provide programs and activities, the view of the Town as a whole looks at all financial transactions and asks the question, "How did we do financially during the fiscal year?" The statement of net position and the statement of activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting system used by most private sector companies. The basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash was received or paid.

The focus of these government-wide financial statements is on the overall financial position and activities of the Town. These financial statements are constructed around the concept of a primary government, the Town, and its component units, except for fiduciary funds. The statement of net position and statement of activities provide information about the activities of the whole Town, presenting both an aggregate view of the Town's finances and a longer-term view of those finances.

The statement of net position and the statement of activities report the Town's net position and changes therein. This change in net position is important because it identifies whether the financial position of the Town has improved or diminished for the Town as a whole. The cause of this change may be the result of many factors, some financial, some not. Nonfinancial factors include the Town's property tax base, current property tax laws, statutorily required reserves, facility conditions, and other factors.

In the statement of net position and the statement of activities, the Town is divided into two distinct kinds of activities:

**Governmental Activities** – Governmental activities are generally financed through taxes, intergovernmental revenues and other non-exchange revenues. Most of the Town's programs and services are reported here including general government activities, public safety, public works (for streets, buildings and grounds), open space preservation, capital projects, and when applicable, general long-term debt service and other fiscal charges.

**Business-Type Activities** – Business-type activities are financed to some degree by charging external parties for the goods or services they acquire. The Town's enterprise funds for water, wastewater and refuse utilities are reported as business-type activities as the service is provided on a charge for goods or services basis to recover the expenses of the goods and services provided.

**FUND FINANCIAL STATEMENTS**

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about each of the Town's major funds. For the Town of Eagle, the General Fund is the most significant fund. The Town uses many funds to account for a multitude of financial transactions. The Town's governmental funds include the General Fund, Special Revenue Funds (which are the Conservation Trust Fund and Open Space Preservation funds), Capital Projects Fund, and the Sales Tax Capital Improvement Projects Fund. The Town's proprietary, or enterprise, funds include the Water Fund, the Wastewater Fund and the Refuse Fund. Unlike government-wide financial statements, the focus of fund financial statements is directed to specific activities of the Town rather than the Town as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**FUND FINANCIAL STATEMENTS - CONTINUED**

The Town's fund financial statements are divided into two broad categories; namely governmental funds and proprietary funds.

**Governmental Funds** – The Town's activities are reported in governmental funds, which focus on how monies flow into and out of those funds and the balances left at fiscal year-end for spending in future periods. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or less financial resources that can be spent in the near future to finance the Town's programs. The relationship, or differences, between governmental activities reported in the statement of net position and the statement of activities and the governmental funds is reconciled in the financial statements. The Town maintains the following governmental funds:

*General Fund* – used to account for resources traditionally associated with government which are not required legally or by sound financial management to be account for in another fund.

*Capital Projects Fund* – used to account for funds for the acquisition of lands, construction of major capital improvements and projects, and acquisition of more expensive pieces of equipment.

*Sales Tax Capital Improvement Projects Fund* – used to account for the Town's ½% municipal sales tax securing and funding capital projects debt service for the Town's 2019 sales tax revenue bonds.

*Special Revenue Funds* – used to account for proceeds of resources that are restricted or committed for purposes other than debt service or capital projects. The special revenue funds include the following:

*Conservation Trust Fund* – accounts for funds received and restricted for use in parks and recreation acquisition, development and maintenance pursuant to Colorado Revised Statutes.

*Open Space Preservation Fund* – accounts for funds committed for the acquisition of open space lands, conservation and trail easements and development rights.

**Proprietary Funds** – The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same. These funds are established to account for operations that are financed and operated in a manner similar to private enterprise, where the intent is that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The proprietary (enterprise) funds include the following:

*Water Fund* – accounts for activities related to water services to the citizens of the Town.

*Wastewater Fund* – accounts for activities related to the sewage treatment facilities and sewage transmission lines.

*Refuse Fund* – accounts for activities related to trash collection and disposal.

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**THE TOWN AS A WHOLE**

The perspective of the statement of net position is of the Town as a whole. Following is a summary of the Town's net position for the current and prior fiscal year:

<i>(In Thousands)</i>	Governmental		Business-Type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
<b>ASSETS:</b>						
Current Assets	\$ 16,977	\$ 11,028	\$ 33,263	\$ 38,958	\$ 50,240	\$ 49,986
Noncurrent Assets (EHOP)	168	168	-	-	168	168
Capital Assets, Net	<u>38,282</u>	<u>36,334</u>	<u>50,962</u>	<u>41,617</u>	<u>89,244</u>	<u>80,281</u>
Total Assets	<u>55,427</u>	<u>49,860</u>	<u>84,225</u>	<u>80,575</u>	<u>139,652</u>	<u>130,435</u>
<b>LIABILITIES:</b>						
Current & Other Liabilities	6,388	1,319	4,237	3,112	10,625	4,431
Long-term Liabilities	<u>5,695</u>	<u>5,859</u>	<u>23,836</u>	<u>25,456</u>	<u>29,531</u>	<u>31,315</u>
Total Liabilities	<u>12,083</u>	<u>7,178</u>	<u>28,073</u>	<u>28,568</u>	<u>40,156</u>	<u>35,746</u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Unavailable Revenue						
from Property Taxes	<u>336</u>	<u>311</u>	<u>-</u>	<u>-</u>	<u>336</u>	<u>311</u>
Total Deferred Inflows	<u>336</u>	<u>311</u>	<u>-</u>	<u>-</u>	<u>336</u>	<u>311</u>
<b>NET POSITION :</b>						
Invested in Capital Assets,						
Net of Related Debt	32,521	32,779	31,663	31,595	64,184	64,374
Restricted	2,313	3,233	1,073	701	3,386	3,934
Unrestricted	<u>8,174</u>	<u>6,359</u>	<u>23,416</u>	<u>19,711</u>	<u>31,590</u>	<u>26,070</u>
Total Net Position	<u>\$ 43,008</u>	<u>\$ 42,371</u>	<u>\$ 56,152</u>	<u>\$ 52,007</u>	<u>\$ 99,160</u>	<u>\$ 94,378</u>

As indicated earlier, net position may serve over time as a useful indicator of the Town's financial health. The Town's *overall* assets exceeded its liabilities and deferred inflows by \$99,160,305 at December 31, 2019.

By far the largest portion of the Town's Net Position (approximately 65%) reflects its net investment of \$64,184,430 in capital assets less the related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to the public; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's Net Position, \$3,386,181 (approximately 3%) represents resources that are subject to restrictions as to how they may be used; this includes statutorily required TABOR emergency reserves and monies restricted for capital improvements/debt service, highway 6 devolution maintenance, community enhancement and conservation trust purposes.

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**THE TOWN AS A WHOLE – CONTINUED**

The statement of activities reflects the cost of program services and the charges for services and sales, grants, and contributions offsetting services. The following detail reflects the total cost of services supported by program revenues and general property taxes, unrestricted state entitlements, and other general revenues, resulting in the overall change in net position for the current and prior fiscal year:

<i>(In Thousands)</i>	Governmental		Business-Type		Total	
	2019	2018	2019	2018	2019	2018
<b>REVENUES:</b>						
<b>Program Revenues:</b>						
Charges for Services/Sales	\$ 940	\$ 1,004	\$ 7,224	\$ 6,764	\$ 8,164	\$ 7,768
Operating Grants & Contrib.	543	495	15	-	558	495
Capital Grants & Contrib.	379	9	1,183	1,406	1,562	1,415
<b>Total Program Revenues</b>	<b>1,862</b>	<b>1,508</b>	<b>8,422</b>	<b>8,170</b>	<b>10,284</b>	<b>9,678</b>
<b>General Revenues:</b>						
Taxes	6,864	6,078	-	-	6,864	6,078
Intergovernmental Revenue	188	157	-	-	188	157
Impact Fees & Assessments	71	41	-	-	71	41
Interest/Investment Earnings	302	375	352	251	654	626
Other General Revenues	73	94	170	32	243	126
<b>Total General Revenues</b>	<b>7,498</b>	<b>6,745</b>	<b>522</b>	<b>283</b>	<b>8,020</b>	<b>7,028</b>
<b>Total Revenues</b>	<b>9,360</b>	<b>8,253</b>	<b>8,944</b>	<b>8,453</b>	<b>18,304</b>	<b>16,706</b>
<b>PROGRAM EXPENSES:</b>						
General Government	755	962	-	-	755	962
General Administration	579	767	-	-	579	767
Community Development	834	627	-	-	834	627
Municipal Court	64	39	-	-	64	39
Public Safety	1,737	1,643	-	-	1,737	1,643
Public Works - Streets	1,125	1,439	-	-	1,125	1,439
Public Works - Bldg/Grounds	916	672	-	-	916	672
Information Center	145	185	-	-	145	185
Marketing	290	296	-	-	290	296
Engineering	230	268	-	-	230	268
Open Space Preservation	87	104	-	-	87	104
Interest - Gen'l. Obligations	227	231	-	-	227	231
Depreciation - Unallocated	1,734	1,757	-	-	1,734	1,757
Water Utility	-	-	2,122	1,887	2,122	1,887
Wastewater Utility	-	-	2,071	1,940	2,071	1,940
Refuse Utility	-	-	606	582	606	582
<b>Total Expenses</b>	<b>8,723</b>	<b>8,990</b>	<b>4,799</b>	<b>4,409</b>	<b>13,522</b>	<b>13,399</b>
Special/Extraordinary Items	-	98	-	264	-	362
<b>INCREASE (DECREASE)</b>						
<b>IN NET POSITION</b>	<b>\$ 637</b>	<b>\$ (639)</b>	<b>\$ 4,145</b>	<b>\$ 4,308</b>	<b>\$ 4,782</b>	<b>\$ 3,669</b>

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**THE TOWN AS A WHOLE – CONTINUED**

**Governmental Activities**

*Revenues*

Revenues increased over the prior year which reflects the Town's continuing recovery over the previous several recessionary years, additional grant funding received, and insurance recoveries received on damaged assets.

*Expenses*

Program expenses decreased for governmental activities, primarily resulting from savings in general government and general administration expenses, while business-type activities expenses increased over the prior period, primarily from increases in personnel services and general water system maintenance.

As indicated above, the statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table summarizes the information from the statement of activities, reflecting the total cost of program services and the remaining net cost of program services supported by taxes and other general revenues:

<i>(In Thousands)</i>	<u>Total Cost of Service</u>		<u>Net Cost of Services</u>	
	2019	2018	2019	2018
General Government	\$ 755	\$ 962	\$ 99	\$ 258
General Administration	579	767	579	767
Community Development	834	627	671	546
Municipal Court	64	39	64	39
Public Safety	1,737	1,643	1,638	1,542
Public Works - Streets	1,125	1,439	712	1,035
Public Works - Bldgs/Grounds	916	672	537	672
Information Center	145	185	4	9
Marketing	290	296	280	264
Engineering	230	268	230	268
Open Space Preservation	87	104	87	95
Interest - General Obligation Debt	227	231	227	231
Unallocated Depreciation	1,734	1,757	1,734	1,757
Total Expenses	<u>\$ 8,723</u>	<u>\$ 8,990</u>	<u>\$ 6,862</u>	<u>\$ 7,483</u>

The dependence on general revenues for governmental activities is apparent. Approximately 79% of fiscal 2019 program services were supported through taxes and other general revenues and 83% in 2018. The community as a whole is the primary support for the Town's activities.

**Business-Type Activities** – The results of operations of the business-type activity indicate that the utility funds are generating enough revenues to be self-sustaining without assistance from the general fund:

<i>(In Thousands)</i>	<u>Fiscal Year 2019</u>	<u>Fiscal Year 2018</u>
Program Revenues	\$ 8,422	\$ 8,170
Taxes and Other General Revenues	522	283
Total Revenues	<u>8,944</u>	<u>8,453</u>
Expenses	(4,799)	(4,409)
Special/Extraordinary Items	<u>-</u>	<u>264</u>
Net Income (Loss)	<u>\$ 4,145</u>	<u>\$ 4,308</u>

**TOWN OF EAGLE, COLORADO**  
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)  
For the Fiscal Year Ended December 31, 2019

**THE TOWN AS A WHOLE – CONTINUED**

**Business-Type Activities, continued**

*Revenues*

Charges for services for business-type activities increased over the prior year.

*Expenses*

Enterprise expenditures increased approximately \$390 thousand (9%), from the previous fiscal year, primarily from increases in personnel services and general water system maintenance.

**THE TOWN'S FUNDS**

**Governmental Funds**

The governmental fund level financial statements focus on how services were financed in the short-term as well as what remains for future spending. The governmental fund level financial statements are reported on the modified accrual basis of accounting. At the fund level, under the modified accrual basis of accounting, depreciable assets and their related depreciation expense are not reflected as they are not a current period financial resource or use. In addition, at the fund level, inflows from operating loans are presented as a revenue item while outflows for capital outlay and debt service principal payments are presented as an expenditure item, as these items represent current period financial resources and uses.

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

Total governmental funds had revenues and other financing sources of \$9,312,339 and expenditures and other financing uses of \$8,458,512.

Governmental fund revenues increased approximately \$1.067 million from the prior fiscal year, primarily from increased sales tax collections and intergovernmental grants received.

Governmental fund expenditures decreased approximately \$2.88 million from the prior fiscal year, primarily due to year-to-year changes in amounts expended on capital projects.

Overall governmental fund balances increased \$853,827 from the prior fiscal year. The ending combined fund balance of \$10,581,178 represents the amount available for future spending, which is represented as follows:

General Fund	\$ 4,445,369
Capital Projects Fund	5,024,966
Sales Tax Capital Impr Projects Fund	709,162
Special Revenue Funds	<u>401,681</u>
Total Governmental Fund Balances	<u>\$ 10,581,178</u>

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**THE TOWN'S FUNDS – CONTINUED**

**Proprietary Funds**

The proprietary fund level financial statements, as discussed above, use the same basis of accounting as business-type activities.

- The Water Enterprise Fund ending net position increased from \$38,255,167 to \$41,069,452.
- The Wastewater Enterprise Fund ending net position increased from \$13,493,872 to \$14,795,645.
- The Refuse Enterprise Fund ending net position increased from \$258,123 to \$287,429.

Positive changes in net position reflect that the enterprise funds are currently generating enough operating and non-operating revenues to offset current year operating and non-operating expenses, whereas negative changes would reflect that the activity did not. The ending net position in the enterprise activities represent the amount of net resources, including capital assets, available to provide future utility services and capacity improvements to the general public of the Town of Eagle.

**GENERAL FUND BUDGETING HIGHLIGHTS**

The Town's procedures in establishing the budgetary data reflected in the financial statements is summarized in *Note 1(E)* of the financial statements. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) with the exception of the Proprietary (Enterprise) Funds. The reconciliation of the budgetary differences of the Proprietary Fund to GAAP is found in *Note 7*.

The budgeting system of the Town uses a line-item based budget, which is designed to control line-item expenditures, but provide flexibility for overall budgetary management. It is the Town's policy to amend the original budget appropriations as additional information is acquired during the fiscal year to more accurately reflect current year operating activity.

