

**TOWN OF
WIGGINS, COLORADO**

BASIC FINANCIAL STATEMENTS

December 31, 2020

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FINANCIAL SECTION

Honorable Mayor and Members of the Board of Trustees
Town of Wiggins,
Wiggins, 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 Wiggins, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Wiggins as of December 31, 2020, and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information, the schedule of the Town's proportionate share, and the schedule of the Town's contributions on pages 41-43 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The individual fund schedules and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules and the local highway finance report are fairly stated in all material respects in relation to the financial statements as a whole.

PB Solutions LLC

Littleton, Colorado
July 28, 2021

Management's Discussion and Analysis

This discussion and analysis of the financial performance of the Town of Wiggins, Colorado (Town) provides an overview of the Town's financial activities for the fiscal year ended December 31, 2020. Please read it in conjunction with the financial statements.

FINANCIAL HIGHLIGHTS

- The Town of Wiggins had a Net Position of \$11,980,585 at December 31, 2020.
- The Net Position of the Town increased by \$780,465 (7.0%) during 2020.
- At December 31, 2020, the Town's governmental funds reported combined ending fund balances of \$1,137,852. This marked an increase of \$546,968 (92.6%) from the prior year's ending governmental fund balances due primarily to increases in the General Fund and the Sales Tax Capital Improvement Fund.
- The General Fund increased its Fund Balance by \$364,506 (91.5%) during 2020 marking the second consecutive year where the General Fund's revenues outpaced its expenditures by roughly \$300,000.
- The Sales Tax Capital Improvement Fund began no new improvement projects during 2020, but increased its fund balance available for future year spending by \$209,163.
- The Town's Water and Sewer Funds' net positions increased by \$246,643 (3.0%) during 2020 primarily due to tap fees received.

USING THIS ANNUAL REPORT

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

Government-wide financial statements

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

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

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

Both government-wide financial statements distinguish functions of the Town of Wiggins that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety (police), public works, parks and recreation, and library. The business-type activities of the Town include water and sewer operations.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Wiggins, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town can be divided into two categories: Governmental Funds and Proprietary Funds.

Governmental Funds -- Most of the Town's basic services are reported in governmental funds, which focus on how money flows into and out of those funds. The unrestricted balances left at year-end are available for spending in future years. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide detailed short-term views of cash, operations, and basic services provided. Governmental fund statements show the reader whether there are more or fewer financial resources available at the end of a fiscal year that can be spent in the near future to finance government programs and objectives.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The *Reconciliation of Balance Sheet of the Governmental Funds to the Statement of Net Position* and the *Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities* provide reconciliations to facilitate this comparison between governmental funds and governmental activities.

The Town of Wiggins maintains three individual governmental funds. Information for these funds is presented by fund name in the *Governmental Fund Balance Sheet* and the *Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances* for the two governmental funds that meet the criteria to be designated as major funds (General Fund and Sales Tax Capital Improvement Fund), and for the non-major Conservation Trust Fund.

Proprietary Funds -- The Town's utility services are reported in proprietary funds; they focus on overall economic position rather than year-end fund balances. Enterprise funds are the type of proprietary funds used to account for the Town's Water Fund and Sewer Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, only in a bit more detail.

Notes to the Financial Statements

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

Other information

Budgetary comparison statements or schedules for all funds with budgeted expenditures/expenses are included following the "Notes to Financial Statements" to demonstrate each fund's compliance with adopted budgets and appropriations. For the year ended December 31, 2020, all funds had budgeted expenditures/expenses.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town of Wiggins, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$11,980,585 at the close of 2020. As shown below, the Town's financial position improved by \$780,465 (7.0%) during 2020.

Town of Wiggins's Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	\$ 1,609,416	\$ 1,267,761	\$ 3,871,262	\$ 3,551,602	\$ 5,480,678	\$ 4,819,363
Capital assets, net	2,354,195	2,410,147	13,757,774	13,789,414	16,111,969	16,199,561
Net Pension Asset	9,590	-	-	-	9,590	-
Total assets	\$ 3,973,201	\$ 3,677,908	\$ 17,629,036	\$ 17,341,016	\$ 21,602,237	\$ 21,018,924
Deferred outflows of resources	\$ 54,027	\$ 41,908	\$ -	\$ -	\$ 54,027	\$ 41,908
Current liabilities	\$ 67,899	\$ 328,516	\$ 301,451	\$ 199,275	\$ 369,350	\$ 527,791
Noncurrent Liabilities	49,469	83,301	8,837,327	8,898,126	8,886,796	8,981,427
Total liabilities	\$ 117,368	\$ 411,817	\$ 9,138,778	\$ 9,097,401	\$ 9,256,146	\$ 9,509,218
Deferred inflows of resources	\$ 419,533	\$ 351,494	\$ -	\$ -	\$ 419,533	\$ 351,494
Net position:						
Net investment in capital assets	\$ 2,329,556	\$ 2,366,426	\$ 4,930,313	\$ 5,147,647	\$ 7,259,869	\$ 7,514,073
Restricted	413,807	229,845	1,133,776	112,523	1,547,583	342,368
Unrestricted	746,964	360,234	2,426,169	2,983,445	3,173,133	3,343,679
Total net position	\$ 3,490,327	\$ 2,956,505	\$ 8,490,258	\$ 8,243,615	\$ 11,980,585	\$ 11,200,120

Most (60.6%) of the Town's total net position at December 31, 2020 is represented by its investment in capital assets (e.g. land, infrastructure, buildings, machinery, and equipment). The Town uses these capital assets to provide services to residents and businesses; consequently, these assets are not available for future spending.

Approximately 12.9% (\$1,547,583) of the Town's total net position at the end of 2020 represents resources that are subject to external restrictions on how they may be used. They are fund balance restrictions of sales taxes collected for capital improvements (\$364,158), and unspent water loan proceeds (\$1,133,776) for construction of a water recharge facility. An additional \$10,649 is restricted for parks and certain recreation projects, and \$39,000 for emergencies.

The remaining amount of the Town's total net position at the end of 2020 (\$3,173,133) represents 26.5% of total net position and may be used to meet the Town's other ongoing obligations to residents and creditors.

The following chart displays the changes in net position experienced by the Town over the last two fiscal years. An analysis of these changes follows for both its Governmental and Business-type Activities.

Town of Wiggins's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Program revenues:						
Charges for services	\$ 166,843	\$ 235,110	\$ 999,772	\$ 860,542	\$ 1,166,615	\$ 1,095,652
Operating grants & contributions	186,131	163,996	-	-	186,131	163,996
Capital grants & contributions	-	-	1,323,914	1,549,500	1,323,914	1,549,500
General revenues:						
Property taxes	359,910	256,281	-	-	359,910	256,281
Sales & use taxes	519,393	513,690	-	-	519,393	513,690
Other taxes	51,548	47,233	-	-	51,548	47,233
Investment income	316	1,175	1,407	911	1,723	2,086
Other grants & donations received	23,568	3,095	-	-	23,568	3,095
Gain on sale of capital assets	-	-	-	-	-	-
Other general revenues	18,932	38,021	42,811	-	61,743	38,021
Total revenues	\$ 1,326,641	\$ 1,258,601	\$ 2,367,904	\$ 2,410,953	\$ 3,694,545	\$ 3,669,554
Program expenses:						
General government	\$ 262,076	\$ 277,213	\$ -	\$ -	\$ 262,076	\$ 277,213
Community Programs & Development	47,306	32,450	-	-	47,306	32,450
Public safety	223,402	227,057	-	-	223,402	227,057
Public works	187,131	181,274	-	-	187,131	181,274
Parks and Recreation	71,116	78,793	-	-	71,116	78,793
Water utility	-	-	1,517,941	1,044,418	1,517,941	1,044,418
Sewer utility	-	-	354,948	332,595	354,948	332,595
Interest on long-term debt	1,788	32,352	248,372	293,507	250,160	325,859
Total expenses	\$ 792,819	\$ 829,139	\$ 2,121,261	\$ 1,670,520	\$ 2,914,080	\$ 2,499,659
Increase/(decrease)in net position	\$ 533,822	\$ 429,462	\$ 246,643	\$ 740,433	\$ 780,465	\$ 1,169,895
Net Position, Beginning	2,956,505	2,527,043	8,243,615	7,503,182	11,200,120	10,030,225
Net Position, Ending	\$ 3,490,327	\$ 2,956,505	\$ 8,490,258	\$ 8,243,615	\$ 11,980,585	\$ 11,200,120

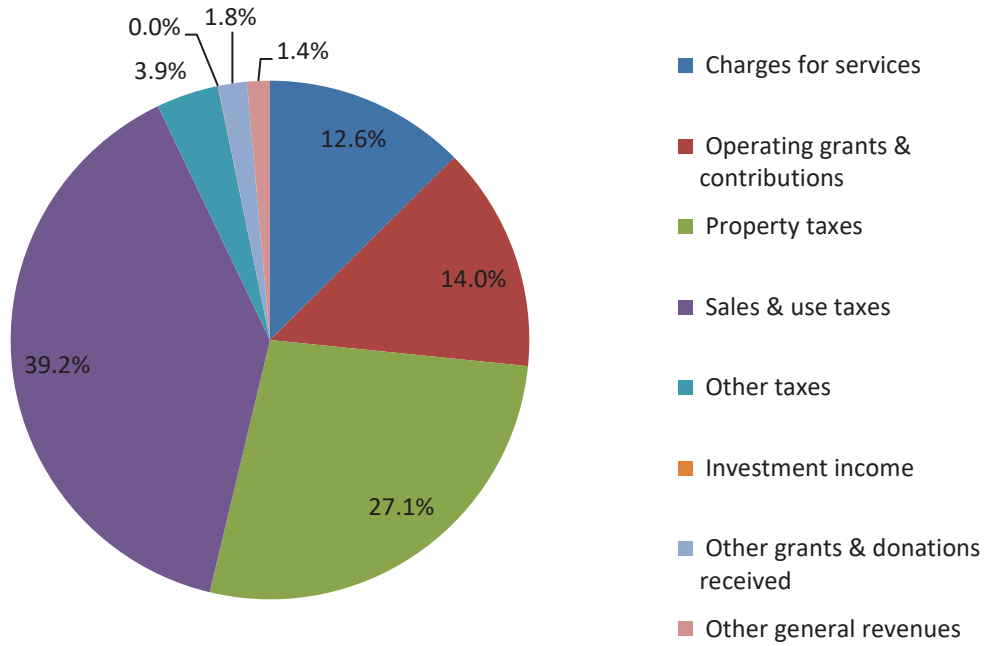
Governmental Activities

The Town's Governmental Activities increased in net position by \$533,822 (18.1%) in 2020. This was a continued improvement over 2019 when Governmental Activities position increased by \$429,462 (17.0%), and over 2018 when these activities increased by \$358,870 (16.6%). Key elements of the 2020 increase are as follows:

