

**TOWN OF MEAD, COLORADO**  
**FINANCIAL STATEMENTS AND**  
**SUPPLEMENTARY INFORMATION**  
**YEAR ENDED DECEMBER 31, 2020**

**TOWN OF MEAD, COLORADO  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2020**

<b>INDEPENDENT AUDITORS' REPORT</b>	<b>1</b>
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	<b>3</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>12</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>13</b>
<b>GOVERNMENTAL FUNDS</b>	
<b>BALANCE SHEET</b>	<b>14</b>
<b>RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS         TO THE STATEMENT OF NET POSITION</b>	<b>15</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND         BALANCES</b>	<b>16</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,         AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE         STATEMENT OF ACTIVITIES</b>	<b>17</b>
<b>PROPRIETARY FUND</b>	
<b>STATEMENT OF NET POSITION</b>	<b>18</b>
<b>STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION</b>	<b>19</b>
<b>STATEMENT OF CASH FLOWS</b>	<b>20</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>21</b>
<b>REQUIRED SUPPLEMENTARY INFORMATION</b>	
<b>SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET     (LIABILITY) – FPPA STATEWIDE DEFINED BENEFIT PLAN</b>	<b>40</b>
<b>BUDGETARY COMPARISON SCHEDULES</b>	
<b>GENERAL FUND</b>	<b>41</b>
<b>MEAD URBAN RENEWAL AUTHORITY FUND</b>	<b>43</b>
<b>NOTES TO REQUIRED SUPPLEMENTARY INFORMATION</b>	<b>44</b>

**TOWN OF MEAD, COLORADO  
TABLE OF CONTENTS (CONTINUED)  
YEAR ENDED DECEMBER 31, 2020**

**SUPPLEMENTARY INFORMATION**

**NONMAJOR GOVERNMENTAL FUNDS**

**COMBINING BALANCE SHEET 45**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES 46**

**BUDGETARY COMPARISON SCHEDULES**

**CONSERVATION TRUST FUND 47**

**MUNICIPAL FUND 48**

**DOWNTOWN REVITALIZATION FUND 49**

**STORM DRAINAGE FUND 50**

**TRANSPORTATION FUND 51**

**PARKS AND OPEN SPACE FUND 52**

**CAPITAL IMPROVEMENT FUND 53**

**ART IN PUBLIC PLACES FUND 54**

**SEWER FUND 55**

**COMPLIANCE SECTION**

**STATE COMPLIANCE**

**LOCAL HIGHWAY FINANCE REPORT 56**



## INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the Town Board  
Town of Mead  
Mead, Colorado

### **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 Mead (the Town), 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.

### ***Auditors' Responsibility***

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

Honorable Mayor and Members of the Town Board  
Town of Mead, Colorado

***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 as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not 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***

The supplementary information 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 basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



**CliftonLarsonAllen LLP**

Broomfield, Colorado  
July 12, 2021

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

This discussion and analysis of the financial performance of the Town of Mead, 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 Net Position of the Town increased by \$5,991,135 (20.7%) during 2020.
- At December 31, 2020, the Town's governmental funds reported combined ending fund balances of \$17,888,960. This marked an increase of \$5,424,552 (43.5%) from the prior year's ending governmental fund balances due primarily to increases in the Capital Improvement Fund, Mead Urban Renewal Authority (MURA) Fund, and Transportation Fund.
- The Town's General Fund decreased its Fund Balance by \$668,871 (10.9%) during 2020 primarily due to an additional transfer out to the Capital Improvement Fund near year-end.
- The Town's Sewer Fund's net position increased by \$201,031 (4.3%) during 2020 primarily due to an increase in plant investment fees.

**USING THIS ANNUAL REPORT**

This discussion and analysis is intended to serve as an introduction to the Town of Mead'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 of the government-wide financial statements distinguish functions of the Town of Mead 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, and parks and recreation. The business-type activities of the Town include sewage collection and treatment operations.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

**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 Mead, 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 that 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 that 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. Both the governmental fund *Balance Sheet* 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 Mead maintains ten 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 three of the ten governmental funds that meet the criteria to be designated as major funds (General Fund, Capital Improvement Fund, and MURA Fund). The other governmental funds (Conservation Trust Fund, Art in Public Places, and five Impact Fee Funds for Downtown Revitalization, Municipal Facilities, Transportation, Storm Drainage, and Parks & Open Space) are shown in a column titled "Nonmajor Governmental Funds." Individual fund data for these nonmajor governmental funds are provided in the back of this report following the "Notes to Financial Statements."