During the year, the Town amended its budgeted appropriations as follows:

	Original	Revised	Increase (Decrease)
General Fund	\$ 7,325,251	\$ 7,224,436	\$ (133,815)
Capital Projects Fund	641,929	715,074	73,145
Sales Tax Cap Impr Projects Fund	1,845,634	1,845,634	-
Conservation Trust Fund	25,000	25,000	-
Open Space Preservation Fund	210,456	133,843	(76,613)
Water Fund	21,330,402	13,641,128	(7,689,274)
Wastewater Fund	2,813,427	2,722,151	(91,276)
Refuse Fund	634,467	634,467	-

The above budget amendments were adopted to adjust for changes in available revenues from original expectations and revised expected year-end expenditures primarily resulting from timing of capital projects.

**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**GENERAL FUND BUDGETING HIGHLIGHTS - CONTINUED**

***General Fund Resources (Inflows)***

The Town's final budgetary revenues and other financing sources in the amount of \$7,538,235 exceeded budgetary expectations of \$7,041,555 by \$496,680. It is not anticipated that the variance will have a significant effect on future services or liquidity. Further detail of individual line-item revenues for the general fund can be found in the 'Other Supplemental Information' section following the financial statements.

***General Fund Charges to Appropriations (Outflows)***

The Town's final budgetary expenditures and other financing uses of \$6,463,838 were \$760,598 less than the final appropriated fund balance of \$7,224,436. Positive variances were found throughout the majority of the Town's functional expenditure categories. Savings primarily occurred from unused personnel and purchased services appropriations. It is not anticipated that these variances will have a significant effect on future services or liquidity.

Further detail of individual line-item expenditures for the general fund can be found in the 'Other Supplemental Information' section following the financial statements.

\* \* \*

The Town Council and the Town's management continue to strive to budget appropriate amounts for each individual line item. This year's overall savings are indicative of the efforts to provide services in the most economical manner. This year's savings will have a positive impact on future year's fund balances.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of 2019, the Town had a total of \$89,244,208 invested in capital assets, consisting of \$38,282,123 in governmental activities and \$50,962,085 in business-type activities. The following reflects the balances the current fiscal year compared to the prior fiscal year, net of depreciation and amortization:

<i>(In Thousands)</i>	Governmental		Business-Type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
<i>Net of Depreciation:</i>						
Land/Easements	\$ 4,080	\$ 4,080	\$ 378	\$ 171	\$ 4,458	\$ 4,251
Water Rights	-	-	9,144	9,144	9,144	9,144
Parks/Improvements	3,058	3,119	-	-	3,058	3,119
Buildings/Improvements	2,875	2,978	52	43	2,927	3,031
Rec Center/Pool/Ice Rink	3,465	3,570	-	-	3,465	3,570
Equipment	746	736	86	128	832	864
Infrastructure	16,903	18,554	27,215	26,790	44,118	45,344
Construction-in-Progress	7,155	5,627	14,087	5,331	21,242	10,958
	<u>\$ 38,282</u>	<u>\$ 38,664</u>	<u>\$ 50,962</u>	<u>\$ 41,617</u>	<u>\$ 89,244</u>	<u>\$ 80,281</u>

Additional information can be found in *Note 4* of the Financial Statements.



**TOWN OF EAGLE, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**  
For the Fiscal Year Ended December 31, 2019

**CAPITAL ASSETS AND DEBT ADMINISTRATION - CONTINUED**

**Debt**

At December 31, 2019 the Town had total outstanding long-term debt of \$31,303,691. Of this amount, governmental activities carry bonds of \$5,742,188 and compensated absences of \$94,689. Business-type activities carry \$24,169,093 of notes payable, \$1,255,396 of bonds payable and compensated absences of \$42,325. See *Note 5 Long-term Debt Obligations* for a detail of the terms and annual debt service requirements to amortize the Town's long-term debt.

**CURRENT ISSUES, ECONOMIC CONDITION AND OUTLOOK**

As indicated in Note 1 of the financial statements, in April of 2020 the Town's electorate approved Home Rule status for the Town of Eagle. Countywide voters passed a \$4 tobacco tax on packs of cigarettes and 40% on all other tobacco products, and the Town's electorate further supported keeping the Town's share of these taxes in the Town of Eagle instead of letting it go to the County government.

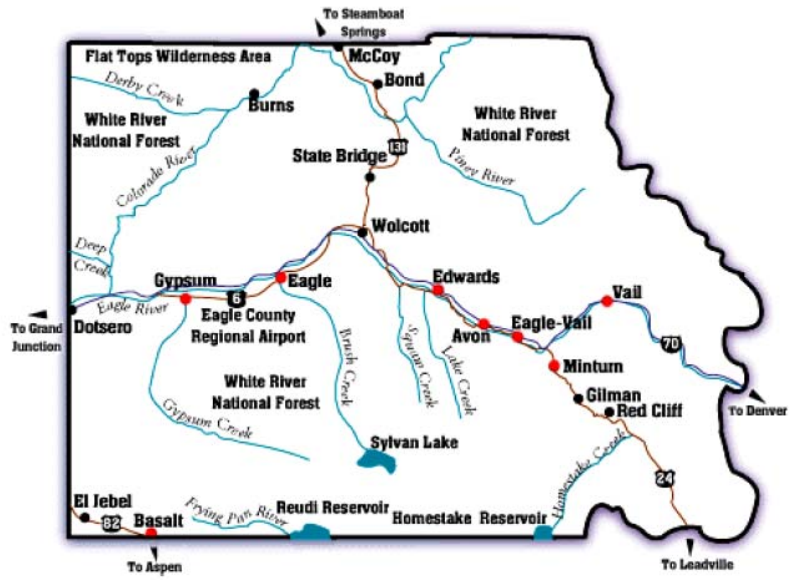
For the 2020 budget year, planned major projects include continued work on construction of the Lower Basin Water Treatment Plant, downtown and commercial districts revitalization, the art wall mural project, Eagle River Park phase II improvements and maintenance, and continued implementation of the THOR broadband project. In 2020, the Town also plans to complete the rewrite of the land use code, adopt the Town's comprehensive plan, complete its open space master plan, and kick off the grand avenue/highway 6 corridor planning effort.

As discussed in Note 15 of the accompanying financial statements, in early 2020 a worldwide pandemic arose caused by the coronavirus Covid-19 which has negatively impacted the general operations of the Town during the first several months of 2020. The Town's management and Town Council has acknowledged the threat of the coronavirus; however, the long-term impact on operations is currently unknown as of the date of the auditor's report. There have been no additional material events noted during this period that would impact the result reflected in this report or the Town's results going forward.

**CONTACTING THE TOWN'S FINANCIAL MANAGEMENT**

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

Town Eagle, Colorado  
P.O. Box 609  
Eagle, CO 81631  
Phone: (970)328-6354  
Fax: (970) 328-5203



GOVERNMENT - WIDE FINANCIAL STATEMENTS

**TOWN EAGLE, COLORADO**  
**STATEMENT OF NET POSITION**  
December 31, 2019

	Governmental Activities	Business-type Activities	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 7,910,823	\$ 19,582,477	\$ 27,493,300
Restricted Cash and Investments	7,784,439	13,051,841	20,836,280
Receivables – Net			
Due from County Treasurer	4,242	-	4,242
Taxes and Other Receivables	763,734	-	763,734
Property Taxes	336,326	-	336,326
Accounts Receivable, Net	-	548,811	548,811
Intergovernmental Grants	108,500	14,222	122,722
Inventory	-	8,130	8,130
Prepaid Expenses	68,455	57,757	126,212
<b>Total Current Assets</b>	<b>16,976,519</b>	<b>33,263,238</b>	<b>50,239,757</b>
Noncurrent Assets:			
Funds Held by Fiscal Agent (EHOP)	95,094	-	95,094
Notes Receivable (EHOP)	73,645	-	73,645
Non-Depreciable Capital Assets	11,234,197	23,608,727	34,842,924
Depreciable Capital Assets, Net	27,047,926	27,353,358	54,401,284
<b>Total Noncurrent Assets</b>	<b>38,450,862</b>	<b>50,962,085</b>	<b>89,412,947</b>
 <b>TOTAL ASSETS</b>	 <b>55,427,381</b>	 <b>84,225,323</b>	 <b>139,652,704</b>
 <b>LIABILITIES</b>			
Accounts Payable	318,796	1,609,651	1,928,447
Retainage Payable	29,598	538,189	567,787
Accrued Liabilities	97,484	183,661	281,145
Unearned Revenues	79,250	260,260	339,510
Unearned Grant Revenues	-	14,222	14,222
Deposits and Other Liabilities	5,721,271	-	5,721,271
Long-term Debt:			
Portion Due or Payable within One Year:			
Loans Payable, Net of Premium	-	1,394,749	1,394,749
Bonds Payable, Net of Premium	141,671	236,554	378,225
Portion Due or Payable After One Year:			
Compensated Absences	94,689	42,325	137,014
Loans Payable, Net of Premium	-	22,774,344	22,774,344
Bonds Payable, Net of Premium	5,600,517	1,018,842	6,619,359
<b>TOTAL LIABILITIES</b>	<b>12,083,276</b>	<b>28,072,797</b>	<b>40,156,073</b>
 <b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue –			
From Property Taxes	336,326	-	336,326
<b>Total Deferred Inflows of Resources</b>	<b>336,326</b>	<b>-</b>	<b>336,326</b>
 Net Position:			
Invested in Capital Assets, Net of Related Debt	32,521,290	31,663,140	64,184,430
Restricted	2,313,102	1,073,079	3,386,181
Unrestricted (Deficit)	8,173,387	23,416,307	31,589,694
 <b>TOTAL NET POSITION</b>	 <b>\$ 43,007,779</b>	 <b>\$ 56,152,526</b>	 <b>\$ 99,160,305</b>

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

**TOWN EAGLE, COLORADO**  
**STATEMENT OF ACTIVITIES**  
For the Fiscal Year Ended December 31, 2019

FUNCTION/PROGRAM ACTIVITIES	PROGRAM REVENUES			
PRIMARY GOVERNMENT	EXPENSES	Charges For Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES:				
General Government	\$ 754,594	\$ 612,856	\$ 43,078	\$ -
General Administration	579,212	-	-	-
Community Development	834,300	101,069	62,012	-
Municipal Court	64,287	-	-	-
Public Safety	1,736,867	74,431	24,585	-
Public Works – Streets	1,124,801	-	412,363	-
Public Works – Buildings/Grounds	915,677	-	-	379,000
Information Center	144,954	140,630	312	-
Marketing	290,061	10,290	-	-
Engineering	229,675	-	-	-
Open Space Preservation	87,502	1,000	-	-
Interest on Long-term Debt	227,537	-	-	-
Depreciation – Unallocated ( <i>See Note 1(G)</i> )	1,733,793	-	-	-
TOTAL GOVERNMENTAL ACTIVITIES	8,723,260	940,276	542,350	379,000
BUSINESS-TYPE ACTIVITIES:				
Water Utility	2,122,297	4,021,769	15,740	581,014
Wastewater Utility	2,071,225	2,572,655	-	601,750
Refuse Utility	605,856	629,398	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	4,799,378	7,223,822	15,740	1,182,764
<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 13,522,638</b>	<b>\$ 8,164,098</b>	<b>\$ 558,090</b>	<b>\$ 1,561,764</b>

GENERAL REVENUES:

Taxes:

- Property Taxes, Levied for General Purposes
- Specific Ownership Taxes, for General Purposes
- Sales Tax, for General Purposes
- Sales Tax, for Capital Improvement Projects Fund
- Other Taxes: Community Enhancement, Lodging, Franchise,  
Marketing, Use and Severance Taxes
- Grants and Entitlements Not Restricted to Specific Programs:
- Intergovernmental Taxes – Cigarette and County Sales Tax
- Intergovernmental Federal Mineral Lease Revenues
- Impact Fees and Assessments
- Unrestricted Interest and Investment Earnings
- Insurance Proceeds, Net of Fixed Asset Disposition
- Miscellaneous

Total General Revenues

Change in Net Position

NET POSITION – BEGINNING OF YEAR

NET POSITION – END OF YEAR

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

NET (EXPENSE) REVENUE AND  
CHANGES IN NET POSITION

Governmental Activities	Business-Type Activities	Total
\$ (98,660)		\$ (98,660)
(579,212)		(579,212)
(671,219)		(671,219)
(64,287)		(64,287)
(1,637,851)		(1,637,851)
(712,438)		(712,438)
(536,677)		(536,677)
(4,012)		(4,012)
(279,771)		(279,771)
(229,675)		(229,675)
(86,502)		(86,502)
(227,537)		(227,537)
<u>(1,733,793)</u>		<u>(1,733,793)</u>
<u>(6,861,634)</u>		
	\$ 2,496,226	2,496,226
	1,103,180	1,103,180
	<u>23,542</u>	<u>23,542</u>
	<u>3,622,948</u>	<u>3,622,948</u>
<u>(6,861,634)</u>	<u>3,622,498</u>	<u>(3,238,686)</u>
311,639	-	311,639
16,811	-	16,811
5,053,778	-	5,053,778
623,223	-	623,223
858,650	-	858,650
188,174	-	188,174
241	-	241
70,652	-	70,652
301,887	352,439	654,326
3,870	114,004	117,874
69,252	55,973	125,225
<u>7,498,177</u>	<u>522,416</u>	<u>8,020,593</u>
636,543	4,145,364	4,781,907
<u>42,371,236</u>	<u>52,007,162</u>	<u>94,378,398</u>
<u>\$ 43,007,779</u>	<u>\$ 56,152,526</u>	<u>\$ 99,160,305</u>

## FUND FINANCIAL STATEMENTS

**TOWN OF EAGLE, COLORADO**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
December 31, 2019

	General Fund	Capital Projects Fund	Sales Tax Capital Imprvmt Projects Fund
<b><u>ASSETS:</u></b>			
Cash and Investments	\$ 3,964,432	\$ 3,111,795	\$ 517,946
Restricted Cash and Investments	5,612,968	1,924,527	171,252
Receivables – Net:			
Due from County Treasurer	4,242	-	-
Taxes and Other Receivables	621,678	76,109	55,463
Property Taxes	336,326	-	-
Intergovernmental Grants	108,500	-	-
Prepaid Expenses	55,085	-	13,370
Funds Held by Fiscal Agent (EHOP)	95,094	-	-
Notes Receivable (EHOP)	73,645	-	-
Total Assets	\$ 10,871,970	\$ 5,112,431	\$ 758,031
<b><u>LIABILITIES, DEFERRED INFLOWS</u></b>			
<b><u>OF RESOURCES AND FUND BALANCES:</u></b>			
Liabilities:			
Accounts Payable	\$ 211,646	\$ 87,465	\$ 19,271
Retainage Payable	-	-	29,598
Accrued Liabilities	78,108	-	-
Unearned Revenues	79,250	-	-
Deposits and Other Liabilities	5,721,271	-	-
Total Liabilities	6,090,275	87,465	48,869
Deferred Inflows of Resources:			
Unavailable Revenues -			
From Property Taxes	336,326	-	-
Total Deferred Inflows	336,326	-	-
Fund Balances:			
Non-Spendable	223,824	-	13,370
Restricted for –			
Highway 6 Devolution Maintenance	-	1,750,652	-
Capital Improvements/Debt Service	-	-	122,383
Community Enhancement	-	173,875	-
Conservation Trust	-	-	-
Emergency Reserves	190,500	-	-
Committed for –			
Open-space Preservation	-	-	-
Assigned for –			
Capital Projects	-	3,100,439	573,409
Unassigned	4,031,045	-	-
Total Fund Balances	4,445,369	5,024,966	709,162
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 10,871,970	\$ 5,112,431	\$ 758,031

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



Non-Major Special Revenue Funds	Total Governmental Funds
\$ 316,650	\$ 7,910,823
75,692	7,784,439
-	4,242
10,484	763,734
-	336,326
-	108,500
-	68,455
-	95,094
-	73,645
<u>\$ 402,826</u>	<u>\$ 17,145,258</u>
\$ 414	\$ 318,796
-	29,598
731	78,839
-	79,250
-	5,721,271
<u>1,145</u>	<u>6,227,754</u>
-	336,326
-	336,326
-	237,194
-	1,750,652
-	122,383
-	173,875
75,692	75,692
-	190,500
325,989	325,989
-	3,673,848
-	4,031,045
<u>401,681</u>	<u>10,581,178</u>
<u>\$ 402,826</u>	<u>\$ 17,145,258</u>

**TOWN OF EAGLE, COLORADO**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO NET POSITION OF GOVERNMENTAL ACTIVITIES**  
December 31, 2019

TOTAL GOVERNMENTAL FUND BALANCES \$ 10,581,178

Amounts reported for governmental activities on the statement of net position is different because of the following:

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

Governmental Capital Assets	\$ 66,866,497	
Less Accumulated Depreciation	<u>(28,584,374)</u>	38,282,123

Some liabilities are not due and payable in the current year and, therefore, are not reported in the governmental funds.