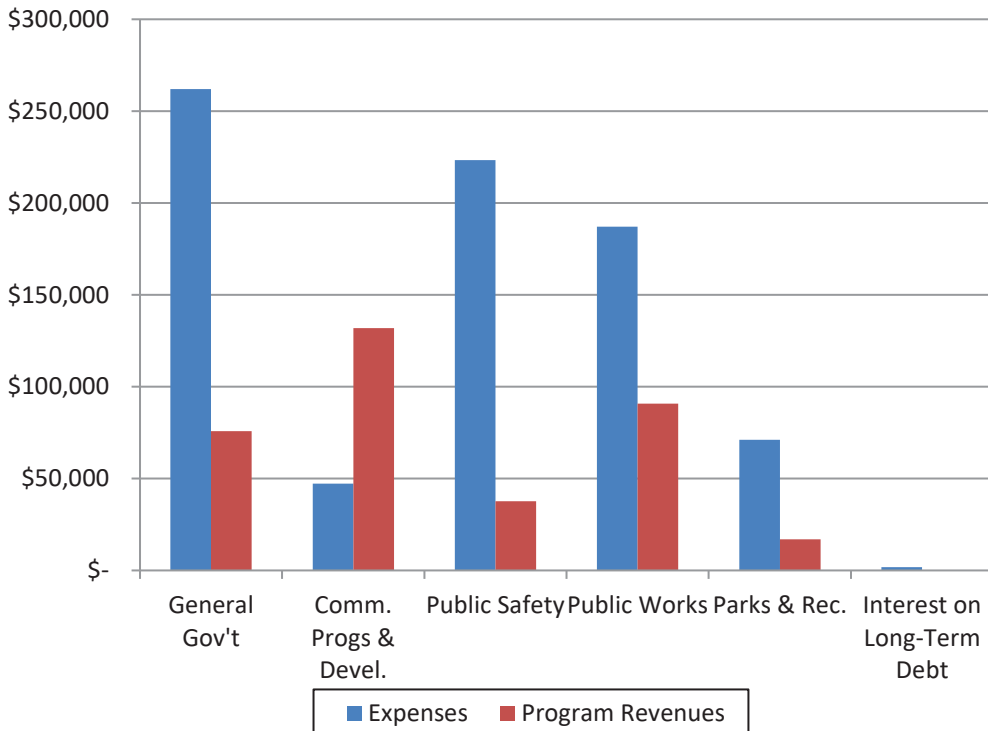
- Total revenues increased by \$68,040 primarily due to increased property tax valuations.
- Total spending decreased by \$36,320 in 2020.
- Governmental activities revenues exceeded governmental expenditures due to increased sales tax revenues, property tax, revenues, and grants received.

The following two charts illustrate the Governmental Activities revenues and expenses. As in most municipalities, the expenses of governmental activities are not fully supported through program revenues but are largely financed through taxes.

Revenues by Source - Governmental Activities



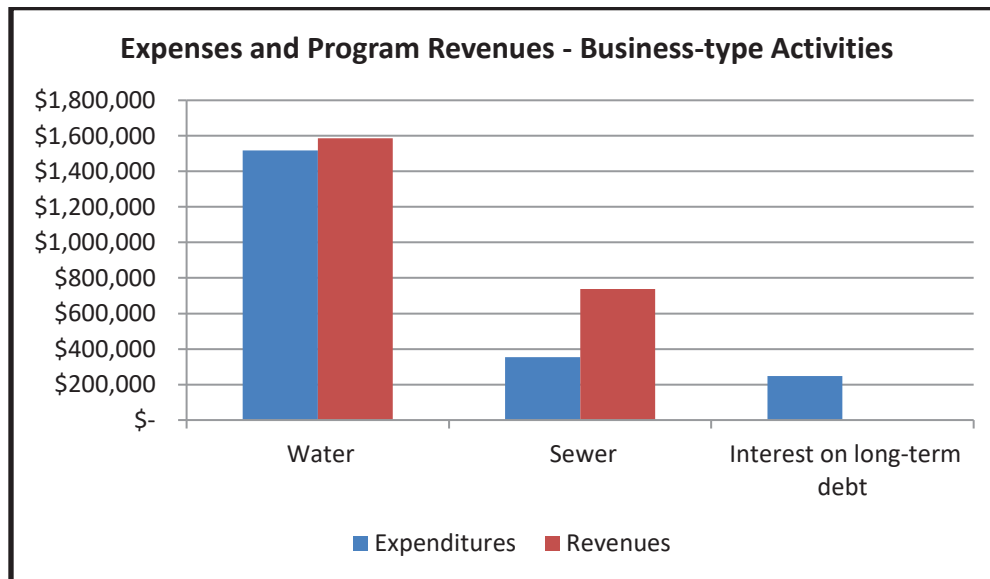
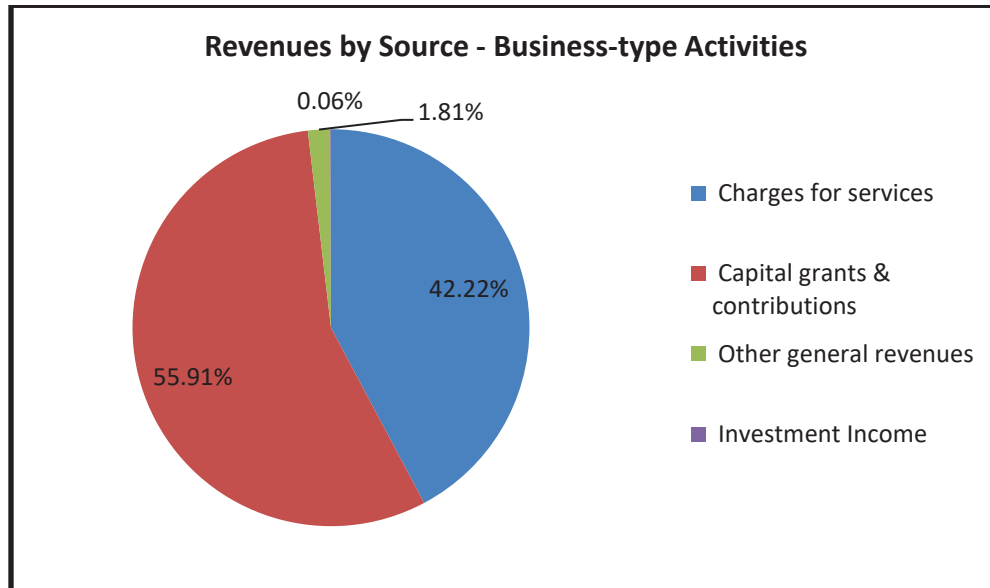
Expenses and Program Revenues - Governmental Activities



Business-type Activities

Business-type Activities increased in net position by \$246,643 (3.0%) during 2020. This was a continued improvement over 2019 when net position increased by \$740,433 (9.9%), and 2018 when net position increased by \$821,205 (12.3%). This improvement was due to Tap Fees charged for water and sewer system growth.

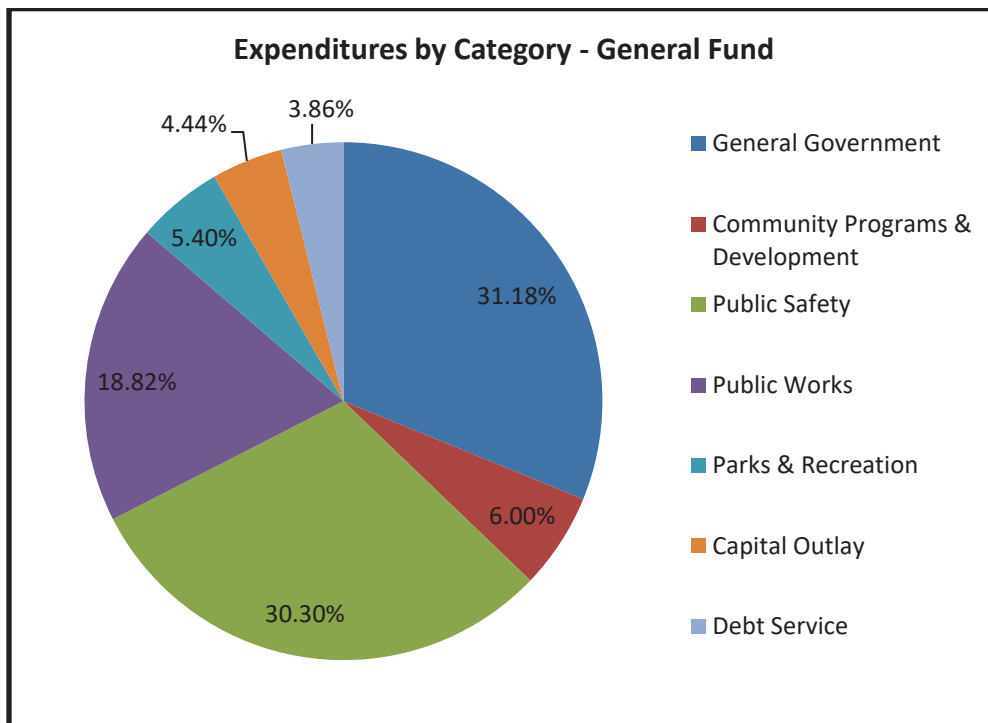
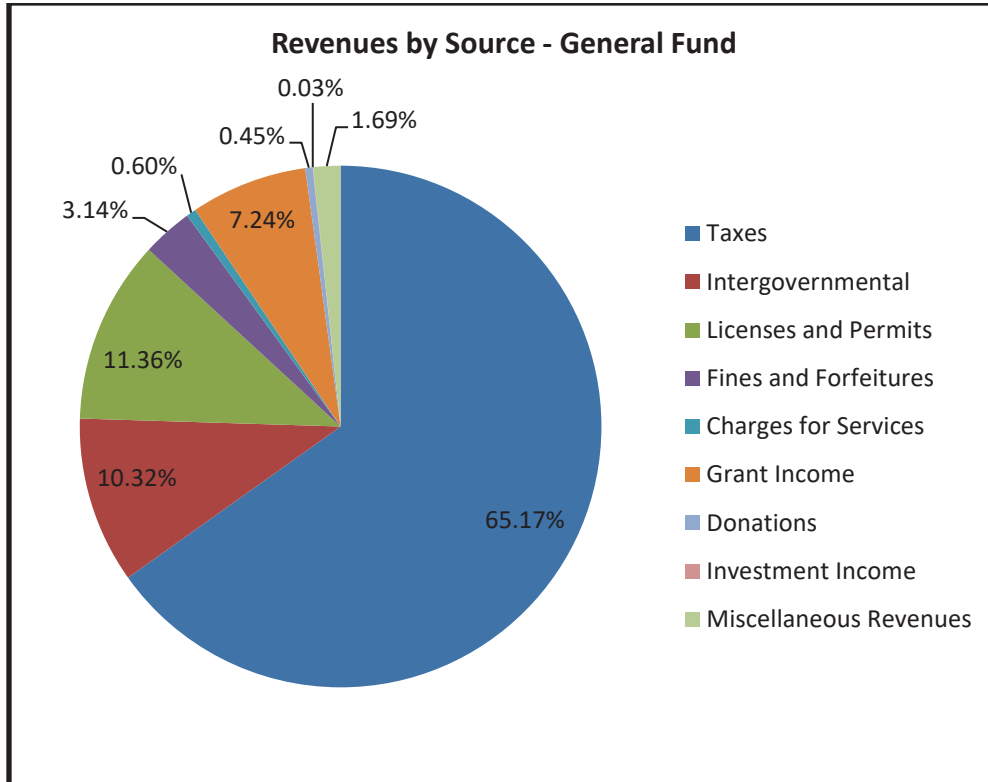
The following two charts illustrate the Business-type Activities revenues and expenses for 2020.