Accrued Interest on Long-term Liabilities	\$ (18,645)	
Current Portion of Long-term Liabilities	<u>(141,671)</u>	(160,316)

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

Compensated Absences	\$ (94,689)	
Bonds Payable, Net of Premium	<u>(5,600,517)</u>	<u>(5,695,206)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 43,007,779

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

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended December 31, 2019

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Sales Tax Capital Imprvmt Projects Fund</u>
<u>Revenues:</u>			
Local Taxes and Assessments	\$ 5,733,892	\$ 433,962	\$ 623,223
Licenses and Permits	405,978	-	-
Intergovernmental	666,636	29,000	350,000
Charges for Services	310,459	-	-
Fines, Forfeits and Penalties	66,828	-	-
Information Center Sales	140,630	-	-
Interest	147,876	111,029	34,010
Miscellaneous	<u>62,066</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>7,534,365</u>	<u>573,991</u>	<u>1,007,233</u>
<u>Expenditures:</u>			
General Government	442,036	57,731	6,344
General Administration	589,478	-	-
Community Development	836,103	-	-
Municipal Court	64,011	-	-
Public Safety	1,642,487	67,403	-
Public Works – Streets	1,187,519	39,856	-
Public Works – Bldg & Grounds	676,880	447,622	-
Information Center	144,954	-	-
Marketing	292,221	-	-
Engineering	238,149	-	-
Open-Space Preservation	-	-	-
Debt Service:			
Principal	-	-	95,000
Interest	-	-	227,537
Capital Projects	<u>-</u>	<u>-</u>	<u>1,288,436</u>
Total Expenditures	<u>6,113,838</u>	<u>612,612</u>	<u>1,617,317</u>
Excess Revenues Over (Under) Expenditures	1,420,527	(38,621)	(610,084)
<u>Other Financing Sources (Uses):</u>			
Insurance Proceeds	3,870	-	-
Transfers (to) from Other Funds	<u>(350,000)</u>	<u>350,000</u>	<u>-</u>
Excess Revenues and Other Sources Over (Under) Expenditures and Other Uses	1,074,397	311,379	(610,084)
Fund Balances – Beginning	<u>3,370,972</u>	<u>4,713,587</u>	<u>1,319,246</u>
Fund Balances – Ending	<u>\$ 4,445,369</u>	<u>\$ 5,024,966</u>	<u>\$ 709,162</u>

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

<u>Non-Major Special Revenue Funds</u>	<u>Total Governmental Funds</u>
\$ 143,676	\$ 6,934,753
-	405,978
39,232	1,084,868
-	310,459
-	66,828
-	140,630
8,972	301,887
<u>1,000</u>	<u>63,066</u>
<u>192,880</u>	<u>9,308,469</u>
-	506,111
-	589,478
-	836,103
-	64,011
-	1,709,890
-	1,227,375
-	1,124,502
-	144,954
-	292,221
-	238,149
89,745	89,745
-	95,000
-	227,537
<u>25,000</u>	<u>1,313,436</u>
<u>114,745</u>	<u>8,458,512</u>
78,135	849,957
-	3,870
<u>-</u>	<u>-</u>
78,135	853,827
<u>323,546</u>	<u>9,727,351</u>
<u>\$ 401,681</u>	<u>\$ 10,581,178</u>

**TOWN OF EAGLE, COLORADO**  
**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
For the year ended December 31, 2019

NET CHANGE IN FUND BALANCES – TOTAL GOVERNMENTAL FUNDS \$ 853,827

Amounts reported for governmental activities on the Statement of Activities are different because of the following:

Governmental Funds report capital outlays as capital expenditures; however, on the Statement of Activities the cost of those assets is allocated over their estimated useful life as depreciation. This is the amount by which depreciation exceeded capital outlays.

Capital Outlay	\$ 1,838,218	
Depreciation	<u>(2,220,114)</u>	(381,896)

Interest expense is recognized as an expenditure in the governmental funds when it is due as it requires the use of current financial resources; however, in the Statement of Activities interest expense is recognized as the interest accrues regardless of when due. This is the amount by which accrued interest decreased from the previous fiscal year:

316

Compensated absences not payable from current resources are not reported as expenditures of the current year. In the Statement of Activities, these costs represent expenses of the current year. This is the amount accrued leave decreased this year.

21,832

Premiums on the issuance of long-term debt increase current financial resources to governmental funds; however, on the Statement of Activities, the premium is allocated over the term of the long-term debt as accretion of bond premium. This is the amount of accretion of bond premium recognized on the current year statement of activities.

47,464

Proceeds from the issuance of long-term debt provide current financial resources to governmental funds, but issuing long-term debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Current Debt Proceeds, Net of Premium	\$ -	
Current Period Debt Repayment	<u>95,000</u>	<u>95,000</u>

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES \$ 636,543

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

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
December 31, 2019

	Business-Type Activities Enterprise Funds			Total
	Water Fund	Wastewater Fund	Refuse Fund	
<b><u>ASSETS:</u></b>				
Current Assets:				
Cash and Investments	\$ 13,247,611	\$ 6,045,142	\$ 289,724	\$ 19,582,477
Restricted Cash and Investments	12,795,108	256,733	-	13,051,841
Accounts Receivable, Net	250,082	240,833	57,896	548,811
Intergovernmental Receivable	14,222	-	-	14,222
Inventory	8,130	-	-	8,130
Prepaid Expense	57,024	367	366	57,757
Total Current Assets	<u>26,372,177</u>	<u>6,543,075</u>	<u>347,986</u>	<u>33,263,238</u>
Non-Current Assets:				
Capital Assets, Net	<u>34,420,647</u>	<u>16,509,579</u>	<u>31,859</u>	<u>50,962,085</u>
Total Non-Current Assets	<u>34,420,647</u>	<u>16,509,579</u>	<u>31,859</u>	<u>50,962,085</u>
Total Assets	<u>\$ 60,792,824</u>	<u>\$ 23,052,654</u>	<u>\$ 379,845</u>	<u>\$ 84,225,323</u>
<b><u>LIABILITIES AND NET POSITION:</u></b>				
Liabilities:				
Current Liabilities:				
Accounts Payable	\$ 1,448,656	\$ 113,063	\$ 47,932	\$ 1,609,651
Retainage Payable	538,189	-	-	538,189
Accrued Liabilities	92,330	91,331	-	183,661
Unearned Revenues	-	215,776	44,484	260,260
Unearned Grant Revenues	14,222	-	-	14,222
Current Maturities of Long-term Debt, Net	912,212	719,091	-	1,631,303
Total Current Liabilities	<u>3,005,609</u>	<u>1,139,261</u>	<u>92,416</u>	<u>4,237,286</u>
Non-Current Liabilities:				
Compensated Absences	24,488	17,837	-	42,325
Notes Payable, Net of Premium	15,674,433	7,099,911	-	22,774,344
Bonds Payable	1,018,842	-	-	1,018,842
Total Non-Current Liabilities	<u>16,717,763</u>	<u>7,117,748</u>	<u>-</u>	<u>23,835,511</u>
Total Liabilities	<u>19,723,372</u>	<u>8,257,009</u>	<u>92,416</u>	<u>28,072,797</u>
Net Position:				
Invested in Capital Assets, Net of Related Debt	23,022,511	8,608,770	31,859	31,663,140
Restricted for Debt Service	816,346	256,733	-	1,073,079
Unrestricted	<u>17,230,595</u>	<u>5,930,142</u>	<u>255,570</u>	<u>23,416,307</u>
Total Net Position	<u>41,069,452</u>	<u>14,795,645</u>	<u>287,429</u>	<u>56,152,526</u>
Total Liabilities and Net Position	<u>\$ 60,792,824</u>	<u>\$ 23,052,654</u>	<u>\$ 379,845</u>	<u>\$ 84,225,323</u>

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

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

	Business-Type Activities			Total
	Enterprise Funds			
	Water Fund	Wastewater Fund	Refuse Fund	
<b><u>OPERATING REVENUES:</u></b>				
Service Fees	\$ 3,947,087	\$ 2,572,655	\$ 629,398	\$ 7,149,140
Meters and Materials	74,682	-	-	74,682
Intergovernmental Operating Grant	15,740	-	-	15,740
<b>TOTAL OPERATING REVENUES</b>	<b><u>4,037,509</u></b>	<b><u>2,572,655</u></b>	<b><u>629,398</u></b>	<b><u>7,239,562</u></b>
<b><u>OPERATING EXPENSES:</u></b>				
Personnel Services	629,509	495,014	8,225	1,132,748
Supplies	187,872	103,671	51	291,594
Purchased Services	490,675	378,667	580,186	1,449,528
Insurance	30,754	49,579	-	80,333
Noncapitalized Improvements	4,175	-	-	4,175
Depreciation	389,745	787,992	1,274	1,179,011
<b>TOTAL OPERATING EXPENSES</b>	<b><u>1,732,730</u></b>	<b><u>1,814,923</u></b>	<b><u>589,736</u></b>	<b><u>4,137,389</u></b>
<b>OPERATING INCOME (LOSS)</b>	<b><u>2,304,779</u></b>	<b><u>757,732</u></b>	<b><u>39,662</u></b>	<b><u>3,102,173</u></b>
<b><u>NON-OPERATING REVENUE (EXPENSE):</u></b>				
Interest and Earnings on Investments	285,614	61,061	5,764	352,439
Accretion of Debt Premium	32,445	23,528	-	55,973
Insurance Proceeds, Net of Asset Disposition	-	114,004	-	114,004
Interest Expense and Fiscal Charges	(389,567)	(256,302)	-	(645,869)
Administrative Fee – General Fund	-	-	(16,120)	(16,120)
<b>TOTAL NON-OPERATING REVENUE (EXPENSE)</b>	<b><u>(71,508)</u></b>	<b><u>(57,709)</u></b>	<b><u>(10,356)</u></b>	<b><u>(139,573)</u></b>
<b>INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	<b><u>2,233,271</u></b>	<b><u>700,023</u></b>	<b><u>29,306</u></b>	<b><u>2,962,600</u></b>
<b><u>CAPITAL CONTRIBUTIONS:</u></b>				
Tap and Improvement Fees	581,014	601,750	-	1,182,764
<b>TOTAL CAPITAL CONTRIBUTIONS</b>	<b><u>581,014</u></b>	<b><u>601,750</u></b>	<b><u>-</u></b>	<b><u>1,182,764</u></b>
<b><u>TRANSFERS:</u></b>				
Transfers In (Out)	-	-	-	-
<b>CHANGE IN NET POSITION</b>	<b>2,814,285</b>	<b>1,301,773</b>	<b>29,306</b>	<b>4,145,364</b>
<b>FUND NET POSITION - BEGINNING</b>	<b><u>38,255,167</u></b>	<b><u>13,493,872</u></b>	<b><u>258,123</u></b>	<b><u>52,007,162</u></b>
<b>FUND NET POSITION - ENDING</b>	<b><u>\$ 41,069,452</u></b>	<b><u>\$ 14,795,645</u></b>	<b><u>\$ 287,429</u></b>	<b><u>\$ 56,152,526</u></b>

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

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
For the Year Ended December 31, 2019

	Business-Type Activities Enterprise Funds			
	Water Fund	Wastewater Fund	Refuse Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Cash Received from Customers	\$ 4,051,990	\$ 2,612,573	\$ 630,015	\$ 7,294,578
Cash Received from Intergovernmental Grants	15,740	-	-	15,740
Cash Payments for Personnel Services	(625,265)	(486,037)	(8,225)	(1,119,527)
Cash Payments for Goods and Services	<u>304,458</u>	<u>(562,389)</u>	<u>(578,665)</u>	<u>(836,596)</u>
NET CASH PROVIDED OPERATING ACTIVITIES	<u>3,746,923</u>	<u>1,564,147</u>	<u>43,125</u>	<u>5,354,195</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Inter-fund Administrative Fees – General Fund	-	-	(16,120)	(16,120)
NET CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES	<u>-</u>	<u>-</u>	<u>(16,120)</u>	<u>(16,120)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Tap and Improvement Fees/Plant Investment Fees	581,014	601,750	-	1,182,764
Insurance Proceeds	-	314,444	-	314,444
Acquisition and Construction of Capital Assets	(10,305,549)	(418,861)	-	(10,724,410)
Principal Paid on Long-Term Debt	(865,072)	(672,686)	-	(1,537,758)
Interest Paid on Long-Term Debt	<u>(393,701)</u>	<u>(264,122)</u>	<u>-</u>	<u>(657,823)</u>
NET CASH PROVIDED FROM CAPITAL FINANCING ACTIVITIES	<u>(10,983,308)</u>	<u>(439,475)</u>	<u>-</u>	<u>(11,422,783)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest on Investments	<u>285,614</u>	<u>61,061</u>	<u>5,764</u>	<u>352,439</u>
NET CASH PROVIDED FROM INVESTING ACTIVITIES	<u>285,614</u>	<u>61,061</u>	<u>5,764</u>	<u>352,439</u>
NET INCREASE (DECREASE) IN CASH	(6,950,771)	1,185,733	32,769	(5,732,269)
CASH AT BEGINNING OF YEAR	<u>32,993,490</u>	<u>5,116,142</u>	<u>256,955</u>	<u>38,366,587</u>
CASH AT END OF YEAR	<u>\$ 26,042,719</u>	<u>\$ 6,301,875</u>	<u>\$ 289,724</u>	<u>\$ 32,634,318</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:</b>				
Operating Income (Loss)	\$ 2,304,779	\$ 757,732	\$ 39,662	\$ 3,102,173
Non-Cash Expenses Included in Operating Income – Depreciation	389,745	787,992	1,274	1,179,011
Change in Assets and Liabilities – Decrease (Increase) Receivables/Grants Rec'ble	15,999	15,970	(6,961)	25,008
Decrease (Increase) in Inventory	(8,130)	-	-	(8,130)
Decrease (Increase) in Prepaid Expense	(54,052)	(367)	(366)	(54,785)
Increase (Decrease) in Unearned Revenues/Grants	14,222	23,948	7,578	45,748
Increase (Decrease) in Accrued Payroll/Payables	<u>1,084,360</u>	<u>(21,128)</u>	<u>1,938</u>	<u>1,065,170</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 3,746,923</u>	<u>\$ 1,564,147</u>	<u>\$ 43,125</u>	<u>\$ 5,354,195</u>

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



**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*

The financial statements of the Town of Eagle are prepared in accordance with generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). Significant accounting policies of the Town of Eagle are described below.

A. Financial Reporting Entity

The Town of Eagle was originally incorporated in 1905, under provisions of Colorado State Statutes. The Town's home rule election was held in April of 2020 and provisions of its home rule charter were adopted which govern the Town.

The Town operates under a Council-Mayoral form of government whom are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The Town provides the following departmental services: general government and administration, community development, municipal court, public safety (police), information center, marketing, engineering, open-space preservation, water, wastewater and refuse.

The Governmental Accounting Standards Board (GASB) has specified the criteria to be used in defining a governmental entity for financial reporting purposes. The reporting entity consists of (a) the primary government; i.e., the Town, and (b) any organizations for which the Town is financially accountable. The Town is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either 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 burdens on, the Town. Consideration is also given to other organizations that are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval of the Town. Organizations for which the nature and significance of their relationship with the Town are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria discussed above, the Town is not financially accountable for any other entity and, therefore, the Town's financial statements do not include any component units, nor do they exclude any potential component units requiring inclusion in the Town's reporting entity, nor is the Town a component unit of any other government. The Town's financial statements include the accounts of all Town operations.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

**B. Basis of Presentation**

The Town's basic financial statements consist of government-wide statements, including a statement of net position and statement of activities, and fund financial statements which provide a more detailed level of financial information.

*GOVERNMENT-WIDE FINANCIAL STATEMENTS*

The statement of net position and the statement of activities display information about the Town as a whole. These statements include the financial activities of the overall primary government.

The statement of net position presents the financial condition of the governmental activities of the Town at fiscal year-end and reports all financial and capital resources of the Town. The difference between the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Town is reported as net position.

The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the Town's governmental activities. In the statement of activities, direct expenses are those that are specifically associated with a service, program or department and, therefore, clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Town, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from general revenues of the Town.

*FUND FINANCIAL STATEMENTS*

During the fiscal year, the Town segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance by segregating transactions related to certain governmental functions or activities. Fund financial statements are designed to present financial information of the Town at this more detailed level. The focus of governmental fund financial statements is on major funds. Each major fund is presented in a separate column. Non-major funds, if applicable, are aggregated and presented in a single column. Enterprise funds are reported by type.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

C. Fund Accounting

Governmental accounting systems are organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. The Town's funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations or limitations based upon the purposes for which they are to be spent and by means by which spending activities are controlled. The various funds of the Town are outlined in the following paragraphs.

*GOVERNMENTAL FUNDS*

General Fund – The General Fund is the general operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund. The General Fund balance is available to the Town for any purpose provided it is expended or transferred according to general statutory laws.

Capital Projects Fund – The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

Sales Tax Capital Improvement Projects Fund – The Sales Tax Capital Improvement Projects Fund is used to account for the Town's ½% municipal sales tax securing and funding capital projects debt service for the Town's 2016 sales tax revenue bonds.

Special Revenue Funds – Special Revenue Funds are used to account for the proceeds of special revenue sources that are restricted or committed for purposes other than debt service or capital projects. The Conservation Trust Fund is a special revenue fund used to account for revenue from the Colorado Lottery restricted for use in parks and recreation acquisition, development and maintenance pursuant to Colorado Revised Statutes. The Open Space Preservation Fund is a special revenue fund used to account for revenue from the Town's Lodging and Occupancy Tax committed for the acquisition of open space lands, conservation and trail easements and development rights.

*PROPRIETARY FUNDS*

Enterprise Funds – The Water Fund, Wastewater Fund and Refuse Fund are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

D. Measurement Focus and Basis of Accounting

*GOVERNMENT-WIDE FINANCIAL STATEMENTS*

The government-wide financial statements are prepared using the *economic resources measurement* focus and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Town receives value without directly giving equal value in return, consist of property taxes, other taxes and fines and penalties. All assets and all liabilities associated with the operation of the Town are included on the statement of net position.

*FUND FINANCIAL STATEMENTS*

All governmental funds are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under this method, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances reflect the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between government-wide and governmental fund statements. Under this method, revenues are recognized when measurable and available. The Town considers all revenues available if they are collected within 60 days after year-end. Those revenues susceptible to accrual are property taxes, sales taxes, highway user taxes, and reimbursements from developers for professional fees. because they are both measurable and available to finance expenditures of the current period:

Taxpayer-assessed local property and specific ownership taxes are considered “measurable” when in the hands of intermediary collecting governments and are recognized as revenue at that time. Expenditures are recorded when the related fund liability is incurred, except for matured principal and interest on general long-term liabilities which are reported as other financing uses.

Like the government-wide financial statements, the enterprise fund is accounted for using a flow of economic resources measurement focus. This basis of accounting and measurement focus emphasizes the measurement of net income similar to the approach used by commercial enterprises, and revenues are recorded when earned and expenses are recorded when incurred. All assets and all liabilities associated with the operation of this fund are included on the statement of net position. The statement of changes in revenues, expenses, and changes in net position, presents increases (e.g., revenues) and decreases (e.g., expenses) in total fund net position. The statement of cash flows reflects how the Town finances and meets the cash flow needs of its enterprise fund.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

E. Budgets and Budgetary Accounting

The Town annually adopts budgets for all funds. This formal budget integration is employed as a management control device during the year. The level of control in the budget at which expenditures exceed appropriations is at the fund level. With the exception of its proprietary funds (see Note 7) the Town's budgets are adopted on a basis consistent with generally accepted accounting principles. All annual appropriations lapse at fiscal year end.

Budget Calendar

As required by Colorado statutes, the Town followed required timetables in preparing, approving, and enacting its budget for the ensuing year. The following is a summary of the budget calendar:

1. Prior to August 25, the County Assessor provides the Town the preliminary certified assessed valuation of all taxable property within the Town's boundaries.
2. The Manager, or other qualified persons appointed by the Town Council, submits to the Town Council, on or before October 15, a recommended budget which details the necessary property taxes needed along with other available revenues to meet the Town's operating requirements.
3. A public hearing on the proposed budget and capital program is held by the Town Council no later than 45 days prior to the close of the fiscal year.
4. Prior to December 10, the County Assessor sends the Town the final certified assessed valuation of all taxable property within the Town's boundaries.
5. Prior to December 15, the Town Council compute and certify to the County Commissioners a rate of levy that derives the necessary property taxes as computed in the proposed budget.
6. After the required public hearing, the Town Council adopts the proposed budget by resolution prior to December 15. The ordinance adopting the budget also legally appropriates expenditures for the upcoming year.
7. After adoption of the budget ordinance, the Town may make by ordinance the following changes: (a) supplemental appropriations to the extent of revenues in excess of the estimated budget; (b) emergency appropriations; and (c) reduction of appropriations for which originally estimated revenues are insufficient. At any time during the year, the Town Council may, by resolution, transfer part or all of any unexpended funds from one department or office to another.
8. Expenditures may not legally exceed appropriations at the fund level. Town Council approval is required for changes in the total budget of any fund. Budget amounts included in the financial statements are based on the final, legally amended budget.
9. Budget appropriations lapse at the end of each year.

The Town legally adopted annual budgets for all of the Town's funds, and amended the current year appropriations as disclosed in Management's Discussion and Analysis.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

F. Cash and Investments

The Town’s policy in determining which items are treated as cash equivalents on the statement of cash flows for the enterprise funds include all cash, demand deposits, treasury bills and other short-term, highly liquid investments (including restricted assets) that are readily convertible to cash and have original maturities of three months or less.

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost which approximates fair value. Securities traded on a national or international exchange are valued at the last quoted market price. Cash deposits are reported at carrying amounts which reasonably estimates fair value. See additional required disclosures for cash and investments in Note 2.

G. Capital Assets/Depreciation

Capital assets purchased or acquired with an original cost in excess of a \$5,000 capitalization threshold set by the Town are reported at historical or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Parks/Land Improvements	10-30 years
Buildings/Improvements	20-50 years
Rec Center/Pool/Ice Rink	20-50 years
Equipment	3-15 years
Utility System/Improvements	15-40 years
Other Infrastructure	20-40 years

On the government-wide statement of activities, for governmental funds depreciation expense is included in the various expenses of functions or programs for capital assets that can be specifically identified with a function and for “shared” capital assets generally used by only a few functions that can be specifically identified to those functions. Depreciation expense for capital assets that essentially serve all functions are reported as a separate line in the statement of activities as unallocated depreciation (see Note 4).

H. Customer Accounts Receivable

The Town considers customer accounts receivable for water, sewer and trash services to be fully collectible. The Town is empowered to place a lien on real property in the case of nonpayment. Accordingly, no allowance for doubtful accounts is considered necessary.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

I. Property Taxes Receivable and Deferred Inflows

Property taxes are levied on December 15, and attach as a lien on property the following January 1, and are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and payable the following year are reported as a receivable at December 31, net of an estimated uncollectible portion. However, since the taxes are not available to pay current liabilities, the net receivables are recorded as a deferred inflow of resources. Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2018 were collected in 2019 and taxes certified in 2019 will be collected in 2020. Taxes are due on January 1<sup>st</sup>; however, they may be paid in either one installment (no later than April 30<sup>th</sup>) or two equal installments (not later than February 28<sup>th</sup> and June 15<sup>th</sup>) without interest or penalty. Taxes which are not paid within the prescribed time bear interest at the rate of one percent per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16<sup>th</sup>.

J. Proprietary Funds – Unearned Revenue

Unearned revenues in the Wastewater Fund and Refuse Fund arise from advance billings for services and have been accrued in these enterprise funds. The Water Fund bills for current services, therefore no unearned revenues from water utility billings have been accrued. Unearned grant revenues arise with eligible expenditures not yet incurred.

K. Proprietary Funds – Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the Town, these revenues are charges for utility services. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise funds.

L. Proprietary Funds – Contributed Capital

Grants and contributions in the enterprise funds which may be used for either operations or capital expenditures at the Town's discretion are recognized as non-operating revenues. If expenditure of funds is the prime factor for determining eligibility for contributed funds, revenue or contributed capital is recognized at the time of making the expenditure.

M. Inter-fund Transactions

Transfers between governmental and business-type activities on the government-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the fund providing services and as expenditures/expenses in the fund receiving services. Flows of cash or goods from one fund to another without a requirement for repayment are reported as inter-fund transfers. Inter-fund transfers are reported as other financing sources/uses in the governmental funds and are non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

N. Internal Balances

During the year, the Town may have transactions between funds to finance operations, provide services, and allocate combined cash balances. To the extent transactions or budget transfers between funds have not been paid or received as of year-end, inter-fund balances receivable or payable are recorded. Any inter-fund balances that exist within governmental activities are eliminated on the government-wide statement of net position. At December 31, 2019 there were no outstanding internal inter-fund balances.

O. Compensated Absences

The Town accrues a liability for compensated absences which meet the following criteria: 1) the Town's obligation relating to employees' rights to receive compensation for future absences is attributable to employees services already rendered; 2) the obligation relates to rights that vest or accumulate; 3) payment of the compensation is probable; and, 4) the amount can be reasonably estimated. Vacation time is accrued monthly for full-time employees with a maximum annual accrual of 12, 15 or 20 days based on years of service, and part-time employees have a maximum accrual of 6 days. Full-time employees who have been with the Town for less than 10 consecutive years may not accumulate more than 160 vacation hours, and those with more than 10 consecutive years no more than 240 vacation hours. Part-time employees may not accumulate more than 80 vacation hours. Employees are paid for all vacation hours accumulated but not used upon termination of employment. Sick leave is accrued monthly with a maximum annual accrual of 12 days for full-time employees and 6 days for part-time employees. Sick leave can be accumulated and carried over from year-to-year up to a maximum of 720 hours for full-time and 360 hours for part-time employees. Accumulated sick leave is not payable upon termination of employment. Seasonal and temporary employees are not eligible for vacation or sick leave. The liability for compensated absences for the governmental funds has been accrued on the government-wide statement of net position since it is anticipated that none of the liability will be liquidated with expendable available financial resources. The liability for compensated absences for the enterprise funds has been accrued within each appropriate enterprise fund.

P. Net Position and Fund Balances

In the government-wide financial statements and proprietary funds, net position is classified as follows:

*Invested in Capital Assets, Net of Related Debt* – this category groups all capital assets into one component. Accumulated depreciation and the outstanding debt balances that are attributable to (already invested in) the acquisition, construction or improvement of these assets reduce this category.

*Restricted* – assets are reported as *restricted* when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either imposed by creditors, contributors, grantors, laws of other governments, or imposed by various enabling legislation.

*Unrestricted* – represents the amount which is not restricted for any purpose. It is the Town's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available.



**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

P. Net Position and Fund Balances - continued

In the governmental fund financial statements, fund balances are classified as follows:

*Non-spendable* – amounts that cannot be spent because they are either in non-spendable form such as inventory and prepaid expenses, or legally or contractually required to be maintained intact such as the corpus of permanently restricted funds to be retained in perpetuity. It also includes the long-term amount of loans and notes receivable, as well as property acquired for resale, when applicable.

*Restricted* – when constraints are placed on the use of resources either (a) externally imposed by creditors or (b) imposed by law through constitutional provisions or enabling legislation. As discussed in *Note 13*, Colorado voters passed an amendment to the State Constitution, one of the provisions of which requires local governments to establish an emergency reserve which is calculated at 3% of certain expenditures; these funds may only be expended in cases of emergencies as defined by the amendment and are used to fund appropriations only after unrestricted resources are depleted. Special revenue resources in the Conservation Trust Fund are restricted for use in parks and recreation acquisition, development and maintenance pursuant to Colorado Revised Statutes. Accumulated Community Enhancement revenues requiring disbursement approval by Holy Cross Energy are restricted in the Capital Projects Fund. Unused balances originating from Colorado Department of Transportation for future maintenance of the Highway 6 Devolution are restricted in the Capital Projects Fund. Sales Taxes restricted for Capital Improvement Projects debt service are restricted in the Sales Tax Capital Improvements Projects Fund.