THE TOWN'S FUNDS

As noted earlier, the Town of Wiggins uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Governmental Funds utilize the modified accrual basis of accounting, and the balances of the spendable resources (unrestricted fund balance) in each fund are shown at year end. At December 31, 2020 the Town's two major Governmental funds reported combined ending fund balances of \$1,127,203. These funds are discussed below.

General Fund. The General Fund is the chief operating fund of the Town of Wiggins. It accounts for all the general services provided by the Town. At the end of 2020, the fund balance of the General Fund totaled \$763,045. This was a \$364,506 (91.5%) increase over 2019. Expenditures in 2020 of \$788,899 were outpaced by revenues totaling \$1,106,896. The following two tables illustrate General Fund revenues and expenditures during 2020.



Sales Tax Capital Improvement Special Revenue Fund. This fund is utilized to account for proceeds from the Town's 1% sales tax restricted to capital acquisition and/or construction of capital projects and related debt service. During 2020, current revenues totaled \$209,478. The final expense of \$315 for the construction of the 3rd Avenue Storm Drainage Improvement Project was made. The Fund Balance at year-end increased by \$209,163 to total \$364,158.

Water Fund. At December 31, 2020 the net position of the Water Fund was \$5,834,248. This was a decrease of \$90,160 (1.5%) from 2019. The decrease was due to contributions of \$840,000 to the Central Colorado Water Conservancy District for construction of water infrastructure that will benefit the Town. Due to the contributions, the Water Fund had an operating loss of -\$704,963, and interest expenses on long-term debt totaling \$202,840. Management budgeted for a user rate study to be completed in 2021 to help determine appropriate revenue rates to cover system expenses.

Sewer Fund. At December 31, 2020 the net position of the Sewer Fund was \$2,656,010. This was an increase of \$336,803 (14.5%) over 2019. This increase was due to Tap Fees for system growth. The fund had an operating loss of -\$125,343, and interest expenses on long-term debt totaling \$45,532. Management budgeted for a user rate study to be completed in 2021 to help determine appropriate revenue rates to cover system expenses.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. At December 31, 2020 the Town had invested in a range of capital assets including land, buildings and improvements, vehicles, office equipment, and park equipment and trails. Note 4 of the financial statements provides a summary of changes in capital assets during the year. During 2020, the Town completed the 3rd Avenue Drainage Project, purchased two used vehicles for the Police Department, upgraded the audio/video equipment in the Town Board room, acquired a new copier, took steps to secure its water rights, and made improvements to its water and sewer systems.

Debt Administration. The Town's long-term debt primarily consists of loans and capital leases. At the end of 2020, the governmental activities had a balance of \$24,639 owed on capital leases for a copier and a tractor and mower for public works operations. Compensated absences are also recorded. See Note 5 on page 24 for more detailed information.

In business-type activities at December 31, 2020, the Town owed \$262,929 on a 2009 water rights lease/purchase agreement, \$2,783,730 on a 2011 Water Loan from the U.S. Department of Agriculture Rural Utilities (USDA), \$481,333 on a 2013 Water Loan from USDA, \$2,408,850 on a 2017 Note Payable to the Colorado Water Conservation Board, and \$2,890,620 on a 2020 bank loan. These debts were incurred for water rights acquisition and water and sewer system facilities and upgrades. Compensated absences are also recorded. See Note 5 on page 25 for more detailed information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Growth in the residential and commercial sectors of Wiggins's economy continues to occur. The 2021 Budget anticipates continued improvement in the General Fund balance due to growth and development in the Town. A utility rate study is underway to determine appropriate water and sewer user rates to cover operating costs and future capital needs, as well as continued compliance with the rate maintenance covenants (see Note 9) contained in the Town's long-term debt documents for the Water and Sewer Funds.

Beginning in March 2020, the State of Colorado imposed lengthy restrictions on businesses, recreation, and places of worship with the stated purpose of slowing the spread of the Coronavirus so that hospital facilities would not be overwhelmed with patients. The City has been economically impacted by these restrictions, and the full economic impact has yet to be determined. Management will continue to monitor the economic factors affecting the Town, to budget conservatively, and to amend adopted budgets if necessary.

REQUESTS FOR INFORMATION

This financial report is designed to provide the Town of Wiggins's residents, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the funds it receives and assets it maintains. If you have questions about this report, or should you desire additional financial information, contact the Town's management at Town of Wiggins, 304 Central Avenue, Wiggins, CO 80654 or call Town Hall at (970) 483-6161.

BASIC FINANCIAL STATEMENTS

TOWN OF WIGGINS, COLORADO

STATEMENT OF NET POSITION

December 31, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 1,008,549	\$ 1,722,009	\$ 2,730,558
Restricted Cash and Investments	18,790	931,539	950,329
Funds Held in Escrow	-	1,133,776	1,133,776
Cash Held with County Treasurer	18,830	-	18,830
Receivables			
Property Taxes	403,665	-	403,665
Sales Taxes and Other	159,507	-	159,507
Accounts	-	83,938	83,938
Prepaid Expenses	75	-	75
Capital Assets, Not Depreciated	1,302,438	6,468,411	7,770,849
Capital Assets, Depreciated, Net of Accumulated Depreciation	1,051,757	7,289,363	8,341,120
Net Pension Asset	9,590	-	9,590
TOTAL ASSETS	3,973,201	17,629,036	21,602,237
DEFERRED OUTFLOW OF RESOURCES			
Related to Pensions	54,027	-	54,027
TOTAL DEFERRED OUTFLOWS OF RESOURCES	54,027	-	54,027
LIABILITIES			
Accounts Payable	67,899	98,197	166,096
Accrued Interest Payable	-	149,072	149,072
Deposits	-	54,182	54,182
Noncurrent Liabilities			
Due Within One Year	22,608	103,389	125,997
Due in More Than One Year	6,997	8,726,046	8,733,043
Compensated Absences Due in More Than One Year	19,864	7,892	27,756
TOTAL LIABILITIES	117,368	9,138,778	9,256,146
DEFERRED INFLOWS OF RESOURCES			
Related to Pensions	15,868	-	15,868
Deferred Property Tax Revenue	403,665	-	403,665
TOTAL DEFERRED INFLOWS OF RESOURCES	419,533	-	419,533
NET POSITION			
Net Investment in Capital Assets	2,329,556	4,930,313	7,259,869
Restricted	413,807	1,133,776	1,547,583
Unrestricted	746,964	2,426,169	3,173,133
TOTAL NET POSITION	\$ 3,490,327	\$ 8,490,258	\$ 11,980,585

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 262,076	\$ 1,194	\$ 74,539	\$ -
Public Safety	223,402	34,731	3,016	-
Public Works	187,131	-	90,706	-
Community Programs & Development	47,306	126,795	5,025	-
Parks and Recreation	71,116	4,123	12,845	-
Interest and Fiscal Charges	1,788	-	-	-
Total Governmental Activities	792,819	166,843	186,131	-
Business-Type Activities				
Water	1,517,941	770,245	-	816,500
Sewer	354,948	229,527	-	507,414
Interest and Fiscal Charges	248,372	-	-	-
Total Business-Type Activities	2,121,261	999,772	-	1,323,914

GENERAL REVENUES

Property Taxes
 Specific Ownership Taxes
 Sales and Use Taxes
 Grants and Contributions Not Restricted
 To Specific Programs
 Franchise Taxes
 Other Revenues
 Earnings on Investments

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning, Restated

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND CHANGES
CHANGES IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
\$ (186,343)	\$ -	\$ (186,343)
(185,655)	-	(185,655)
(96,425)	-	(96,425)
84,514	-	84,514
(54,148)	-	(54,148)
(1,788)	-	(1,788)
<u>(439,845)</u>	<u>-</u>	<u>(439,845)</u>
-	68,804	68,804
-	381,993	381,993
-	(248,372)	(248,372)
<u>-</u>	<u>202,425</u>	<u>202,425</u>
359,910	-	359,910
31,606	-	31,606
519,393	-	519,393
23,568	-	23,568
19,942	-	19,942
18,932	42,811	61,743
316	1,407	1,723
<u>973,667</u>	<u>44,218</u>	<u>1,017,885</u>
533,822	246,643	780,465
<u>2,956,505</u>	<u>8,243,615</u>	<u>11,200,120</u>
<u>\$ 3,490,327</u>	<u>\$ 8,490,258</u>	<u>\$ 11,980,585</u>

TOWN OF WIGGINS, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

	GENERAL FUND	SALES TAX CAPITAL IMPROVEMENT FUND	NON-MAJOR CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 670,195	\$ 327,705	\$ 10,649	\$ 1,008,549
Restricted Cash and Investments	18,790	-	-	18,790
Cash Held at County Treasurer	18,830	-	-	18,830
Taxes Receivable	403,665	-	-	403,665
Accounts Receivable	123,054	36,453	-	159,507
Prepaid Expenses	75	-	-	75
TOTAL ASSETS	\$ 1,234,609	\$ 364,158	\$ 10,649	\$ 1,609,416
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 67,899	\$ -	\$ -	\$ 67,899
TOTAL LIABILITIES	67,899	-	-	67,899
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenues	403,665	-	-	403,665
FUND BALANCES				
Nonspendable	75	-	-	75
Restricted	39,000	364,158	10,649	413,807
Unassigned	723,970	-	-	723,970
TOTAL FUND BALANCES	763,045	364,158	10,649	1,137,852
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 1,234,609	\$ 364,158	\$ 10,649	\$ 1,609,416