*Committed* – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority (the Town Council). These amounts cannot be changed except by taking the same type of action employed to previously commit these amounts. Special revenue resources in the Open Space Preservation Fund are committed for the acquisition of open space lands, conservation and trail easements and development rights.

*Assigned* – amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by the governing body itself, or a body or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The Town considers available fund balances of the Capital Projects Fund as assigned for future capital outlay.

*Unassigned* – the residual for the general fund.

It is the Town's policy to first apply restricted resources when an expense is incurred for which both restricted and unrestricted assets are available. Committed and assigned amounts are considered to have been spent first when an expenditure is incurred for purposes for which such categories and unassigned amounts are available.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued*

Q. Use of Estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with generally accepted accounting principles. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that were used.

R. Fair Values of Financial Instruments

The Town reports its investments using the fair value measurements established by generally accepted accounting principles. As such, fair value hierarchy categorizes the inputs used to measure the fair value into three levels. Level 1 inputs are quoted market prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs.

*NOTE 2 - CASH AND INVESTMENTS*

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. The eligible depository is required to pledge to the Colorado Division of Banking a pool of collateral having a market value that at all times exceeds 102 percent of uninsured aggregate public deposits. The eligible collateral is determined by the PDPA, which includes obligations of the United States, the State of Colorado, Local Colorado governments, and obligations secured by first lien mortgages on real property located in the state. PDPA allows the institution to create a single collateral pool for all public funds. The pool is maintained by another institution or held in trust for all uninsured public deposits as a group. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. There is no custodial credit risk for public deposits collateralized under PDPA.

It is the policy of the Town to invest public funds in a manner which will provide the highest investment return with the maximum security, meet the daily cash flow demands of the Town, and conform to all federal, state and local statutes governing the investment of public funds. This policy applies to the investment of all financial assets of all funds of the Town over which it exercises financial control.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 2 - CASH AND INVESTMENTS - continued*

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States and certain U.S. government agency securities, including securities issued by FNMA (federal national mortgage association), GNMA (governmental national mortgage association), FHLMC (federal home loan mortgage corporation), the federal farm credit bank, the federal land bank, the export-import bank, and by the Tennessee Valley authority, and certain international agency securities, including the World Bank.
- . General obligation and revenue bonds of U.S. local government entities, the District of Columbia, and territorial possessions of the U.S. rated in the highest two rating categories by two or more nationally recognized rating agencies.
- . Bankers' acceptances of certain banks
- . Certain securities lending agreements
- . Commercial paper
- . Written repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools
- . The investing local government's own securities including certificates of participation and lease obligations.

*Local Government Investment Pool (ColoTrust)*

As of December 31, 2019 the Town had invested \$34,558,853 in the Colorado Local Government Liquid Asset Trust (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. As of December 31, 2019, the Town had \$0 invested in COLOTRUST PRIME, and \$34,558,853 invested in COLOTRUST PLUS+. Investments in local government investment pools are not categorized in terms of custodial credit risk since they are not evidenced by securities that exist in physical or book entry form.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 2 - CASH AND INVESTMENTS – continued*

Total Cash and Cash Equivalents

In order to facilitate the recording of cash transactions and maximize interest earnings, the Town has pooled cash deposits for all funds. The Town maintains accountability for each fund's equity in pooled cash and investments. Interest earnings for combined funds are generally distributed based on monthly cash balances. A summary of the Town's cash and cash equivalents at December 31, 2019 are classified below:

Checking/Savings	\$ 1,445,537
CWRPDA Project and Reserve Accounts	12,459,362
Local Government Investment Pool	<u>34,558,853</u>
 Total Balances	 48,463,752
Net Outstanding Items	<u>(134,172)</u>
 Total Cash and Cash Equivalents	 <u>\$ 48,329,580</u>

Of the above cash and cash equivalents, a total of \$15,695,262 is in governmental activities and \$32,634,318 in business-type activities.

The Town's bank deposits were entirely covered by federal depository insurance (FDIC) or uninsured but collateralized under PDPA in accordance with state statute, and had bank balances of \$1,445,537 of which \$250,000 was covered by FDIC insurance and \$1,195,537 by PDPA described above.

Included in cash and cash equivalents are investments rated as follows:

	<u>Fair Value</u>	<u>Credit Rating</u>	<u>Rating Agency</u>
Colostrust (Local Govt Investment Pool)	\$ 34,558,853	AAAm	Standard & Poors

Risk Disclosures

Additional investment and deposit disclosures for credit risk, interest rate risk, and foreign currency risk, as required by GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, are included in the notes below.

To minimize custodial credit risk, or the risk that an insurer or other counterparty to an investment will not fulfill its obligations, state law limits investments to those where the issuer is rated in one of the three highest rating categories by one or more nationally recognized organizations that rate such issuers. The Town has deposits in Colostrust Plus+ with ratings as provided above.

The concentration of credit risk, or the risk of loss attributed to the magnitude of a government's investment in a single issuer, occurs when deposits are not diversified. The Town's policy places no limit on the amount the Town may invest in any one issuer; however the Town maintains general guidelines for investments to ensure proper diversification by security type and institution. All investments are issued or explicitly guaranteed by securities of the U.S. government, or insured by the Public Depository Protection Act, or are investments in mutual fund or external investment pools, and therefore are not subject to concentration of credit risk.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 2 - CASH AND INVESTMENTS – continued*

*Risk Disclosures - continued*

Interest rate risk is the extent to which changes in interest rates will adversely affect the fair value of an investment. The Town maintains an investment policy that limits investment maturities to three years as means of managing its exposure to fair value losses arising from increasing interest rates and to avoid undue concentration in any sector of the yield curve. Exceptions to this structure may be allowed where maturities can be structured to accommodate readily identifiable cash flows. There were no investments subject to interest rate risk disclosure as of December 31, 2019.

The Town was not subject to foreign currency risk as of December 31, 2019.

*NOTE 3 - RESTRICTED CASH*

The General Fund has a restricted deposit escrow and performance guarantee account for the Haymeadow development held at Colotrust.

The Capital Projects Fund has restricted funds for community enhancement and future Highway 6 Devolution Maintenance. The community enhancement funds, collected from Holy Cross Energy, are restricted for beautification and energy conservation projects, equipment and technology upgrades for schools, scholarship funds, acquisition of open space and/or park land and development, sponsorship of special community events, and undergoing of overhead electric and other utility lines. The Town must notify Holy Cross Energy of its intended use of the funds, whereby Holy Cross Energy has the right to object, in writing, prior to such expenditure or otherwise waive its right to objection.

The Sales Tax Capital Improvement Projects Fund has restricted balances for accumulated capital improvements liabilities and debt service reserves related to the Town's 2016 Sales Tax Revenue Bonds.

The Conservation Trust Fund has accumulated balances from State Lottery Funds restricted for future authorized conservation trust use.

The Water Fund has restricted balances reflected on its balance sheet for cash held on its behalf by the Colorado Water Resources Power and Development Authority for the Town's Lower Basin Water Treatment Plant Project and amounts restricted for debt service reserves.

The Wastewater Fund has restricted cash balances reflected on its balance sheet for required debt service reserves.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

**NOTE 4 - CAPITAL ASSETS**

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

<u>GOVERNMENTAL ACTIVITIES</u>	<u>01/01/19</u>	<u>Additions</u>	<u>Dispositions/ Reclassif.</u>	<u>Balances 12/31/19</u>
Non-depreciable Assets:				
Land and Easements	\$ 4,079,568	\$ -	\$ -	\$ 4,079,568
Construction in Progress	5,627,032	1,527,597	-	7,154,629
Depreciable Capital Assets:				
Park/Land Improvements	3,795,408	-	-	3,795,408
Buildings/Improvements	5,070,707	26,191	-	5,096,898
Rec Center/Pool/Ice Rink	5,235,122	-	-	5,235,122
Equipment	3,365,170	262,396	-	3,627,566
Infrastructure	<u>37,855,272</u>	<u>22,034</u>	<u>-</u>	<u>37,877,306</u>
Total at Historical Cost	65,028,279	1,838,218	-	66,866,497
Less Accumulated Depreciation	<u>(26,364,259)</u>	<u>(2,220,114)</u>	<u>-</u>	<u>(28,584,374)</u>
GOVERNMENTAL ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$ 38,664,020</u>	<u>\$ (381,896)</u>	<u>\$ -</u>	<u>\$ 38,282,123</u>

For the fiscal year ending December 31, 2019, depreciation expense for governmental activities was recorded on the statement of activities as follows:

General Government	\$ 222,973
Public Safety	76,822
Public Works – Streets	134,244
Public Works – Buildings/Grounds	51,217
Open Space	1,065
Unallocated Depreciation	<u>1,733,793</u>
Total Governmental Depreciation	<u>\$ 2,220,114</u>

<u>BUSINESS-TYPE ACTIVITIES</u>	<u>Balances 01/01/19</u>	<u>Additions</u>	<u>Dispositions/ Reclassif.</u>	<u>Balances 12/31/19</u>
Non-depreciable Assets:				
Land and Easements	\$ 170,571	\$ 207,162	\$ -	\$ 377,733
Water Rights	9,144,376	-	-	9,144,376
Construction in Progress	5,330,685	9,037,762	(281,829)	14,086,618
Depreciable Capital Assets:				
Buildings/Improvements	128,951	-	-	128,951
Equipment	332,693	-	-	426,206
Infrastructure-Plant/Facility	427,399	-	-	427,399
Infrastructure-Utility System	<u>41,770,373</u>	<u>1,479,486</u>	<u>(71,782)</u>	<u>43,178,077</u>
Total at Historical Cost	57,398,561	10,724,410	(353,611)	67,769,360
Less Accumulated Depreciation	<u>(15,781,435)</u>	<u>(1,179,011)</u>	<u>153,171</u>	<u>(16,807,275)</u>
BUSINESS-TYPE ACTIVITIES				
CAPITAL ASSETS, NET	<u>\$41,617,126</u>	<u>\$ 9,545,399</u>	<u>\$ (200,440)</u>	<u>\$ 50,962,085</u>

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 4 - CAPITAL ASSETS - continued*

For the fiscal year ending December 31, 2019, depreciation expense for business-type activities was recorded on the statement of activities as follows:

Water Utility	\$ 389,745
Wastewater Utility	787,992
Refuse Utility	<u>1,274</u>
Total Business-type Depreciation	<u>\$ 1,179,011</u>

*NOTE 5 - LONG-TERM OBLIGATIONS*

Changes in long-term obligations during fiscal year ended December 31, 2019 follows:

GOVERNMENTAL ACTIVITIES	Balances 01/01/19	Additions	Reductions	Balances 12/31/19	Amounts Due Within One Year
<b>Bonds</b>					
Series 2016	\$ 5,025,000	\$ -	\$ (95,000)	\$ 4,930,000	\$ 95,000
'16 Premium	859,653	-	(47,465)	812,188	46,671
Compensated Absences -	<u>116,521</u>	<u>83,135</u>	<u>(104,967)</u>	<u>94,689</u>	<u>-</u>
<b>GOVERNMENTAL LONG-TERM OBLIGATIONS</b>	<u>\$ 6,001,174</u>	<u>\$ 83,135</u>	<u>\$ (247,432)</u>	<u>\$ 5,836,877</u>	<u>\$ 141,671</u>
BUSINESS-TYPE ACTIVITIES	Balances 01/01/19	Additions	Reductions	Balances 12/31/19	Amounts Due Within One Year
<b>Notes Payable</b>					
'79 CWCW Loan	\$ 21,482	\$ -	\$ (10,171)	\$ 11,311	\$ 11,311
'07 CWRPDA	7,381,968	-	(611,556)	6,770,412	633,204
'07 Premium	235,280	-	(23,528)	211,752	23,528
'11 CWRPDA	897,968	-	(61,130)	836,838	62,359
'18 CWRPDA	16,651,393	-	(625,193)	16,026,200	633,320
'18 Premium	345,026	-	(32,446)	312,580	31,027
<b>Bonds</b>					
Series 2013P	1,485,105	-	(229,709)	1,255,396	236,554
Compensated Absences -	<u>30,838</u>	<u>53,991</u>	<u>(42,504)</u>	<u>42,325</u>	<u>-</u>
<b>BUSINESS-TYPE LONG-TERM OBLIGATIONS</b>	<u>\$27,049,060</u>	<u>\$ 53,991</u>	<u>\$ (1,636,237)</u>	<u>\$ 25,466,814</u>	<u>\$1,631,303</u>

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 5 - LONG-TERM OBLIGATIONS - continued*

GOVERNMENTAL ACTIVITIES – LONG-TERM OBLIGATIONS

Bonds, notes payable and loan obligations of the Town’s governmental activities are comprised of the following:

Bonds Payable:

*2016 Series Sales Tax Revenue Bonds:*

Sales Tax Revenue Bonds were issued on September 9, 2016 in the original amount of \$5,200,000, plus a premium of \$967,936. The interest rate varies from 4.00% to 5.00%, payable semi-annually on June 1 and December 1, principal payable December 1. The bonds were issued to: (i) acquire, develop and construct a river park in the town; (ii) improve, construct and maintain the Town’s parks, multi-use recreational facilities and paved paths; (iii) fund the initial deposit to the bond reserve account; and (iv) pay costs of issuance in connection with the issuance of the bonds. The Bonds constitute special, limited obligations of the Town payable solely from “pledged revenues” consisting of proceeds derived by the Town from voter approved sales taxes at a rate of one-half of one percent (0.5%). The total outstanding balance at December 31, 2019 is \$4,930,000. The Town’s Sales Tax Capital Improvement Projects Fund is being used to collect sales taxes and pay debt service on the Bonds. The annual requirements to amortize principal and interest on the bonds are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 95,000	\$ 223,737	\$ 318,737
2021	100,000	219,938	319,938
2022	105,000	215,937	320,937
2023	110,000	211,738	321,738
2024	115,000	207,337	322,337
2025-2029	650,000	963,688	1,613,688
2030-2034	780,000	822,087	1,602,087
2035-2039	985,000	618,425	1,603,425
2040-2044	1,240,000	360,288	1,600,288
2045-2046	750,000	50,350	800,350
	<u>\$ 4,930,000</u>	<u>\$ 3,893,525</u>	<u>\$ 8,823,525</u>

The premium on the 2016 Series Bonds is being accreted over the term of the bond as a percentage of annual interest which approximates accretion at the effective interest rate. Total current year premium accretion of \$47,464 is included in governmental activities interest and fiscal charges on long-term debt. The net outstanding premium at December 31, 2019 is \$812,188.

Accrued Liabilities – Compensated Absences

Accrued liabilities for compensated absences consist of the accrual for vacation time earned by the Town’s employees but not taken by December 31, 2019. Total accrued compensated absences as of year-end for governmental activities were \$94,689.