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

TOWN OF WIGGINS, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
Year Ended December 31, 2020

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

Total fund balances of governmental funds			\$ 1,137,852
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds.			
	Capital Assets, Not Depreciated	1,302,438	
	Capital Assets, Depreciated	1,846,179	
	Accumulated Depreciation	<u>(794,422)</u>	<u>2,354,195</u>
Long-term liabilities and related assets are not due and payable in the current period and, therefore, are not reported in the funds.			
	Capital Leases	(24,639)	
	Compensated Absences	(24,830)	
	Net Pension Asset	<u>9,590</u>	<u>(39,879)</u>
Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.			
	Deferred outflows of resources - Change in Proportionate Share	2,394	
	Deferred outflows of resources - Subsequent Contributions	8,029	
	Deferred outflows of resources - Expected vs Actual Experience	27,947	
	Deferred outflows of resources - Projected vs Actual Investments Earnings	-	
	Deferred outflows of resources - Change in Assumptions	15,657	
	Deferred inflows of resources - Projected vs Actual Investments Earnings	(14,945)	
	Deferred inflows of resources - Expected vs Actual Experience	(147)	
	Deferred inflows of resources - Change in Proportionate Share	<u>(776)</u>	<u>38,159</u>
Net position of governmental activities			<u>\$ 3,490,327</u>

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	GENERAL FUND	SALES TAX CAPITAL IMPROVEMENT FUND	NON-MAJOR CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Property Taxes	\$ 359,910	\$ -	\$ -	\$ 359,910
Specific Ownership Taxes	31,606	-	-	31,606
Sales and Use Taxes	309,927	209,466	-	519,393
Franchise Fees	19,942	-	-	19,942
Intergovernmental Revenue	185,329	-	10,245	195,574
Grants	9,100	-	-	9,100
Donations	5,025	-	-	5,025
Charges for Services	6,451	-	-	6,451
Licenses and Permits	125,661	-	-	125,661
Fines and Forfeitures	34,731	-	-	34,731
Earnings on Investments	282	12	22	316
Miscellaneous	18,932	-	-	18,932
TOTAL REVENUES	1,106,896	209,478	10,267	1,326,641
EXPENDITURES				
Current				
General Government	245,967	-	-	245,967
Public Safety	239,039	-	-	239,039
Public Works	148,504	-	-	148,504
Community Programs & Development	47,306	-	-	47,306
Parks and Recreation	42,635	-	-	42,635
Capital Outlay	35,037	315	-	35,352
Debt Service				
Principal	28,623	-	-	28,623
Interest	1,788	-	-	1,788
TOTAL EXPENDITURES	788,899	315	-	789,214
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	317,997	209,163	10,267	537,427
OTHER FINANCING SOURCES (USES)				
Proceeds from Capital Lease	9,541	-	-	9,541
Transfer Out	-	-	(36,968)	(36,968)
Transfer In	36,968	-	-	36,968
TOTAL OTHER FINANCING SOURCES (USES)	46,509	-	(36,968)	9,541
NET CHANGE IN FUND BALANCES	364,506	209,163	(26,701)	546,968
FUND BALANCES, Beginning	398,539	154,995	37,350	590,884
FUND BALANCES, Ending	\$ 763,045	\$ 364,158	\$ 10,649	\$ 1,137,852

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

TOWN OF WIGGINS, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2020

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

Net change in fund balances - total governmental funds	\$ 546,968
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Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital Outlay	35,352	
Depreciation	<u>(91,304)</u>	<u>(55,952)</u>

Debt proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not effect the statement of activities.	(9,541)
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Some expenses reported in the statement of activities do not require current financial resources and are not reported in the funds.

Capital Leases Principal Payments	28,623	
Changes in Accrued Interest Payable	2,144	
Changes in Compensated Absences	<u>(7,658)</u>	<u>23,109</u>

Deferred Charges related to pensions are not recognized in the governmental funds. However, for the government-wide funds those amounts are capitalized and amortized.

Deferred charges related to Pension Plan	<u>29,238</u>
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Change in net position of governmental activities	<u><u>\$ 533,822</u></u>
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The accompanying notes are an integral part of the financial statements.

TOWN OF WIGGINS, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 December 31, 2020

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
ASSETS			
Current Assets			
Cash and Investments	\$ 599,574	\$ 1,122,435	\$ 1,722,009
Restricted Cash and Investments	690,793	240,746	931,539
Funds Held in Escrow	1,133,776	-	1,133,776
Accounts Receivable	60,155	23,783	83,938
Total Current Assets	<u>2,484,298</u>	<u>1,386,964</u>	<u>3,871,262</u>
Noncurrent Assets			
Capital Assets, Not Being Depreciated	5,623,885	844,526	6,468,411
Capital Assets, Net of Accumulated Depreciation	5,733,090	1,556,273	7,289,363
Total Noncurrent Assets	<u>11,356,975</u>	<u>2,400,799</u>	<u>13,757,774</u>
TOTAL ASSETS	<u>13,841,273</u>	<u>3,787,763</u>	<u>17,629,036</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	67,422	30,775	98,197
Deposits	32,682	21,500	54,182
Accrued Interest Payable	137,408	11,664	149,072
Accrued Compensated Absences, Current Portion	987	987	1,974
Capital Lease Payable, Current Portion	27,205	-	27,205
Bonds and Notes Payable, Current Portion	74,210	-	74,210
Total Current Liabilities	<u>339,914</u>	<u>64,926</u>	<u>404,840</u>
Noncurrent Liabilities			
Accrued Compensated Absences	3,946	3,946	7,892
Capital Lease Payable	235,723	-	235,723
Bonds and Notes Payable	7,427,442	1,062,881	8,490,323
Total Noncurrent Liabilities	<u>7,667,111</u>	<u>1,066,827</u>	<u>8,733,938</u>
TOTAL LIABILITIES	<u>8,007,025</u>	<u>1,131,753</u>	<u>9,138,778</u>
NET POSITION			
Net Investment in Capital Assets	3,592,395	1,337,918	4,930,313
Restricted	1,133,776	-	1,133,776
Unrestricted	1,108,077	1,318,092	2,426,169
TOTAL NET POSITION	<u>\$ 5,834,248</u>	<u>\$ 2,656,010</u>	<u>\$ 8,490,258</u>

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2020

	WATER	SEWER	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 770,245	\$ 229,527	\$ 999,772
Other Revenues	42,733	78	42,811
TOTAL OPERATING REVENUES	812,978	229,605	1,042,583
OPERATING EXPENSES			
Professional Services	166,074	35,617	201,691
Sewer Administration	-	74,722	74,722
Water Administration	74,950	-	74,950
Public Works Administration	49,008	83,005	132,013
Treatment Plant	-	15,394	15,394
Operations	1,073,923	95,371	1,169,294
Depreciation	153,986	50,839	204,825
TOTAL OPERATING EXPENSES	1,517,941	354,948	1,872,889
NET OPERATING INCOME (LOSS)	(704,963)	(125,343)	(830,306)
NON-OPERATING REVENUES (EXPENSES)			
Earnings on Investments	1,143	264	1,407
Grants and Contributions	-	79,914	79,914
Interest Expense	(202,840)	(45,532)	(248,372)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(201,697)	34,646	(167,051)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	(906,660)	(90,697)	(997,357)
Tap Fees	816,500	427,500	1,244,000
CHANGE IN NET POSITION	(90,160)	336,803	246,643
NET POSITION, Beginning, Restated	5,924,408	2,319,207	8,243,615
NET POSITION, Ending	\$ 5,834,248	\$ 2,656,010	\$ 8,490,258

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 Year Ended December 31, 2020
 Increase (Decrease) in Cash and Cash Equivalents

	<u>WATER</u>	<u>SEWER</u>	<u>TOTAL</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 1,042,093	\$ 228,651	\$ 1,270,744
Cash Paid to Employees	(122,091)	(156,087)	(278,178)
Cash Paid to Suppliers	(1,200,622)	(123,432)	(1,324,054)
Net Cash Used by Operating Activities	<u>(280,620)</u>	<u>(50,868)</u>	<u>(331,488)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(150,318)	(22,867)	(173,185)
Principal Payments on Long Term Debt	(1,906,981)	(1,047,945)	(2,954,926)
Proceeds from Debt Issuance	1,827,739	1,062,881	2,890,620
Interest Payments	(165,752)	(43,300)	(209,052)
Tap Fees and Capital Contributions	816,500	427,500	1,244,000
Grants and Contributions	-	79,914	79,914
Net Cash Provided by Capital Financing Activities	<u>421,188</u>	<u>456,183</u>	<u>877,371</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	<u>1,143</u>	<u>264</u>	<u>1,407</u>
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	141,711	405,579	547,290
CASH AND CASH EQUIVALENTS, Beginning	<u>1,148,656</u>	<u>957,602</u>	<u>2,106,258</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 1,290,367</u>	<u>\$ 1,363,181</u>	<u>\$ 2,653,548</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES			
Operating Income (Loss)	<u>\$ (704,963)</u>	<u>\$ (125,343)</u>	<u>\$ (830,306)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities			
Depreciation Expense	153,986	50,839	204,825
Changes in Assets and Liabilities			
Accounts Receivable	(6,909)	(3,038)	(9,947)
Deposits	230,000	-	230,000
Prepaid Expenses	7,299	278	7,577
Accounts Payable	32,076	22,672	54,748
Compensated Absences	1,867	1,640	3,507
Deposits and Escrow	6,024	2,084	8,108
Total Adjustments	<u>424,343</u>	<u>74,475</u>	<u>498,818</u>
Net Cash Used by Operating Activities	<u>\$ (280,620)</u>	<u>\$ (50,868)</u>	<u>\$ (331,488)</u>

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Wiggins, Colorado (the “Town”) was incorporated in 1974. The Town is governed by a town manager and a seven-member board of trustees (including the mayor) elected by the residents.

The accounting policies of the Town conform to generally accepted accounting principles (GAAP) as applicable to governmental units. Following is a summary of the more significant policies:

Reporting Entity

The financial reporting entity consists of the Town and organizations for which the Town is financially accountable. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. In addition, any legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens on the Town.