**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 5 - LONG-TERM OBLIGATIONS - continued*

BUSINESS-TYPE ACTIVITIES – LONG-TERM OBLIGATIONS

Bonds, notes payable and loan obligations of the Town’s business-type activities are comprised of the following:

Notes Payable:

*1979 CWCB Loan*

Water storage tank loan issued on October 1, 1979 in the original amount of \$245,950, payable to the Colorado Water Conservation Board in annual installments of \$10,815 through 2020 at 3.00%. The total outstanding balance at December 31, 2019 is \$11,311. The loan is carried in the Water Fund. Annual requirements to amortize principal and interest on the installment note payable are as follows:

Year Ended December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 11,311	\$ 340	\$ 11,651
	<u>\$ 11,311</u>	<u>\$ 340</u>	<u>\$ 11,651</u>

*2007 CWRPDA Loan*

The Town entered into a water pollution control revolving fund loan agreement with the Colorado Water Resources and Power Development Authority dated May 31, 2007 in the original amount of \$11,505,912 plus a premium of \$494,088 for the purpose of expansion of the extended aeration activated sludge plant conversion to a conventional activated sludge process. The loan is a 21-year leveraged loan that carries an interest rate of 3.5% and is payable in 43 semi-annual installments February 1 and August 1. The total outstanding balance at December 31, 2019 is \$6,770,412. The loan is carried in the Wastewater Fund. The loan has a total annual administrative fee payable of \$92,047 through 2026, \$57,530 in 2027 and \$23,012 in 2028. Annual requirements to amortize principal and interest on the loan are as follows:

Year Ended December 31,	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 633,204	\$ 194,683	\$ 827,887
2021	649,440	175,339	824,779
2022	703,560	155,499	859,059
2023	725,208	134,005	859,213
2024	746,856	111,851	858,707
2025-2028	<u>3,312,144</u>	<u>217,358</u>	<u>3,529,502</u>
	<u>\$ 6,770,412</u>	<u>\$ 988,735</u>	<u>\$ 7,759,147</u>

The premium on the 2007 CWRPDA Note is being accreted annually at an equal rate over the term of the note which does not differ materially from the effective interest rate. Total current year premium accretion of \$23,528 is included in the business-type activities wastewater utility function. The net outstanding premium at December 31, 2019 is \$211,752.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 5 - LONG-TERM OBLIGATIONS - continued*

*BUSINESS-TYPE ACTIVITIES – LONG-TERM OBLIGATIONS - continued*

Notes Payable - continued:

*2007 CWRPDA Loan - continued*

During the fiscal year ended December 31, 2016, the CRWPDA refinanced a loan and is passing through the anticipated savings to the Town on an annual basis, resulting in a total anticipated present value savings over the term of the loan of approximately \$635,222 (or 7.78%) to be recognized in the Wastewater Fund as received. The future anticipated savings to be recognized over the term of the loan is as follows:

<u>Year Ended December 31,</u>	<u>Anticipated Savings</u>
2020	\$ 58,450
2021	55,326
2022	58,711
2023	57,778
2024	58,020
2025-2028	<u>225,763</u>
	<u>\$ 514,048</u>

*2011 CWRPDA Loan*

The Town entered into a water pollution control revolving fund loan agreement with the Colorado Water Resources and Power Development Authority dated January 21, 2011, in the original amount of \$1,288,966 for rehabilitation of the downtown wastewater collection system. The loan is a 20-year loan that carries an interest rate of 2.0% and is payable in 40 semi-annual installments (beginning May 1, 2012) on May 1 and November 1. The total outstanding balance at December 31, 2019 is \$836,838. The loan is carried in the Wastewater Fund. The loan has a total annual administrative fee payable as indicated below.

2020	\$ 15,000
2021	10,000
2022	8,000
2023	7,000
2024	6,000
2025-2029	12,735
2030-2031	-
	<u>\$ 58,735</u>

The annual requirements to amortize principal and interest on the loan are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 62,359	\$ 1,427	\$ 63,786
2021	63,613	5,173	68,786
2022	64,891	5,894	70,785
2023	66,196	5,590	71,786
2024	67,526	5,260	72,786
2025-2029	358,543	22,650	381,193
2030-2031	<u>153,710</u>	<u>3,862</u>	<u>157,572</u>
	<u>\$ 836,838</u>	<u>\$ 49,856</u>	<u>\$ 886,694</u>

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 5 - LONG-TERM OBLIGATIONS - continued*

*BUSINESS-TYPE ACTIVITIES – LONG-TERM OBLIGATIONS - continued*

Notes Payable - continued:

*2018 CWRPDA Loan*

The Town entered into a drinking water revolving fund loan agreement with the Colorado Water Resources and Power Development Authority dated May 1, 2018, in the original amount of \$16,841,882 for construction of the new Lower Basin Water Treatment Plant, transmission line, and associated project components. The loan is a 22-year loan that carries an interest rate ranging from 2.5% to 5.0% and is payable in 45 semi-annual installments (beginning August 1, 2018) on August 1 and February 1. The total outstanding balance at December 31, 2019 is \$16,026,200. The loan is carried in the Water Fund. The loan has a total annual administrative fee payable as indicated below.

2020	\$	168,419
2021		168,419
2022		168,419
2023		168,419
2024		168,419
2025-2029		842,094
2030-2034		757,885
2035-2039		437,889
2040		16,842
		\$ 2,896,805

The annual requirements to amortize principal and interest on the loan are as follows:

Year Ended December 31,	Principal	Interest	Total
2020	\$ 633,320	\$ 187,050	\$ 820,370
2021	648,043	175,850	823,893
2022	653,299	168,850	822,149
2023	659,649	161,850	821,499
2024	669,583	154,975	824,558
2025-2029	3,538,500	576,625	4,115,125
2030-2034	3,880,441	314,575	4,195,016
2035-2039	4,378,620	137,119	4,515,739
2040	964,745	7,525	972,270
	\$ 16,026,200	\$ 1,884,419	\$ 17,910,619

The premium on the 2018 CWRPDA Note is being accreted annually based on annual interest amortization over the term of the note which does not differ materially from the effective interest rate. Total current year premium accretion of \$32,445 is included in the business-type activities water utility function. The net outstanding premium at December 31, 2019 is \$312,580.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 5 - LONG-TERM OBLIGATIONS - continued*

*BUSINESS-TYPE ACTIVITIES – LONG-TERM OBLIGATIONS - continued*

Bonds Payable:

*2013 Series Water Enterprise Revenue Refunding Bond:*

Water Enterprise Revenue Refunding Bonds were issued July 26, 2013 in the amount of \$2,605,868 in order to refund the Town’s 2004 Series Water Enterprise Revenue Bonds in the amount of \$2,555,000 plus bond issue costs of \$34,029 and accrued interest of \$16,839. The refunding did not result in a difference between the reacquisition price and the net carrying amount of the old debt of \$2,555,000. The Town completed the refunding to reduce its total debt service payments through December 1, 2024 by \$192,803 and obtain an economic gain (difference between the present values of the old and new debt service payments) of \$182,301. The net effective interest rate is 2.98%, payable semi-annually on June 1 and December 1, principal payable December 1, with final maturity December 1, 2024. The 2013 Bond does not constitute a general obligation of the Town and is a special, limited obligation of the Town, with the principal and interest payable solely from net revenues of the Town’s water system. The Series 2013 Bond is subject to optional redemption, in whole, at 100% of the principal amount to be redeemed plus accrued interest to the redemption date. The total outstanding balance at December 31, 2019 is \$1,255,396. The Bonds are carried in the Water Fund. The Series 2013 Bond is subject to mandatory sinking fund redemption from sinking fund principal and interest installments as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 236,554	\$ 37,411	\$ 273,965
2021	243,603	30,362	273,965
2022	250,863	23,102	273,965
2023	258,339	15,626	273,965
2024	<u>266,037</u>	<u>7,928</u>	<u>273,965</u>
	<u>\$ 1,255,396</u>	<u>\$ 114,429</u>	<u>\$ 1,369,825</u>

Accrued Liabilities – Compensated Absences

Compensated absences consist of the accrual for vacation time earned by the Town’s employees but not taken by December 31, 2019. Total accrued compensated absences as of year-end for business-type activities were \$42,325.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 6 - DEFINED CONTRIBUTION PLAN*

The Town of Eagle provides a defined contribution pension plan for full time employees adopted as a prototype money purchase plan. Pension expense is recognized in accrual-based financial statements equal to the contributions and/or credits that the terms of the plan require in return for employee service in that year, as reduced by forfeitures under the plan. The Town contributes 6% of gross payroll per eligible employee annually to this plan, plus an additional matching contribution of 1% for contributing employees. There are no forfeiture provisions from employee accounts under the plan beyond vesting as described in the following paragraph.

Total covered payroll for the year subject to participation was \$2,258,129 compared to total payroll of \$3,166,749. The Town's retirement contribution for the year ended December 31, 2019 was \$158,069. All employees are vested at 20% per year of service and are 100% vested after 5 years of service. There was no outstanding employer liability at year-end.

*NOTE 7 - PROPRIETARY FUND BUDGETS*

Budgets for proprietary funds are adopted on a basis that is not consistent with GAAP but, instead, adopts the spending measurement focus of governmental funds. The additional supplemental information following the notes to the financial statements provides detail budgetary comparisons for the proprietary funds. A summary of the adjustments necessary to convert to the budgetary basis from GAAP follows:

	WATER ENTERPRISE FUND		
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
GAAP Operating Revenues	\$ 3,849,600	\$ 4,037,509	\$ 187,909
GAAP Non-Operating Revenues	205,900	318,059	112,159
GAAP Capital Contributions	535,000	581,014	46,014
Less: Accretion of Debt Premium	-	(32,445)	(32,445)
Total Budgetary Revenues	4,590,500	4,904,137	313,637
<u>Expenses:</u>			
GAAP Operating Expenses	1,667,135	1,732,730	(65,595)
GAAP Non-Operating Expenses	408,896	389,567	19,329
Add: Debt Service Principal	865,097	865,072	25
Add: Capital Outlay	10,700,000	10,305,549	394,451
Change In: Accrued Interest	-	(4,133)	4,133
Change In: Vacation/Comp Time	-	4,002	(4,002)
Less: Depreciation & Amortization	-	(389,745)	389,745
Total Budgetary Expenditures	13,641,128	12,903,042	738,086
Net Income (Loss)-Budgetary	\$ (9,050,628)	\$ (7,998,905)	\$ 1,351,723

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 7 - PROPRIETARY FUND BUDGETS - continued*

WASTEWATER ENTERPRISE FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
GAAP Operating Revenues	\$ 2,384,600	\$ 2,572,655	\$ 188,055
GAAP Non-Operating Revenues	364,443	198,593	(165,850)
GAAP Capital Contributions	550,000	601,750	51,750
Add: Net Book Value of Asset Disp	-	200,440	200,440
Less: Accretion of Bond Premium	-	(23,528)	(23,528)
Total Budgetary Revenues	3,299,043	3,549,910	250,867
<u>Expenses:</u>			
GAAP Operating Expenses	1,207,273	1,814,923	(607,650)
GAAP Non-Operating Expenses	264,121	256,302	7,819
Add: Debt Service Principal	672,686	672,686	-
Add: Capital Outlay	578,071	418,861	159,210
Change In: Accrued Interest	-	7,819	(7,819)
Change In: Vacation/Comp Time	-	7,485	(7,485)
Less: Depreciation	-	(787,992)	787,992
Total Budgetary Expenditures	2,722,151	2,390,084	332,067
Net Income (Loss)-Budgetary	\$ 576,892	\$ 1,159,826	\$ 582,934

REFUSE ENTERPRISE FUND			
	Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>			
GAAP Operating Revenues	\$ 631,467	\$ 629,398	\$ (2,069)
GAAP Non-Operating Revenues	3,000	5,764	2,764
Total Budgetary Revenues	634,467	635,162	695
<u>Expenses:</u>			
GAAP Operating Expenses	618,347	589,736	28,611
GAAP Non-Operating Expenses	16,120	16,120	-
Less: Depreciation	-	(1,274)	1,274
Total Budgetary Expenditures	634,467	604,582	29,885
Net Income (Loss)-Budgetary	\$ -	\$ 30,580	\$ 30,580

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 8 - RISK MANAGEMENT*

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is a joint self insurance pool created by an intergovernmental agreement of 163 municipalities to provide property, general and automobile liability and public official coverage to its members. CIRSA is governed by a seven member Board elected by and from its members. Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and that amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The Town has established a partially self-funded health insurance plan to provide medical and dental benefits to eligible employees. A third party stop-loss provider has been contracted to provide coverage for claims in excess of \$25,000 per plan participant and up to an aggregate of approximately \$533,637 or 125% of anticipated claims for the year. The Town is responsible for the payment of stop-loss premiums as well as the claims up to \$25,000 per participant.

The Town carries commercial insurance coverage for other risks of loss including workers compensation and employee health and accident insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

*NOTE 9 - CONTINGENCIES*

During the normal course of business, the Town incurs claims and other assertions against it from various agencies and individuals. Management and their legal representatives feel none of these claims or assertions are significant enough that they would materially affect the fairness of the presentation of the financial statements at December 31, 2019.

*NOTE 10 - POST-EMPLOYMENT HEALTHCARE COVERAGE*

The Town provides post-employment healthcare coverage as an employee benefit for eligible retirees. To be eligible, retirees must have 1) twenty (20) years of service with the Town of Eagle and be sixty (60) years of age; or 2) thirty (30) years of service with the Town of Eagle and be fifty-five (55) years of age. This benefit ends when the retiree becomes eligible for Medicare. The plan is funded on a pay as you go basis, with payments charged to the fund most applicable to the retiree's former position. As of December 31, 2019 there are no material amounts for eligible retirees receiving post-employment healthcare coverage benefits; therefore, there is no Other Postemployment Benefit (OPEB) annual cost or net OPEB obligation reflected in the accompanying financial statements.

**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 11 - INTERGOVERNMENTAL AGREEMENTS*

*Eagle Pool and Ice Rink*

The Town of Eagle and the Mountain Recreation District entered into an agreement for ownership and operation of a recreation facility, consisting of a community swimming pool and ice rink. The District and Town each have a one-half interest in all fixtures and associated equipment, furnishings and personal property. The District operates and maintains the Recreation Facilities and the Town retains full fee simple title to the ground upon which the Recreation Facilities are constructed.

*NOTE 12 - EMPLOYEE HOME OWNERSHIP PROGRAM*

In 2008, the Town approved an Employee Home Ownership Program (EHOP) to provide for primary residence down payment loan assistance. Regular full-time permanent employees with at least 18 months of service with the Town may be eligible for up to 20% of the purchase price or \$50,000, whichever is less. The employee must make a minimum contribution towards the purchase price and related settlement charges equal to \$3,000. Interest shall not accrue provided employment has been maintained through the loan term. In the event of loss of eligibility or default under terms of the Promissory Note and Deed of Trust, interest shall be applied retroactive to the original note date. As of December 31, 2019, three employees are currently enrolled in this program with remaining balances. Total notes receivable in the total amount of \$73,645 and available repaid balances of \$95,094 held by the program are recorded in the General Fund.

*NOTE 13 - COMPLIANCE*

- A. The Colorado Contraband Forfeiture Act (C.R.S. 16-13-501 to 511) addresses accounting for proceeds from the seizure of contraband. These funds must be used for the specific purpose of law enforcement activities. While these proceeds are exempt from the appropriation process, they are subject to the Local Government Audit Law (C.R.S. 29-1-601 to 608). For the year ended December 31, 2019 no such proceeds were received by the Town and as such are not included in the Town's audited financial statements.
- B. According to the loan agreements dated January 1, 2011, and May 1, 2018, the Town of Eagle covenants to:
- 1) Establish and collect such rates, fees, and charges for the use or sale of products and services of the system, together with other moneys available therefore, as expected to produce gross revenue for each calendar year at a sufficient rate for to pay the sum of a) operation and maintenance expenses; b) 110% of debt service due for such calendar year (plus amounts due on any additional liens on the pledged property, if applicable).
  - 2) Maintain a three month operations and maintenance reserve fund.
  - 3) Comply with the requirements of the Davis Bacon Act, 40 USC Sec. 3140-3148.
  - 4) Comply with the American Iron and Steel requirements of Section 436 of P.L. 113-65, Consolidated Appropriations Act of 2014, and related State Revolving Fund Policy Guidelines.
  - 5) Comply with the Guidelines for Enhancing Public Awareness of SRF Assistance Agreements as issued by the United States Environmental Protection Agency.

As of December 31, 2019, the Town believes it is in compliance with the loan covenants.



**TOWN OF EAGLE, COLORADO**  
**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2019

*NOTE 14 - TAX, SPENDING AND DEBT LIMITATION*

TABOR Amendment – Revenue and Spending Limitation Agreement

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all Colorado local governments.

The initial base for local government spending and revenue limits was June 30, 1993 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic condition, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The required reserve at December 31, 2019 is \$190,500 as reflected in the General Fund.

TABOR requires, with certain exceptions, voter approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government. Except for bond refinancing at a lower interest rate or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments. In 1994 the Town's electorate voted to allow the Town to collect, retain, and expend revenues notwithstanding any of TABOR'S restrictions. The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification of a fund as an Enterprise Fund) will require judicial interpretation.

*NOTE 15 - SUBSEQUENT EVENTS*

Management has evaluated events subsequent to December 31, 2019 through the issuance date of this report. In early 2020 a worldwide pandemic arose caused by the coronavirus Covid-19 which has negatively impacted the general operations of the Town during the first several months of 2020. The Town's management and Town Council has acknowledged the threat of the coronavirus; however, the long-term impact on operations is currently unknown as of the date of the auditor's report. There have been no additional material events noted during this period that would impact the result reflected in this report or the Town's results going forward.

REQUIRED SUPPLEMENTAL INFORMATION

GENERAL & SPECIAL REVENUE FUND BUDGETARY COMPARISON SCHEDULES

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**GENERAL FUND**

For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Local Taxes and Assessments	\$ 5,041,936	\$ 5,330,936	\$ 5,733,892	\$ 402,956
Licenses and Permits	295,300	352,300	405,978	53,678
Intergovernmental	756,305	641,123	666,636	25,513
Charges for Services	312,070	292,070	310,459	18,389
Fines, Forfeits and Penalties	84,432	84,432	66,828	(17,604)
Information Center Sales	130,680	130,680	140,630	9,950
Interest	40,000	145,000	147,876	2,876
Miscellaneous – Rental Income	9,360	9,360	14,901	5,541
Miscellaneous – Local Grants	20,654	20,654	24,585	3,931
Miscellaneous – Other	35,000	35,000	22,580	(12,420)
	<u>6,725,737</u>	<u>7,041,555</u>	<u>7,534,365</u>	<u>492,810</u>
<u>Expenditures:</u>				
General Government	435,714	457,852	442,036	15,816
General Administration	647,085	642,100	589,478	52,622
Community Development	1,008,442	895,298	836,103	59,195
Municipal Court	72,906	74,519	64,011	10,508
Public Safety	1,873,038	1,839,644	1,642,487	197,157
Public Works – Streets	1,414,985	1,417,513	1,187,519	229,994
Public Works – Buildings & Grounds	718,020	748,067	676,880	71,187
Information Center	177,072	157,327	144,954	12,373
Marketing	364,591	345,718	292,221	53,497
Engineering	296,398	296,398	238,149	58,249
	<u>7,008,251</u>	<u>6,874,436</u>	<u>6,113,838</u>	<u>760,598</u>
Excess Revenues Over (Under) Expenditures	(282,514)	167,119	1,420,527	1,253,408
<u>Other Financing Sources (Uses):</u>				
Insurance Proceeds	-	-	3,870	3,870
Transfers In (Out)	(350,000)	(350,000)	(350,000)	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(632,514)	(182,881)	1,074,397	1,257,278
Fund Balances – Beginning	<u>2,418,350</u>	<u>3,370,971</u>	<u>3,370,972</u>	<u>1</u>
Fund Balances – Ending	<u>\$ 1,785,836</u>	<u>\$ 3,188,090</u>	<u>\$ 4,445,369</u>	<u>\$ 1,257,279</u>

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

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUND – CONSERVATION TRUST FUND**  
For the Year Ended December 31, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>Revenues:</u>				
Intergovernmental	\$ 33,785	\$ 33,785	\$ 39,232	\$ 5,447
Interest	<u>1,200</u>	<u>1,200</u>	<u>1,781</u>	<u>581</u>
Total Revenues	<u>34,985</u>	<u>34,985</u>	<u>41,013</u>	<u>6,028</u>
<u>Expenditures:</u>				
Capital Projects	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Total Expenditures	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Excess Revenues Over (Under) Expenditures	9,985	9,985	16,013	6,028
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	9,985	9,985	16,013	6,028
Fund Balances – Beginning	<u>58,428</u>	<u>59,679</u>	<u>59,679</u>	<u>-</u>
Fund Balances – Ending	<u>\$ 68,413</u>	<u>\$ 69,664</u>	<u>\$ 75,692</u>	<u>\$ 6,028</u>

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

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**SPECIAL REVENUE FUND – OPEN SPACE PRESERVATION**  
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Local Taxes and Assessments	\$ 143,820	\$ 143,820	\$ 143,676	\$ (144)
Other Revenues	-	-	1,000	1,000
Interest	3,000	3,000	7,191	4,191
Total Revenues - Budgetary	146,820	146,820	151,867	5,047
<u>Expenditures:</u>				
Open - space Preservation	210,456	133,843	89,745	44,098
Total Expenditures - Budgetary	210,456	133,843	89,745	44,098
Excess Revenues Over (Under) Expenditures	(63,636)	12,977	62,122	49,145
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(63,636)	12,977	62,122	49,145
Fund Balances–Beginning	212,734	263,867	263,867	-
Fund Balances–Ending	\$ 149,098	\$ 276,844	\$ 325,989	\$ 49,145

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

OTHER SUPPLEMENTAL INFORMATION

*GENERAL FUND*

**TOWN OF EAGLE, COLORADO**  
**SCHEDULE OF REVENUES AND OTHER FINANCING SOURCES – BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Year Ended December 31, 2019

	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>REVENUES &amp; OTHER FINANCING SOURCES:</b>			
<b>TAXES – LOCAL:</b>			
Real Property Taxes	\$ 311,419	\$ 311,639	\$ 220
Specific Ownership Taxes	14,700	16,811	2,111
Sales Taxes – General	4,640,797	5,053,778	412,981
Severance Tax Refund	200	344	144
Franchise Taxes	220,000	207,654	(12,346)
Marketing Taxes	143,820	143,666	(154)
<b>TOTAL TAXES - LOCAL</b>	<u>5,330,936</u>	<u>5,733,892</u>	<u>402,956</u>
<b>LICENSES &amp; PERMITS:</b>			
Business and Liquor Licenses	38,000	50,261	12,261
Marketing Fee	8,000	10,290	2,290
Building and Other Permits	306,300	345,427	39,127
<b>TOTAL LICENSES &amp; PERMITS</b>	<u>352,300</u>	<u>405,978</u>	<u>53,678</u>
<b>INTERGOVERNMENTAL:</b>			
Motor Vehicle License Fee	30,000	31,852	1,852
Highway Users Tax	286,283	293,236	6,953
Cigarette Tax	11,000	11,057	57
Road & Bridge Tax	83,000	87,275	4,275
County Sales Tax	142,140	177,117	34,977
Federal Mineral Lease Revenues	200	241	41
Governmental Grants and Contributions	88,500	65,858	(22,642)
<b>TOTAL INTERGOVERNMENTAL</b>	<u>641,123</u>	<u>666,636</u>	<u>25,513</u>
<b>CHARGES FOR SERVICES:</b>			
Planning and Zoning Fees & Reimbursements	195,000	185,392	(9,608)
Facility Usage Fees & Deposits	53,550	72,498	18,948
Other Revenues and Reimbursable Income	27,400	36,449	9,049
Administrative Services – Refuse Fund	16,120	16,120	-
<b>TOTAL CHARGES FOR SERVICES</b>	<u>292,070</u>	<u>310,459</u>	<u>18,389</u>
<b>FINES, FORFEITS &amp; PENALTIES – TOTAL</b>	<u>84,432</u>	<u>66,828</u>	<u>(17,604)</u>
<b>INFORMATION CENTER SALES – TOTAL</b>	<u>130,680</u>	<u>140,630</u>	<u>9,950</u>
<b>INTEREST INCOME – TOTAL</b>	<u>145,000</u>	<u>147,876</u>	<u>2,876</u>
<b>MISCELLANEOUS:</b>			
Rental Income	9,360	14,901	5,541
Local Grants and Contributions	20,654	24,585	3,931
Other	35,000	22,580	(12,420)
<b>TOTAL MISCELLANEOUS</b>	<u>65,014</u>	<u>62,066</u>	<u>(2,948)</u>
<b>OTHER FINANCING SOURCES:</b>			
Insurance Proceeds	-	3,870	3,870
<b>TOTAL MISCELLANEOUS/OTHER</b>	<u>-</u>	<u>3,870</u>	<u>3,870</u>
<b>TOTAL REVENUES AND OTHER FINANCING SOURCES</b>	<u>\$ 7,041,555</u>	<u>\$ 7,538,235</u>	<u>\$ 496,680</u>

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

**TOWN OF EAGLE, COLORADO**  
**SCHEDULE OF EXPENDITURES AND OTHER FINANCING USES– BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Year Ended December 31, 2019

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>EXPENDITURES &amp; OTHER FINANCING USES:</b>			
<b>GENERAL GOVERNMENT:</b>			
Personnel Services	\$ 195,395	\$ 178,518	\$ 16,877
Supplies	7,500	3,771	3,729
Purchased Services	173,707	181,890	(8,183)
Insurance	31,250	27,432	3,818
Community Requests/Grants	<u>50,000</u>	<u>50,425</u>	<u>(425)</u>
<b>TOTAL GENERAL GOVERNMENT</b>	<u>457,852</u>	<u>442,036</u>	<u>15,816</u>
<b>GENERAL ADMINISTRATION:</b>			
Personnel Services	389,467	355,459	34,008
Supplies	9,638	8,117	1,521
Purchased Services	207,984	191,179	16,805
Insurance	<u>35,011</u>	<u>34,723</u>	<u>288</u>
<b>TOTAL GENERAL ADMINISTRATION</b>	<u>642,100</u>	<u>589,478</u>	<u>52,622</u>
<b>COMMUNITY DEVELOPMENT:</b>			
Personnel Services	343,711	309,112	34,599
Supplies	7,385	2,978	4,407
Purchased Services	<u>544,202</u>	<u>524,013</u>	<u>20,189</u>
<b>TOTAL COMMUNITY DEVELOPMENT</b>	<u>895,298</u>	<u>836,103</u>	<u>59,195</u>
<b>MUNICIPAL COURT:</b>			
Personnel Services	37,639	35,923	1,716
Supplies	1,250	672	578
Purchased Services	<u>35,630</u>	<u>27,416</u>	<u>8,214</u>
<b>TOTAL MUNICIPAL COURT</b>	<u>74,519</u>	<u>64,011</u>	<u>10,508</u>
<b>PUBLIC SAFETY:</b>			
Personnel Services	1,390,227	1,201,796	188,431
Supplies	73,246	74,255	(1,009)
Purchased Services	346,605	337,982	8,623
Insurance	<u>29,566</u>	<u>28,454</u>	<u>1,112</u>
<b>TOTAL PUBLIC SAFETY</b>	<u>1,839,644</u>	<u>1,642,487</u>	<u>197,157</u>
<b>PUBLIC WORKS – STREETS:</b>			
Personnel Services	424,843	374,212	50,631
Supplies	180,278	150,337	29,941
Purchased Services	761,392	608,191	153,201
Insurance	<u>51,000</u>	<u>54,779</u>	<u>(3,779)</u>
<b>TOTAL PUBLIC WORKS - STREETS</b>	<u>1,417,513</u>	<u>1,187,519</u>	<u>229,994</u>
<b>PUBLIC WORKS – BUILDINGS &amp; GROUNDS:</b>			
Personnel Services	383,845	337,541	46,304
Supplies	101,814	82,640	19,174
Purchased Services	241,728	232,395	9,333
Insurance	<u>20,680</u>	<u>24,304</u>	<u>(3,624)</u>
<b>TOTAL PUBLIC WORKS – BLDGS &amp; GROUNDS</b>	<u>748,067</u>	<u>676,880</u>	<u>71,187</u>

*(continued on next page)*

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



<i>(continued)</i>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>INFORMATION CENTER:</b>			
Personnel Services	82,637	73,023	9,614
Supplies	2,300	2,390	(90)
Purchased Services	10,110	7,658	2,452
Goods for Resale/Consignment and Sales Tax	<u>62,280</u>	<u>61,883</u>	<u>397</u>
<b>TOTAL INFORMATION CENTER</b>	<u>157,327</u>	<u>144,954</u>	<u>12,373</u>
<b>MARKETING:</b>			
Personnel Services	100,481	74,670	25,811
Supplies	12,850	7,084	5,766
Purchased Services	<u>232,387</u>	<u>210,467</u>	<u>21,920</u>
<b>TOTAL MARKETING</b>	<u>345,718</u>	<u>292,221</u>	<u>53,497</u>
<b>ENGINEERING:</b>			
Personnel Services	251,759	202,123	49,636
Supplies	20,027	11,658	8,369
Purchased Services	<u>24,612</u>	<u>24,368</u>	<u>244</u>
<b>TOTAL ENGINEERING</b>	<u>296,398</u>	<u>238,149</u>	<u>58,249</u>
<b>OTHER FINANCING USES:</b>			
Operating Transfers Out	<u>350,000</u>	<u>350,000</u>	<u>-</u>
<b>TOTAL OTHER FINANCING USES</b>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
<b>TOTAL EXPENDITURES AND OTHER FINANCING USES</b>	<u>\$ 7,224,436</u>	<u>\$ 6,463,838</u>	<u>\$ 760,598</u>