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

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

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

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

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

Taxes, intergovernmental revenues, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

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

In the fund financial statements, the Town reports the following major governmental funds:

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

The *Sales Tax Capital Improvement Fund* accounts for the collection of the voter approved 1% sales tax generated to the fund for the acquisition and construction of capital facilities and equipment.

The Town reports the following major proprietary funds:

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

The *Sewer Fund* accounts for the financial activities associated with the provision of sewer services.

Assets, Liabilities, and Fund Balance/Net Position

Cash and Cash Equivalents – For purposes of the statement of cash flows, the Town considers cash and cash equivalents to be all demand deposits as well as short-term investments with a maturity date of three months or less. Investments are stated at fair value.

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Prepaid Items – On the government-wide and governmental fund financial statements, prepaid expenses are presented using the consumption method.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Assets, Liabilities, and Fund Balance/Net Position (Continued)

Capital Assets – Capital assets, which include land, water rights, infrastructure, utility plant and lines, and property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Improvements	15 - 35 years
Water System	7 - 50 years
Sewer System	10 - 50 years
Buildings	10 - 50 years
Equipment	5 - 25 years
Vehicles	3 - 10 years

Compensated Absences – Town employees are entitled to certain compensated absences based on their length of employment and are allowed to accumulate unused vacation, sick time, holiday, and comp time. The maximum accrual for vacation and sick leave is 80 hours and 240 hours, respectively. Vacation time in excess of 80 hours at year end is forfeited. Upon termination of employment, a maximum of 80 hours of unused vacation and sick time is paid at the employee’s current rate of pay. All unused holiday hours and comp time is paid out upon termination of employment at the employee’s current rate of pay.

These compensated absences are expensed when paid in the governmental fund types. Compensated absences are expensed when earned in the proprietary fund type. A long-term liability in the amount of \$24,830 and \$9,866 has been recorded in the governmental activities and business-type activities, respectively, in the statement of net position for the accrued benefits.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Assets, Liabilities, and Fund Balance/Net Position (Continued)

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

Long-Term Debt – In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

Pensions – The Town participates in the Statewide Defined Benefit Plan (SWDBP), a cost-sharing, multiple-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to and deductions from the fiduciary net position of the SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting, the same basis of accounting used by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Employer contributions are recognized in the year the contributions are paid.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Assets, Liabilities, and Fund Balance/Net Position (Continued)

Property Taxes – Property taxes are levied on December 15 based on the assessed value of property as certified by the County Assessor on October 1. The property tax may be paid in total by April 30 or one-half payment by February 28 and the second half by June 15. The billings are considered due on these dates. The bill becomes delinquent, and penalties and interest may be assessed by the County Treasurer on the post mark day following these dates. The tax sale date is the first Thursday of November.

Under Colorado Law, all property taxes become due and payable on January 1, in the year following that in which they are levied. The County Treasurer’s Office collects property taxes and remits to the Town on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

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

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

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

Unrestricted Net Position represents assets that do not have any third-party limitation on their use. While Town management may have categorized and segmented portion for various purposes, the Town Board of Trustees has the unrestricted right to revisit or alter these managerial decisions.

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Fund Balance/Net Position (Continued)

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

- Nonspendable – This classification includes amounts that cannot be spent either because they are not in a spendable form or because they are legally or contractually required to be maintained intact. The Town reports nonspendable fund balances related prepaid expenses on December 31, 2020.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. In addition, the Town reports restricted fund balances in the Sales Tax Capital Improvement Fund, and Conservation Trust Fund. These balances are restricted for capital improvements and parks and recreation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Board of Trustees. These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town does not report any committed fund balances as of December 31, 2020.
- Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The Town does not report any assigned fund balances as of December 31, 2020.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 1: **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Assets, Liabilities, and Fund Balance/Net Position (Continued)

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

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

Risk Management

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; injuries to employees; and natural disasters. The Town participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes and the Colorado Constitution, Article XIV, Section 18(2).

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

It is the intent of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a legal separate entity, and the Town does not approve budgets, nor does it have the ability to significantly affect the operations of CIRSA.

Subsequent Events

The Town has evaluated events subsequent to the year ended December 31, 2020 through July 28, 2021, the date these financial statements were issued, and has incorporated any required recognition into these financial statements.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparison for the proprietary fund is presented on a non-GAAP budgetary basis. Capital outlay and debt service is budgeted as an expenditure and depreciation is not budgeted. Annual appropriated budgets are adopted for all funds. All appropriations lapse at fiscal year-end.

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

- Budgets are required by state law for all funds. Management submits to the Town Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. All budgets lapse at year end.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is adopted by formal resolution.
- Expenditures may not legally exceed appropriations at the fund level.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, revisions that alter the total expenditures of any fund must be approved by the Town Board of Trustees.
- Budgeted amounts reported in the accompanying financial statements are as originally adopted or amended by the Town Board of Trustees.

TOWN OF WIGGINS
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2020

NOTE 3: CASH AND INVESTMENTS

Cash and investments on December 31, 2020 consist of the following:

Petty Cash	\$ 728
Deposits	3,679,172
Investments	987
Total	<u>\$ 3,680,887</u>

The above amounts are classified in the statement of net position as follows:

Cash and Investments - Governmental Activities	\$ 1,008,549
Cash and Investments - Governmental Activities, Restricted	\$ 18,790
Cash and Investments - Business-Type Activities	1,722,009
Cash and Investments - Business-Type Activities, Restricted	931,539
Total	<u>\$ 3,680,887</u>

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government’s deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. On December 31, 2020, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

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

On December 31, 2020, the Town had deposits with financial institutions with a carrying amount of \$3,679,172. The bank balances with the financial institutions were \$3,819,348. Of these balances, \$500,000 was covered by federal depository insurance and \$3,319,348 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: **CASH AND INVESTMENTS** (Continued)

Investments

The Town is required to comply with State statutes and the Town's investment policy which specify investment instruments meeting defined rating, maturity, and concentration of credit risk criteria in which the Town may invest.

Interest Rate Risk

State statutes generally limit investments to an original maturity of five years unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk

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

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

Concentration of Credit Risk

Except for corporate securities, State statutes do not limit the amount the Town may invest in any single investment or issuer.

Local Government Investment Pools

The Town had invested \$987 in the Colorado Government Liquid Asset Trust (ColoTrust) which has a credit rating of AAAM by Standard and Poor's. ColoTrust is an investment vehicle established for local government entities in Colorado to pool surplus funds and is regulated by the State Securities Commissioner. It operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 3: **CASH AND INVESTMENTS** (Continued)

Investments (Continued)

Local Government Investment Pools (Continued)

Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities.

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

Restricted Cash and Investments

Cash and investments in the amount of 18,790 are restricted in the General Fund for future community hall replacement costs.

Cash and investments in the amount of \$690,793 and \$240,746 are restricted in the Water Fund and Sewer Fund, respectively. These funds are restricted for sinking fund and debt reserve requirements.

The Town also has undrawn loan proceeds in the amount of \$1,133,776 shown as Cash Held in Escrow on the statement of net position.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: CAPITAL ASSETS

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Governmental Activities				
Capital Assets, Not Depreciated				
Land	\$ 456,539	\$ -	\$ -	\$ 456,539
Land Improvements	845,899	-	-	845,899
Construction in Progress	183,395	-	183,395	-
Total Capital Assets, Not Depreciated	<u>1,485,833</u>	<u>-</u>	<u>183,395</u>	<u>1,302,438</u>
Capital Asset, Being Depreciated				
Buildings	361,056	-	-	361,056
Equipment	251,898	24,537	-	276,435
Improvements	878,558	183,710	-	1,062,268
Vehicles	135,920	10,500	-	146,420
Total Capital Assets, Being Depreciated	<u>1,627,432</u>	<u>218,747</u>	<u>-</u>	<u>1,846,179</u>
Accumulated Depreciation				
Buildings	220,028	12,420	-	232,448
Equipment	166,411	15,840	-	182,251
Improvements	209,382	48,677	-	258,059
Vehicles	107,297	14,367	-	121,664
Total Depreciation	<u>703,118</u>	<u>91,304</u>	<u>-</u>	<u>794,422</u>
Capital Assets, Depreciated Net	<u>924,314</u>	<u>127,443</u>	<u>-</u>	<u>1,051,757</u>
Net Capital Assets	<u>\$ 2,410,147</u>	<u>\$ 127,443</u>	<u>\$ 183,395</u>	<u>\$ 2,354,195</u>

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

Governmental Activities	
General Government	\$ 10,595
Public Safety	13,601
Public Works	38,627
Parks and Recreation	<u>28,481</u>
Total	<u>\$ 91,304</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 4: CAPITAL ASSETS (Continued)

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020
Business-Type Activities				
Capital Assets, Not Depreciated				
Land	\$ 1,483,209	\$ -	\$ -	\$ 1,483,209
Water Rights	4,773,992	142,342	-	4,916,334
Construction in Progress	38,025	30,843	-	68,868
Total Capital Assets, Not Depreciated	<u>6,295,226</u>	<u>173,185</u>	<u>-</u>	<u>6,468,411</u>
Capital Asset, Being Depreciated				
Water System	7,346,781	-	-	7,346,781
Sewer System	2,118,489	-	-	2,118,489
Buildings	130,310	-	-	130,310
Equipment	53,932	-	-	53,932
Total Capital Assets, Being Depreciated	<u>9,649,512</u>	<u>-</u>	<u>-</u>	<u>9,649,512</u>
Accumulated Depreciation				
Water System	1,475,135	149,896	-	1,625,031
Sewer System	651,281	43,886	-	695,167
Buildings	6,732	2,606	-	9,338
Equipment	22,176	8,437	-	30,613
Total Depreciation	<u>2,155,324</u>	<u>204,825</u>	<u>-</u>	<u>2,360,149</u>
Capital Assets, Depreciated Net	<u>7,494,188</u>	<u>(204,825)</u>	<u>-</u>	<u>7,289,363</u>
Net Capital Assets	<u>\$ 13,789,414</u>	<u>\$ (31,640)</u>	<u>\$ -</u>	<u>\$ 13,757,774</u>

Depreciation expense in the amount of \$153,986 and \$50,839 was charged to the Water Fund and Sewer Fund, respectively.

The beginning balance of construction in progress was decreased by \$250,000 to correct a misstatement from the prior year.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 5: LONG-TERM DEBT

The following is a summary of the Town's long-term debt transactions for the year ended December 31, 2020:

Governmental Activities	12/31/2019			12/31/2020	
	Balance	Additions	Payments	Balance	Due Within One Year
Capital Leases	\$ 43,721	\$ 9,541	\$ 28,623	\$ 24,639	\$ 17,642
Compensated Absences	17,172	7,658	-	24,830	4,966
Total	\$ 60,893	\$ 17,199	\$ 28,623	\$ 49,469	\$ 22,608

Compensated absences are expected to be liquidated with revenues from the General Fund.

Capital Leases

The Town entered into a capital lease agreement to purchase equipment. The lease carried an interest rate of 6% and required monthly principal and interest payments in the amount of \$410. The lease was paid in full in 2020.

The Town entered into a lease agreement to purchase a vehicle. The lease carried an interest rate of 2.9% and required annual principal and interest payments in the amount of \$10,550. The lease was paid in full in 2020.

In 2016, the Town entered into a lease agreement to purchase public works equipment. The lease carries an interest rate of 2.74% and requires annual principal and interest payments in the amount of \$16,166 through 2021.

In August 2020, the Town entered into a lease agreement for a copier. The lease carries no interest. Monthly lease payments in the amount of \$159 are due beginning in September 2020 through August 2025

Future annual payments on the capital leases are as follows:

Year Ended December 31,	Payment
2021	\$ 18,074
2022	1,908
2023	1,908
2024	1,908
2025	1,273
Total	25,071
Less Interest	(432)
Present Value of Future Payments	<u>\$ 24,639</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 5: LONG-TERM DEBT (Continued)

Business-Type Activities	12/31/2019			12/31/2020	
	Balance	Additions	Payments	Balance	Due Within One Year
2017 BOTW Loan	\$ 2,850,000	\$ -	\$ 2,850,000	\$ -	\$ -
2020 BOTW Loan	-	2,890,620	-	2,890,620	-
2017 CWCBC Note	2,408,850	-	-	2,408,850	-
2013 USDA Loan	491,390	-	10,057	481,333	10,218
2011 USDA Loan	2,848,195	-	64,465	2,783,730	63,992
Capital Lease	293,332	-	30,404	262,928	27,205
Compensated Absences	6,359	3,507	-	9,866	1,974
Total	\$ 8,898,126	\$ 2,894,127	\$ 2,954,926	\$ 8,837,327	\$ 103,389

Bank of the West (BOTW) Loan

In 2017, the Town entered into a loan agreement in the amount of \$2,850,000 with Bank of the West (BOTW). Proceeds of the loan were used to purchase land and water rights. The loan is split between the Water Fund (63.23%) and Sewer Fund (36.77%) based on the estimated value of the underlying assets acquired with the proceeds. The loan principal became due on December 31, 2019.

In March of 2020, the Town entered into an amended and restated loan agreement with BOTW in the amount of \$2,890,620. Proceeds were used to refinance the outstanding 2017 loan and closing costs. The amended loan agreement carries an interest rate equivalent to one month LIBOR plus 2.5%. However, in no event shall the interest rate exceed 8% or be less than 4%. At December 31, 2020, the interest rate on the loan was 4.520%. Interest payment on the loan are due quarterly beginning on July 1, 2020 through April 1, 2030.

The Town is required to make quarterly payments in the amount of \$72,266 into a sinking fund beginning on July 1, 2020 through April 1, 2030. The outstanding loan balance will be paid in full out of the sinking fund on April 1, 2030.

On December 31, 2020, the Town has deposited \$137,030 and \$79,686 in the Water Fund and Sewer Fund, respectively, to comply with the sinking fund requirements.

The Town is required to maintain a reserve fund in the amount of \$404,687. On December 31, 2020, the Town maintains \$255,884 and \$148,803 in the Water Fund and Sewer Fund, respectively, to comply with the reserve fund requirements.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 5: LONG-TERM DEBT (Continued)

Bank of the West (BOTW) Loan (Continued)

The Town is also required to fund the next maturing installment of interest on a monthly basis in a separate interest payment fund. On December 31, 2020, the Water Fund and Sewer Fund report \$21,075 and \$12,256, respectively, as restricted cash and investments for interest payments on the loan.

The annual debt service requirements on the outstanding BOTW loan are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ -	\$ 120,884	\$ 120,884
2022	-	107,627	107,627
2023	-	94,380	94,380
2024	-	81,360	81,360
2025	-	67,886	67,886
2026-2030	2,890,620	141,639	3,032,259
Total	<u>\$ 2,890,620</u>	<u>\$ 613,776</u>	<u>\$ 3,504,396</u>

2017 Colorado Water Conservation Board (CWCB) Note

In July 2017, the Town entered into a loan agreement with the Colorado Water Conservation Board (CWCB) in the amount of \$2,408,850. Proceeds were used to purchase land and create the Wiggins Recharge Facility at Glassey Farms. The original loan carried an interest rate of 2.40% and required annual payments of \$113,560 through 2047. The Town received a three-year extension to repay the loan in 2019.

In June 2020, the loan contract was amended again due to the Town requiring additional time to complete the construction project. During the construction phase of the loan, interest accrues on the outstanding principal, but no payment is due at this time. Repayment of principal and interest will begin on or before July 21, 2023, the estimated completion date of the project. At that time, the payment schedule will be calculated by CWCB based on a 30-year term and an annual interest rate of 2.4%. As of December 31, 2020, the total amount of accrued but unpaid interest on the loan is \$102,018.

On December 31, 2020, the Town reports \$1,133,776 held in Escrow for unspent loan proceeds.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 5: **LONG-TERM DEBT** (Continued)

2013 United States Department of Agriculture (USDA) Loan

In 2013, the Town entered into a loan agreement with the United States Department of Agriculture (USDA) in the amount of \$549,000. Proceeds of the loan were used to fund cost overruns on the water project. The loan carries an interest rate of 2.125% and requires semi-annual principal and interest payments in the amount of \$10,223 due on February 1 and August 1 through 2053.

The Town is required to fund and maintain an operations and maintenance reserve account. The balance in the account must be sufficient pay the annual debt service requirement and to make up any deficiencies in the Town’s net revenue amount to comply with the agreements’ rate maintenance covenant. On December 31, 2020, the Town has funded the reserve in the amount of \$154,378 reported as restricted cash and investments in the Water Fund.

The annual debt service requirements on the outstanding 2013 USDA loan are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 10,218	\$ 10,228	\$ 20,446
2022	10,435	10,011	20,446
2023	10,657	9,789	20,446
2024	10,883	9,563	20,446
2025	11,114	9,332	20,446
2026-2030	59,216	43,014	102,230
2031-2035	65,781	36,449	102,230
2036-2040	73,074	29,156	102,230
2041-2045	81,175	21,055	102,230
2046-2050	90,174	12,056	102,230
2051-2053	58,606	2,503	61,109
Total	\$ 481,333	\$ 193,156	\$ 674,489

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 5: **LONG-TERM DEBT** (Continued)

2011 United States Department of Agriculture (USDA) Loan

In 2011, the Town entered into a loan agreement with the United States Department of Agriculture (USDA) in the amount of \$3,327,000. Proceeds of the loan, along with a USDA Rural Utilities Grant in the amount of \$2,252,000 were used to fund a \$5,700,000 project to improve the Town’s water system. The loan carries an interest rate of 2.25% and requires semi-annual principal and interest payments in the amount of \$63,113 due on May 1 and November 1 through 2051.

The Town is required to fund and maintain an operations and maintenance reserve account. The balance in the account must be sufficient pay the annual debt service requirement and to make up any deficiencies in the Town’s net revenue amount to comply with the agreements’ rate maintenance covenant. On December 31, 2020, the Town has funded the reserve in the amount of \$101,132 reported as restricted cash and investments in the Water Fund.

The Town is also required to fund and maintain a short- lived assets reserve account which is to be used for operations and maintenance of short- lived assets (assets having a proposed useful life significantly less than 40 years). Annual funding of the short lived in the amount of \$1,952 is required beginning in 2012. On December 31, 2020, the Town has funded the reserve in the amount of \$21,295.

The annual debt service requirements on the outstanding 2011 USDA loan are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 63,992	\$ 62,634	\$ 126,626
2022	65,432	61,194	126,626
2023	66,904	59,722	126,626
2024	68,409	58,217	126,626
2025	69,949	56,677	126,626
2026-2030	374,072	259,058	633,130
2031-2035	418,091	215,039	633,130
2036-2040	467,291	165,839	633,130
2041-2045	522,281	110,849	633,130
2046-2050	583,743	49,387	633,130
2051-2053	83,566	1,880	85,446
Total	<u>\$ 2,783,730</u>	<u>\$ 1,100,496</u>	<u>\$ 3,884,226</u>

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 5: LONG-TERM DEBT (Continued)

Rate Maintenance

The Town’s USDA loan agreements, as well as the BOTW and CWCB loans require the Town to maintain, enforce, and collect fees and charges for services to create gross revenues sufficient to pay operation and maintenance expenses and to create net revenue in an amount equal to but no less than 120% of the amount necessary to pay when due the principal and interest on the outstanding debt, and to pay any deficiencies in the reserve account.

The Town believes that it has complied with the rate maintenance requirements as of December 31, 2020.

	<u>Water Fund</u>	<u>Sewer Fund</u>
Operating Revenues	\$ 884,966	\$ 229,605
Capital Contributions	<u>816,500</u>	<u>427,500</u>
 Total	 <u>1,701,466</u>	 <u>657,105</u>
 Operating Expenses	 1,517,941	 354,948
Less Depreciation	<u>(153,986)</u>	<u>(50,839)</u>
 Total	 <u>1,363,955</u>	 <u>304,109</u>
 Net Revenues	 <u>\$ 337,511</u>	 <u>\$ 352,996</u>
 <u>Debt Service Requirements</u>		
2011 USDA Loan	\$ 126,626	\$ -
2013 USDA Loan	20,446	-
2017/2020 BOTW Loan	78,298	45,532
2020 CWCB Loan	<u>-</u>	<u>-</u>
 Total	 <u>225,370</u>	 <u>45,532</u>
 Required Coverage	 120%	 120%
Debt Service Coverage Amount	<u>270,444</u>	<u>54,638</u>
 Net Revenue Excess (Shortfall)	 <u>\$ 67,067</u>	 <u>\$ 298,358</u>

TOWN OF WIGGINS
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2020

NOTE 5: LONG-TERM DEBT (Continued)

Capital Lease

In 2009, the Town entered into a capital lease/purchase agreement in the amount of \$500,000 to finance the purchase of land and water rights from a private party. The lease carries an interest rate of 5.75% per annum. Monthly principal and interest payments in the amount of \$3,510 are due beginning February 1, 2009 through January 2029.