OTHER SUPPLEMENTAL INFORMATION

*CAPITAL PROJECTS FUND*

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**CAPITAL PROJECTS FUND**  
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<b>Revenues:</b>				
Use Tax	\$ 250,000	\$ 338,000	\$ 317,254	\$ (20,746)
Community Enhancement Tax	44,500	44,500	46,056	1,556
Impact Fees and Assessments	40,000	40,000	70,652	30,652
Intergovernmental	-	-	29,000	29,000
Interest	94,000	94,000	111,029	17,029
Total Revenues	<u>428,500</u>	<u>516,500</u>	<u>573,991</u>	<u>57,491</u>
<b>Expenditures:</b>				
General Government:				
Pool & Ice Rink Maintenance Fund	50,000	40,000	40,000	-
Town Shop Improvements	25,000	-	-	-
Town Parks/ Trails	23,876	23,876	17,732	6,144
Broadband System (THOR)	173,855	282,000	239,161	42,839
Public Safety:				
Police Department Equipment	18,998	18,998	16,841	2,157
Patrol Vehicles	50,500	50,500	50,562	(62)
Public Works – Streets:				
Storm Drain Improvements	32,700	32,700	17,822	14,878
Transportation/ROW Improvements	42,000	42,000	22,034	19,966
Building and Grounds:				
Snow Removal Equipment	225,000	225,000	208,460	16,540
Total Expenditures	<u>641,929</u>	<u>715,074</u>	<u>612,612</u>	<u>102,462</u>
Excess Revenues Over (Under) Expenditures	(213,429)	(198,574)	(38,621)	159,953
<b>Other Financing Sources (Uses):</b>				
Transfers In (Out)	<u>350,000</u>	<u>350,000</u>	<u>350,000</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	136,571	151,426	311,379	159,953
Fund Balances – Beginning	<u>4,619,307</u>	<u>4,713,587</u>	<u>4,713,587</u>	<u>-</u>
Fund Balances – Ending	<u>\$ 4,755,878</u>	<u>\$ 4,865,013</u>	<u>\$ 5,024,966</u>	<u>\$ 159,953</u>

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

OTHER SUPPLEMENTAL INFORMATION

*SALES TAX CAPITAL IMPROVEMENT PROJECTS FUND*

**TOWN OF EAGLE, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES – BUDGET AND ACTUAL**  
**SALES TAX CAPITAL IMPROVEMENT PROJECTS FUND**  
For the Year Ended December 31, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Revenues:</u>				
Sales Tax	\$ 538,349	\$ 574,349	\$ 623,223	\$ 48,874
Intergovernmental	350,000	350,000	350,000	-
Interest	18,000	35,000	34,010	(990)
Total Revenues	<u>906,349</u>	<u>959,349</u>	<u>1,007,233</u>	<u>47,884</u>
<u>Expenditures:</u>				
General Government:				
Purchased Services	16,036	16,036	6,344	9,692
Capital Outlay	1,507,060	1,507,060	1,288,436	218,624
Debt Service:				
Principal	95,000	95,000	95,000	-
Interest	227,538	227,538	227,537	1
Total Expenditures	<u>1,845,634</u>	<u>1,845,634</u>	<u>1,617,317</u>	<u>228,317</u>
Excess Revenues Over (Under) Expenditures	(939,285)	(886,285)	(610,084)	276,201
<u>Other Financing Sources (Uses):</u>				
Transfers In (Out)	-	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	(939,285)	(886,285)	(610,084)	276,201
Fund Balances – Beginning	<u>1,246,468</u>	<u>1,319,246</u>	<u>1,319,246</u>	<u>-</u>
Fund Balances – Ending	<u>\$ 307,183</u>	<u>\$ 432,961</u>	<u>\$ 709,162</u>	<u>\$ 276,201</u>

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

OTHER SUPPLEMENTAL INFORMATION

*NON-MAJOR SPECIAL REVENUE FUNDS*

**TOWN OF EAGLE, COLORADO**  
**COMBINING BALANCE SHEET**  
**SPECIAL REVENUE FUNDS**  
For the Year Ended December 31, 2019

	Special Revenue Funds		
	Conservation Trust Fund	Open Space Preservation Fund	Total
<u>Assets:</u>			
Current Assets:			
Cash and Investments	\$ -	\$ 316,650	\$ 316,650
Restricted Cash and Investments	75,692	-	75,692
Taxes and Other Receivables	-	10,484	10,484
	-	10,484	10,484
Total Assets	<u>\$ 75,692</u>	<u>\$ 327,134</u>	<u>\$ 402,826</u>
<u>Liabilities and Fund Balances</u>			
Current Liabilities:			
Accounts Payable	\$ -	\$ 414	\$ 414
Accrued Liabilities	-	731	731
	-	731	731
Total Liabilities	<u>-</u>	<u>1,145</u>	<u>1,145</u>
Fund Balances:			
Restricted for Conservation Trust	75,692	-	75,692
Committed for Open Space Preservation	-	325,989	325,989
	-	325,989	325,989
Total Fund Balances	<u>75,692</u>	<u>325,989</u>	<u>401,681</u>
Total Liabilities and Fund Equity	<u>\$ 75,692</u>	<u>\$ 327,134</u>	<u>\$ 402,826</u>

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

**TOWN OF EAGLE, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES**  
**SPECIAL REVENUE FUNDS**  
For the Year Ended December 31, 2019

	Special Revenue Funds		
	Conservation Trust Fund	Open Space Preservation Fund	Total
<u>Revenues:</u>			
Local Taxes and Assessments	\$ -	\$ 143,676	\$ 143,676
Intergovernmental	39,232	-	39,232
Interest and Other Revenues	1,781	8,191	9,972
Total Revenues	41,013	151,867	192,880
<u>Expenditures:</u>			
Capital Projects	25,000	-	25,000
Open-space Preservation	-	89,745	89,745
Total Expenditures	25,000	89,745	114,745
Excess Revenues Over (Under) Expenditures	16,013	62,122	78,135
<u>Other Financing Sources (Uses):</u>			
Transfers In (Out)	-	-	-
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	16,013	62,122	78,135
Fund Balances – Beginning	59,679	263,867	323,546
Fund Balances – Ending	\$ 75,692	\$ 325,989	\$ 401,681

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



OTHER SUPPLEMENTAL INFORMATION

*PROPRIETARY (ENTERPRISE) FUNDS*

**TOWN OF EAGLE, COLORADO**  
**SCHEDULE OF BUDGETARY BASED REVENUES AND EXPENDITURES**  
**- BUDGET AND ACTUAL - WATER ENTERPRISE FUND**  
For the Year Ended December 31, 2019

	Water Enterprise Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
<u>Budgetary Revenues:</u>				
GAAP Operating Revenues:				
Service Fees	\$ 4,008,070	\$ 3,801,600	\$ 3,947,087	\$ 145,487
Meters and Materials	38,000	48,000	74,682	26,682
Intergovt Operating Grants	-	-	15,740	15,740
GAAP Non-Operating Revenues:				
Interest & Investment Earnings	120,900	205,900	285,614	79,714
Accretion of Bond Premium	-	-	32,445	32,445
GAAP Capital Contributions:				
Tap and Improvement Fees	275,000	535,000	581,014	46,014
Less: Accretion of Debt Premium	-	-	(32,445)	(32,445)
<b>Total Budgetary Revenues</b>	<u>4,441,970</u>	<u>4,590,500</u>	<u>4,904,137</u>	<u>313,637</u>
<u>Budgetary Expenditures:</u>				
GAAP Operating Expenses:				
Personnel Services	783,525	764,751	629,509	135,242
Supplies	270,404	255,016	187,872	67,144
Purchased Services	536,807	601,642	490,675	110,967
Insurance	35,673	35,673	30,754	4,919
Noncapitalized Improvements	10,000	4,175	4,175	-
Contingency	50,000	5,878	-	5,878
Depreciation	-	-	389,745	(389,745)
GAAP Non-Operating Expenses:				
Interest and Fiscal Charges	408,896	408,896	389,567	19,329
Debt Service Principal	865,097	865,097	865,072	25
Capital Outlay	18,370,000	10,700,000	10,305,549	394,451
Change in Accrued Interest	-	-	(4,133)	4,133
Change in Vacation/Comp Time Accrual	-	-	4,002	(4,002)
Less: Depreciation	-	-	(389,745)	389,745
<b>Total Budgetary Expenditures</b>	<u>21,330,402</u>	<u>13,641,128</u>	<u>12,903,042</u>	<u>738,086</u>
<b>Budgetary Net Income (Loss)</b>	<u>\$ (16,888,432)</u>	<u>\$ (9,050,628)</u>	<u>\$ (7,998,905)</u>	<u>\$ 1,351,723</u>

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

**TOWN OF EAGLE, COLORADO**  
**SCHEDULE OF BUDGETARY BASED REVENUES AND EXPENDITURES**  
**- BUDGET AND ACTUAL - WASTEWATER ENTERPRISE FUND**  
For the Year Ended December 31, 2019

	Wastewater Enterprise Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
<u>Budgetary Revenues:</u>				
GAAP Operating Revenues:				
Service Fees	\$ 2,469,600	\$ 2,384,600	\$ 2,572,655	\$ 188,055
GAAP Non-Operating Revenues:				
Interest & Earnings on Investments	20,000	50,000	61,061	11,061
Accretion of Bond Premium	-	-	23,528	23,528
Insurance Proceeds-Net of Disposition	-	314,443	114,004	(200,439)
GAAP Capital Contributions:				
Tap and Improvement Fees	300,000	550,000	601,750	51,750
Add: Net Book Value of Asset Disp	-	-	200,440	200,440
Less: Accretion of Bond Premium	-	-	(23,528)	(23,528)
 Total Budgetary Revenues	 <u>2,789,600</u>	 <u>3,299,043</u>	 <u>3,549,910</u>	 <u>250,867</u>
<u>Budgetary Expenditures:</u>				
GAAP Operating Expenses:				
Personnel Services	551,308	535,441	495,014	40,427
Supplies	154,516	146,516	103,671	42,845
Purchased Services	527,878	447,398	378,667	68,731
Insurance	27,918	27,918	49,579	(21,660)
Contingency	50,000	50,000	-	50,000
Depreciation	-	-	787,992	(787,992)
GAAP Non-Operating Expenses:				
Interest and Fiscal Charges	264,121	264,121	256,302	7,819
Debt Service Principal	672,686	672,686	672,686	-
Capital Outlay	565,000	578,071	418,861	159,210
Change in Accrued Interest	-	-	7,819	(7,819)
Change in Vacation/Comp Time	-	-	7,485	(7,485)
Less: Depreciation	-	-	(787,992)	787,992
 Total Budgetary Expenditures	 <u>2,813,427</u>	 <u>2,722,151</u>	 <u>2,390,084</u>	 <u>332,067</u>
 Budgetary Net Income (Loss)	 <u>\$ (23,827)</u>	 <u>\$ 576,892</u>	 <u>\$ 1,159,826</u>	 <u>\$ 582,934</u>

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

**TOWN OF EAGLE, COLORADO**  
**SCHEDULE OF BUDGETARY BASED REVENUES AND EXPENDITURES**  
**– BUDGET AND ACTUAL – REFUSE ENTERPRISE FUND**  
For the Year Ended December 31, 2019

	Refuse Enterprise Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
<u>Budgetary Revenues:</u>				
GAAP Operating Revenues:				
Service Fees	\$ 631,467	\$ 631,467	\$ 629,398	\$ (2,069)
GAAP Non-Operating Revenues:				
Interest & Earnings on Investments	<u>3,000</u>	<u>3,000</u>	<u>5,764</u>	<u>2,764</u>
Total Budgetary Revenues	<u>634,467</u>	<u>634,467</u>	<u>635,162</u>	<u>695</u>
<u>Budgetary Expenditures:</u>				
GAAP Operating Expenses:				
Personnel Services	9,420	9,420	8,225	1,195
Supplies	3,250	3,250	51	3,199
Purchased Services	601,677	601,677	580,186	21,491
Noncapitalized Improvements	4,000	4,000	-	4,000
Depreciation	-	-	1,274	(1,274)
GAAP Non-Operating Expenses:				
Administrative Fee – General Fund	16,120	16,120	16,120	-
Less: Depreciation	<u>-</u>	<u>-</u>	<u>(1,274)</u>	<u>1,274</u>
Total Budgetary Expenditures	<u>634,467</u>	<u>634,467</u>	<u>604,582</u>	<u>29,885</u>
Budgetary Net Income (Loss)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 30,580</u>	<u>\$ 30,580</u>

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

ANNUAL STATEMENT OF RECEIPTS AND  
EXPENDITURES FOR ROADS, BRIDGES AND STREETS

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Town of Eagle, Colorado
		YEAR ENDING : DECEMBER 2019
This Information From The Records Of Town of Eagle, Colorado	Prepared By: Phone:	JILLI E.KANE 970-328-6354

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

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for no highway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

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

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

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	42,000
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	542,185
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	12,000
2. General fund appropriations		b. Snow and ice removal	181,524
3. Other local imposts (from page 2)	478,424	c. Other	30,000
4. Miscellaneous local receipts (from page 2)	169,586	d. Total (a. through c.)	223,524
5. Transfers from toll facilities		4. General administration & miscellaneous	80,000
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	445,000
a. Bonds - Original Issues		6. Total (1 through 5)	932,709
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)		a. Interest	
7. Total (1 through 6)	0	b. Redemption	
<b>B. Private Contributions</b>	648,010	c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	325,087	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)		a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	973,098	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	932,709

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,710,263	973,098	932,709	1,750,652	0

**Notes and Comments:**

The Town received Devolution proceeds to take over a portion of highway 6 in 2017. We received \$1,671,649 plus \$3,431.89 in interest in 2017. 2018 interest earned was \$35,182. 2019 interest earned was \$40,389. The Town is saving these proceeds specifically for Grand Ave projects in the future.

LOCAL HIGHWAY FINANCE REPORT

STATE:  
Colorado  
YEAR ENDING:  
December 2019

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	0	a. Interest on investments	40,389
b. Other local imposts:		b. Traffic Fines & Penalties	41,922
1. Sales Taxes & Use Tax	398,463	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	63,150	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	16,811	g. Other Misc. Receipts	0
6. Total (1. through 5.)	478,424	h. Other Road & Bridge Tax	87,275
c. Total (a. + b.)	478,424	i. Total (a. through h.)	169,586
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	293,236	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	31,851	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	31,851	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	325,087	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs		42,000	42,000
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	42,000	42,000
			(Carry forward to page 1)

Notes and Comments:

The Honorable Mayor and Members  
of the Town Council  
Eagle, Colorado

**INDEPENDENT AUDITOR'S REPORT**

***Report on Internal Control and Compliance***

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eagle, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town of Eagle's basic financial statements as listed in the table of contents, and have issued our report thereon dated September 25, 2020.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the Town of Eagle's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town of Eagle's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town of Eagle's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the Town of Eagle's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Maggard & Hood, P.C." in a cursive, stylized font.

MAGGARD & HOOD, P.C.  
*Glenwood Springs, Colorado*  
September 25, 2020