Future annual payments on the capital leases are as follows:

Year Ended December 31,	Payment
2021	\$ 42,125
2022	42,125
2023	42,125
2024	42,125
2025	42,125
2026-2029	120,972
Total	331,597
Less Interest	(68,669)
Present Value of Future Payments	\$ 262,928

NOTE 6: INTERFUND BALANCES AND TRANSFERS

During the year ended December 31, 2020, the Conservation Trust Fund transferred \$36,968, to the General Fund to return general revenues that had been deposited in the Conservation Trust Fund in prior years.

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Pensions. The Town participates in the Statewide Defined Benefit Plan (SWDBP), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire and Police Pension Association of Colorado (“FPPA”). The net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

Summary of Significant Accounting Policies (Continued)

SWDBP have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the SWDBP

Plan description. The SWDBP covers substantially all full-time firefighter and police officer employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 1, 2003, the SWDBP may include fire department clerical and other personnel whose services are auxiliary to fire protection. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth in the FPPA Rules and Regulations, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. FPPA issues a publicly available comprehensive annual financial report that can be obtained at www.fppaco.org.

Benefits provided. FPPA provides retirement and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement.

The following types of retirement are available under the SWDBP:

- **Normal:** 25 years of service and age 55 with a 2% benefit for each year of service for the first ten years, then a 2.5% benefit for each year of service thereafter. Benefits are based on the average of the highest 3 years' base salary (as defined in FPPA Rule 101.05).
- **Early:** 30 years of service or age 50 with a 2% benefit for each year of service for the first ten years, then a 2.5% benefit for each year of service thereafter. Benefits are based on the average of the highest 3 years' base salary (as defined in FPPA Rule 101.05). The early retirement benefit that the member would have received at normal retirement (age 55) is reduced on an actuarial equivalent basis to reflect the receipt of the benefit.
- **Vested:** 5 years of service payable at age 55 with a 2% benefit for each year of service for the first ten years, then a 2.5% benefit for each year of service thereafter. Benefits are based on the average of the highest 3 years' base salary (as defined in FPPA Rule 101.05).

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the SWDBP (Continued)

- Deferred: Members who qualify for a normal or vested retirement, may defer the receipt of their benefit pension to as late as age 65 and receive the actuarial equivalent of the benefit. (as defined in FPPA Rule 101.05).

The SWDBP has a deferred retirement option plan (DROP) that allows members to enter the program if they meet one of the following criteria: 1) member is eligible for normal retirement or 2) member is vested or 3) member is eligible for early retirement. The DROP plan allows a member to choose to continue employment for a maximum of five years. During this period of continued employment, the member's retirement benefits as well as employee contributions are paid into a member's DROP account. At the end of the DROP period, the member ceases employment and receives the amount accumulated in the DROP account either in a periodic, lump sum or a monthly lifetime benefit.

Each member must elect a payment option for retirement benefits shortly before benefit payments are paid to ensure that the beneficiary and payment option factors are accurate. The member has six payment options. The payment options allow the member to receive full retirement benefits during the member's lifetime or receive reduced retirement benefits so that a designated beneficiary may receive a portion of the retirement benefit either during the member's lifetime or after the member's death depending on the option selected.

Vested members with more than 5 years of service and non-vested members with less than 5 years of service may elect to withdraw their member contribution accounts upon termination of employment with all FPPA employers; waiving rights to any lifetime retirement benefits earned. The member's contributions plus 5% interest may be refunded to the member with all other contributions being forfeited. If a refund is chosen, stabilization reserve account monies and all employer contributions are forfeited.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement benefit adjustments (formerly referred to as COLAs). Benefit adjustments are not guaranteed and are determined annually by the FPPA Board of Directors based on the most recent actuarial study. The amount of the benefit adjustment can be 0% to 3%, or the greater of the Consumer Price Index (CPI) per year. Benefit adjustments may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

General Information about the SWDBP (Continued)

Contributions. Through December 31, 2020, contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014 the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent in 2019 and 2020. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2019, members of the SWDB plan and their employers are contributing at a rate of 10.5 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 18.5 percent. Contributions to the SWDBP from the Town were \$8,029, \$9,998, and \$9,498 for the years ended December 31, 2020, 2019, and 2018, respectively.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 22.5 percent and 23.0 percent of pensionable earnings in 2019 and 2020, respectively. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021 reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contributions, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers or affiliated social security employers is 5.25 percent and 4 percent, respectively, of pensionable earning for a total contribution rate of 9.25 percent in 2019 and 9.50 percent in 2020. Per the 2014 member election, members of the affiliate social security group had their required contribution rate increase by 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of pensionable earnings. Employer contributions are 4 percent in 2019 and 2020. Employer contributions will increase 0.25 percent annually beginning in 2021 through 2030 to a total of 6.5 percent of pensionable earnings.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

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

On December 31, 2020, the Town reported a net pension asset of \$9,590 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020.

The Town's proportion of the net pension asset was based on Town contributions to the SWDBP for the calendar year 2019 relative to the total contributions of participating employers to the SWDBP.

On December 31, 2019, the Town's proportion was 0.01696 percent, which was a decrease of 0.00077 percent over the previous year. For the year ended December 31, 2020, the Town recognized pension revenue of \$29,238. On December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u> </u>	<u> </u>
Difference between expected and actual experience	\$ 27,947	\$ 147
Net difference between projected and actual earnings on investments	-	14,945
Changes in proportion and differences between contributions recognized and proportionate share of contributions	2,394	776
Change in assumptions	15,657	-
Contributions subsequent to measurement date	<u>8,029</u>	<u>-</u>
Total	<u>\$ 54,027</u>	<u>\$ 15,868</u>

\$8,029 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ending December 31, 2021.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

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

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31,</u>	
2021	\$ 7,153
2022	6,427
2023	5,305
2024	5,157
2025	3,973
Thereafter	<u>2,115</u>
Total	<u><u>\$ 30,130</u></u>

Actuarial assumptions. The total pension liability in the January 1, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	N/A
Amortization Period	N/A
Long-term Investment Rate of Return *	7.0%
Projected Salary Increases	4.25%-11.25%
Cost of Living Adjustments (COLA)	0.0%
* Includes Inflation at	2.5%

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

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

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

At least every five years the FPPA’s Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The actuarial assumption changes were effective January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The SWDBP’s long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation (assumed at 2.5 percent).

The SWDBP’s long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected return, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent).

Best estimates of arithmetic real rates of return for each major asset class included in the Fund target asset allocation are summarized in the following table:

Asset Class	Target Allocation	Long Term Rate of Return
Global Equity	38.00%	7.00%
Equity Long/Short	8.00%	6.00%
Private Markets	25.00%	9.20%
Fixed Income	15.00%	5.20%
Absolute Return	8.00%	5.50%
Managed Futures	4.00%	5.00%
Cash	2.00%	2.52%
Total	100.00%	

TOWN OF WIGGINS
 NOTES TO THE FINANCIAL STATEMENTS
 December 31, 2020

NOTE 7: STATEWIDE DEFINED BENEFIT PENSION PLAN (Continued)

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

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

The expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 2.75 percent (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release.); and the resulting Single Discount rate is 7.00 percent.

Sensitivity of the Town’s proportionate share of the net pension asset (liability) to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.0 percent) than the current rate:

	1% Decrease 6%	Discount Rate 7%	1% Increase 8%
Town's net pension liability (asset)	<u>\$ (58,146)</u>	<u>\$ 9,590</u>	<u>\$ 65,768</u>

Pension plan fiduciary net position. Detailed information about the SWDBP’s fiduciary net position is available in FPPA’s comprehensive annual financial report which can be obtained at www.fppaco.org.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 7: **STATEWIDE DEFINED BENEFIT PENSION PLAN** (Continued)

Subsequent Event

House Bill 20-1044 was signed into law on April 1, 2020. Included in the bill is a provision to increase the benefits of the members of the SWDPB Plan through a rule of 80 provision effective January 1, 2021. This provision provides for a normal retirement as early as age 50 if the member's age combined with years of services totals at least 80. The impact of this change was not included in the total pension liability or the collective pension expense as of the December 31, 2019 measurement period. This will be reflected in the December 31, 2020 measurement period. The Impact adjustment to the Plan is approximately \$53 million.

NOTE 8: **OTHER RETIREMENT COMMITMENTS**

Statewide Death and Disability Plan

Plan Description – The Town participates in the Statewide Death and Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statutes and generally allow for benefits upon the death or disability of a plan member prior to retirement. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting FPPA at www.fppaco.org.

Funding Policy - The contribution requirements are established by State statutes. The Town Board of Trustees determines the contribution split between employees and the City. The Town and employees contributed 1.4% of base salaries during the year ended December 31, 2020 and 2019. The Town's contributions to the plan for the years ended December 31, 2020, and 2019 were \$1,405, and \$1,786, respectively, equal to the required contributions for the years.

Deferred 457 Compensation Plan

The Town's employees participate in a deferred compensation plan created in accordance with Internal Revenue Code 457. Contribution to the deferred compensation plan is optional for employees. The contribution requirements of the plan members and the Town are established and may be amended by the Town Board of Trustees.

During the year ended December 31, 2020 and 2019, the Town contributed \$8,960 and \$6,229 respectively, to the plan.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 9: COMMITMENTS AND CONTINGENCIES

Central Colorado Water Conservancy District Intergovernmental Agreement

In December 2019, the Town entered into an Intergovernmental Agreement with the Central Colorado Water Conservancy District (the "District") for the construction and operation of the Walker Recharge Project Facilities. Under the terms of the agreement, the Town is required to make payment to the District for its proportionate share of the facilities. During the year ended December 31, 2020, the Town paid \$610,000 to the District under the terms of the agreement.

Town of Castle Rock Water Lease Agreement

In January 2016, the Town entered into a water lease agreement with the Town of Castle Rock. Under the terms of the agreement, the Town leases excess Rothe Recharge Credits beginning in July 2016 through June 2022. In March 2017, the agreement was amended to increase the leased quantity from 180 acre feet to 600 acre feet. The amendment also increased the lease rate from \$50 per acre foot to \$100 per acre foot. During the year ended December 31, 2020, the Town paid \$60,000 to the Town of Castle Rock under the terms of the agreement.

Claims and Judgments

The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. As of December 31, 2020, significant amounts of grant expenditures have not been audited but the Town believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

Tabor Amendment

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Tabor Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Tabor Amendment is complex and subject to judicial interpretations. The Town believes it has complied with the Amendment.

TOWN OF WIGGINS
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2020

NOTE 9: **COMMITMENTS AND CONTINGENCIES**

In November 1999, the citizens of the Town approved a ballot question which authorized the Town to collect, retain, and expend the full proceeds generated by any revenue source of the Town notwithstanding any limitation contained in Article X, Section 20, of the Colorado Constitution and without limiting in any year the amount of other revenues that may be collected and spent by the Town under Article X, Section 20.

The Town has established a reserve, representing 3% of qualifying expenditures, as required by the amendment. On December 31, 2020, the emergency reserve of \$34,000 was reported as a restriction of net position and fund balance in the Statement of Net Position and General Fund.

NOTE 11: **RESTATEMENT OF PRIOR PERIOD**

The beginning net position balance of the Water Fund was decreased by \$250,000 to correct amounts recorded as construction in progress in the prior year that should not have been capitalized.

NOTE 11: **SUBSEQUENT EVENTS**

COVID19 Pandemic

The United States of America and State of Colorado have declared an emergency as a result of the coronavirus (COVID19) pandemic. These economic uncertainties may have a significant impact on the financial position, results of operations, and cashflows of the Town. The duration of these uncertainties and the ultimate financial effects cannot be estimated at this time.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Property Taxes	\$ 361,186	\$ 361,186	\$ 359,910	\$ (1,276)
Specific Ownership Taxes	19,000	19,000	31,606	12,606
Sales and Use Taxes	181,500	181,500	309,927	128,427
Franchise Fees	21,200	21,200	19,942	(1,258)
Intergovernmental	92,502	160,633	185,329	24,696
Grants	-	8,673	9,100	427
Donations	10,000	10,000	5,025	(4,975)
Charges for Services	22,800	22,800	6,451	(16,349)
Licenses and Permits	66,360	66,360	125,661	59,301
Fines and Forfeitures	10,100	10,100	34,731	24,631
Earnings on Investments	-	-	282	282
Miscellaneous	57,100	57,100	18,932	(38,168)
TOTAL REVENUES	841,748	918,552	1,106,896	188,344
EXPENDITURES				
Current				
General Government	271,162	339,293	245,967	93,326
Public Safety	250,070	258,743	239,039	19,704
Public Works	274,204	274,204	148,504	125,700
Community Programs & Development	30,875	30,875	47,306	(16,431)
Parks and Recreation	53,700	53,700	42,635	11,065
Capital Outlay	25,000	25,000	35,037	(10,037)
Debt Service				
Principal	30,767	30,767	28,623	2,144
Interest	-	-	1,788	(1,788)
TOTAL EXPENDITURES	935,778	1,012,582	788,899	223,683
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(94,030)	(94,030)	317,997	412,027
OTHER FINANCING SOURCES (USES)				
Proceeds from Capital Lease	-	-	9,541	9,541
Transfers In	-	-	36,968	36,968
TOTAL OTHER FINANCING SOURCES (USES)	-	-	46,509	46,509
CHANGE IN FUND BALANCE	(94,030)	(94,030)	364,506	458,536
FUND BALANCES, Beginning	95,917	95,917	398,539	302,622
FUND BALANCES, Ending	\$ 1,887	\$ 1,887	\$ 763,045	\$ 761,158

See the accompanying independent auditors' report

TOWN OF WIGGINS, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

Years Ended December 31,

	<u>2019</u>	<u>2018</u>	<u>2017</u>
Proportion of the Net Pension Liability (Asset)	0.01696%	0.01772%	0.01169%
Proportionate Share of the Net Pension Liability (Asset)	\$ (9,590)	\$ 22,408	\$ (16,817)
Covered payroll	\$ 127,996	\$ 121,188	\$ 68,375
Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	-7.49%	18.49%	-24.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.90%	95.20%	106.30%

NOTE: Information for the prior three years is not available for this report

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
0.01234%	0.01501%	0.01348%	0.01575%
\$ 4,460	\$ (265)	\$ (15,211)	\$ (14,084)
\$ 63,163	\$ 72,750	\$ 60,613	\$ 68,413
7.06%	-0.36%	-25.10%	-20.59%
98.20%	100.10%	105.80%	106.80%

TOWN OF WIGGINS, COLORADO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
FPPA STATEWIDE DEFINED BENEFIT PENSION PLAN

Years Ended December 31,

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Contractually Required Contributions	\$ 8,029	\$ 9,998	\$ 9,498	\$ 5,470
Contributions in Relation to the Contractually Required Contributions	<u>8,029</u>	<u>9,998</u>	<u>9,498</u>	<u>5,470</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 100,356	\$ 127,996	\$ 121,188	\$ 68,375
Contributions as a Percentage of Covered Payroll	8.00%	7.81%	7.84%	8.00%

NOTE: Information for the prior two years was not available for this report.

See the accompanying independent auditors' report

<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 5,053	\$ 5,820	\$ 4,849	\$ 5,473
<u>5,053</u>	<u>5,820</u>	<u>4,849</u>	<u>5,473</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 63,163	\$ 72,750	\$ 60,613	\$ 68,413
8.00%	8.00%	8.00%	8.00%

INDIVIDUAL FUND SCHEDULES

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE
 SALES TAX CAPITAL IMPROVEMENT FUND
 Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Sales Tax	\$ 130,000	\$ 130,000	\$ 209,466	\$ 79,466
Earnings on Investments	-	-	12	12
TOTAL REVENUES	<u>130,000</u>	<u>130,000</u>	<u>209,478</u>	<u>79,478</u>
EXPENDITURES				
Current				
Capital Outlay	<u>130,000</u>	<u>130,000</u>	<u>315</u>	<u>129,685</u>
TOTAL EXPENDITURES	<u>130,000</u>	<u>130,000</u>	<u>315</u>	<u>129,685</u>
CHANGE IN FUND BALANCE	-	-	209,163	209,163
FUND BALANCES, Beginning	<u>-</u>	<u>-</u>	<u>154,995</u>	<u>154,995</u>
FUND BALANCES, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 364,158</u>	<u>\$ 364,158</u>

See the accompanying independent auditors' report

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE
 CONSERVATION TRUST FUND
 Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Intergovernmental Revenue	\$ 9,800	\$ 9,800	\$ 10,245	\$ 445
Earnings on Investments	-	-	22	22
TOTAL REVENUES	9,800	9,800	10,267	467
EXPENDITURES				
Parks and Recreation	9,800	9,800	-	9,800
TOTAL EXPENDITURES	9,800	9,800	-	9,800
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	10,267	10,267
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(37,000)	(36,968)	32
CHANGE IN FUND BALANCE	-	(37,000)	(26,701)	10,299
FUND BALANCES, Beginning	-	37,000	37,350	350
FUND BALANCES, Ending	\$ -	\$ -	\$ 10,649	\$ 10,649

See the accompanying independent auditors' report

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

WATER FUND

Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Charges for Services	\$ 659,500	\$ 659,500	\$ 770,245	\$ 110,745
Tap Fees	460,000	460,000	816,500	356,500
Earnings on Investments	-	-	1,143	1,143
Sale of Assets	225,000	225,000	-	(225,000)
Other Revenues	19,000	19,000	42,733	23,733
Transfer In	130,000	130,000	-	(130,000)
TOTAL REVENUES	1,493,500	1,493,500	1,630,621	137,121
EXPENDITURES				
Current				
Professional Services	285,000	285,000	166,074	118,926
Water Administration	94,480	94,480	74,950	19,530
Public Works Administration	89,510	89,510	49,008	40,502
Operations	260,308	311,308	1,073,923	(762,615)
Capital Outlay	610,000	610,000	150,318	459,682
Debt Service	432,162	432,162	307,766	124,396
TOTAL EXPENDITURES	1,771,460	1,822,460	1,822,039	421
CHANGE IN NET POSITION, Budgetary Basis	\$ (277,960)	\$ (328,960)	(191,418)	\$ 137,542
Adjustments to GAAP Basis				
Debt Principal Payments			104,926	
Capital Outlay			150,318	
Depreciation			(153,986)	
CHANGE IN NET POSITION, GAAP Basis			(90,160)	
NET POSITION, Beginning, Restated			5,924,408	
NET POSITION, Ending			\$ 5,834,248	

See the accompanying independent auditors' report

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

SEWER FUND

Year Ended December 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)
REVENUES				
Charges for Services	\$ 227,000	\$ 227,000	\$ 229,527	\$ 2,527
Tap Fees	240,000	240,000	427,500	187,500
Grants and Contributions	-	-	79,914	79,914
Earnings on Investments	-	-	264	264
Other Revenues	-	-	78	78
TOTAL REVENUES	467,000	467,000	737,283	270,283
EXPENDITURES				
Current				
Professional Services	29,800	29,800	35,617	(5,817)
Sewer Administration	96,445	96,445	74,722	21,723
Public Works Administration	100,242	100,242	83,005	17,237
Treatment Plant Operations	26,000	26,000	15,394	10,606
	86,618	86,618	95,371	(8,753)
Capital Outlay	165,000	165,000	22,867	142,133
Debt Service	150,000	150,000	45,532	104,468
TOTAL EXPENDITURES	654,105	654,105	372,508	281,597
CHANGE IN NET POSITION, Budgetary Basis	\$ (187,105)	\$ (187,105)	364,775	\$ 551,880
Adjustments to GAAP Basis				
Capital Outlay			22,867	
Depreciation			(50,839)	
CHANGE IN NET POSITION, GAAP Basis			336,803	
NET POSITION, Beginning			2,319,207	
NET POSITION, Ending			\$ 2,656,010	

See the accompanying independent auditors' report

COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Wiggins
		YEAR ENDING : December 2020
This Information From The Records Of Town of Wiggins	Prepared By: Phone:	Lorraine Trotter, Prof'l Mgmt Solutions 303-910-9197

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	315
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	118,368
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	2,899
2. General fund appropriations	43,473	b. Snow and ice removal	8,820
3. Other local imposts (from page 2)	31,921	c. Other	
4. Miscellaneous local receipts (from page 2)	41,061	d. Total (a. through c.)	11,719
5. Transfers from toll facilities		4. General administration & miscellaneous	18,416
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	148,818
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	116,455	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	49,645	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	1,968
E. Total receipts (A.7 + B + C + D)	166,100	b. Redemption	15,314
		c. Total (a. + b.)	17,282
		3. Total (1.c + 2.c)	17,282
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	166,100

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	166,100	166,100	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2020	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	315	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	31,606	g. Other Misc. Receipts Co. Rd & Bridge	41,061
6. Total (1. through 5.)	31,921	h. Other General Sales Taxes	0
c. Total (a. + b.)	31,921	i. Total (a. through h.)	41,061
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	42,320	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	7,325	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	7,325	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	49,645	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			
(3). System Preservation			0
(4). System Enhancement & Operation		315	315
(5). Total Construction (1) + (2) + (3) + (4)	0	315	315
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	315	315
			(Carry forward to page 1)
Notes and Comments:			