**Proprietary Fund** – The Town's sewer utility is reported in a proprietary funds; it focuses on overall economic position rather than year-end fund balances. An enterprise fund is the type of proprietary fund used to account for the Town's Sewer Fund. Enterprise funds report the same functions presented as business-type activities in the government-wide financial statements, but 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 basic 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.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

**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 Mead, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$34,919,210 at the close of 2020. As shown below, the Town's financial position improved by \$5,991,135 (20.7%) during 2020.

Town of Mead's Net Position

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 23,591,129	\$ 17,339,004	\$ 1,110,538	\$ 1,000,342	\$ 24,701,667	\$ 18,339,346
Capital Assets, Net	12,401,663	11,908,088	5,490,570	5,493,445	17,892,233	17,401,533
Total Assets	<u>35,992,792</u>	<u>29,247,092</u>	<u>6,601,108</u>	<u>6,493,787</u>	<u>42,593,900</u>	<u>35,740,879</u>
Deferred Outflows of Resources	241,321	159,084	-	-	241,321	159,084
Current Liabilities	2,289,523	631,343	50,751	71,916	2,340,274	703,259
Noncurrent Liabilities	361,343	216,691	1,687,512	1,698,775	2,048,855	1,915,466
Total Liabilities	<u>2,650,866</u>	<u>848,034</u>	<u>1,738,263</u>	<u>1,770,691</u>	<u>4,389,129</u>	<u>2,618,725</u>
Deferred Inflows of Resources	3,526,882	4,291,881	-	61,282	3,526,882	4,353,163
Net Position:						
Net Investment in Capital Assets	12,189,278	11,805,406	3,810,879	3,799,613	16,000,157	15,605,019
Restricted	4,642,435	2,766,947	142,060	125,574	4,784,495	2,892,521
Unrestricted	13,224,652	9,693,908	909,906	736,627	14,134,558	10,430,535
Total Net Position	<u>\$ 30,056,365</u>	<u>\$ 24,266,261</u>	<u>\$ 4,862,845</u>	<u>\$ 4,661,814</u>	<u>\$ 34,919,210</u>	<u>\$ 28,928,075</u>

45.8% 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 13.6% (\$4,763,495) 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 impact fees collected for future capital needs (\$4,350,417), an operations and maintenance reserve for the sewer fund (\$142,060), conservation trust fund revenues for parks and certain recreation purposes (\$11,018), and \$281,000 for emergencies.

The remaining amount of the Town's total net position at the end of 2020 (\$14,155,558) represents 40.5% of total net position and may be used to meet the Town's other ongoing obligations to residents and creditors.



**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

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 Mead's Changes in Net Position**

	Governmental Activities		Business-Type Activities		Totals	
	2020	2019	2020	2019	2020	2019
<b>Program Revenues:</b>						
Charges for Services	\$ 1,448,789	\$ 813,115	\$ 727,221	\$ 677,904	\$ 2,176,010	\$ 1,491,019
Operating Grants and Contributions	705,698	903,632	-	282,703	705,698	1,186,335
Capital Grants and Contributions	628,419	-	277,653	8,000	906,072	8,000
<b>General Revenues:</b>						
Property Taxes	4,537,133	4,244,670	-	-	4,537,133	4,244,670
Sales and Use Taxes	3,647,291	2,265,172	-	-	3,647,291	2,265,172
Other Taxes	189,766	469,731	-	-	189,766	469,731
Investment Income	83,871	231,880	5,330	16,634	89,201	248,514
Other General Revenues	2,015,804	101,738	-	-	2,015,804	101,738
<b>Total Revenues</b>	<b>13,256,771</b>	<b>9,029,938</b>	<b>1,010,204</b>	<b>985,241</b>	<b>14,266,975</b>	<b>10,015,179</b>
<b>Program Expenses:</b>						
General Government	3,238,152	3,223,640	-	-	3,238,152	3,223,640
Public Safety	1,294,275	1,036,820	-	-	1,294,275	1,036,820
Public Works	2,363,030	1,876,539	-	-	2,363,030	1,876,539
Parks and Recreation	594,082	684,430	-	-	594,082	684,430
Sewer Utility	-	-	784,173	788,805	784,173	788,805
Interest on Long-Term Debt	2,128	3,445	-	-	2,128	3,445
<b>Total Expenses</b>	<b>7,491,667</b>	<b>6,824,874</b>	<b>784,173</b>	<b>788,805</b>	<b>8,275,840</b>	<b>7,613,679</b>
Transfers	25,000	-	(25,000)	-	-	-
Increase (Decrease) in Net Position	5,790,104	2,205,064	201,031	196,436	5,991,135	2,401,500
Net Position - Beginning	24,266,261	22,061,197	4,661,814	4,465,378	28,928,075	26,526,575
Net Position - Ending	\$ 30,056,365	\$ 24,266,261	\$ 4,862,845	\$ 4,661,814	\$ 34,919,210	\$ 28,928,075

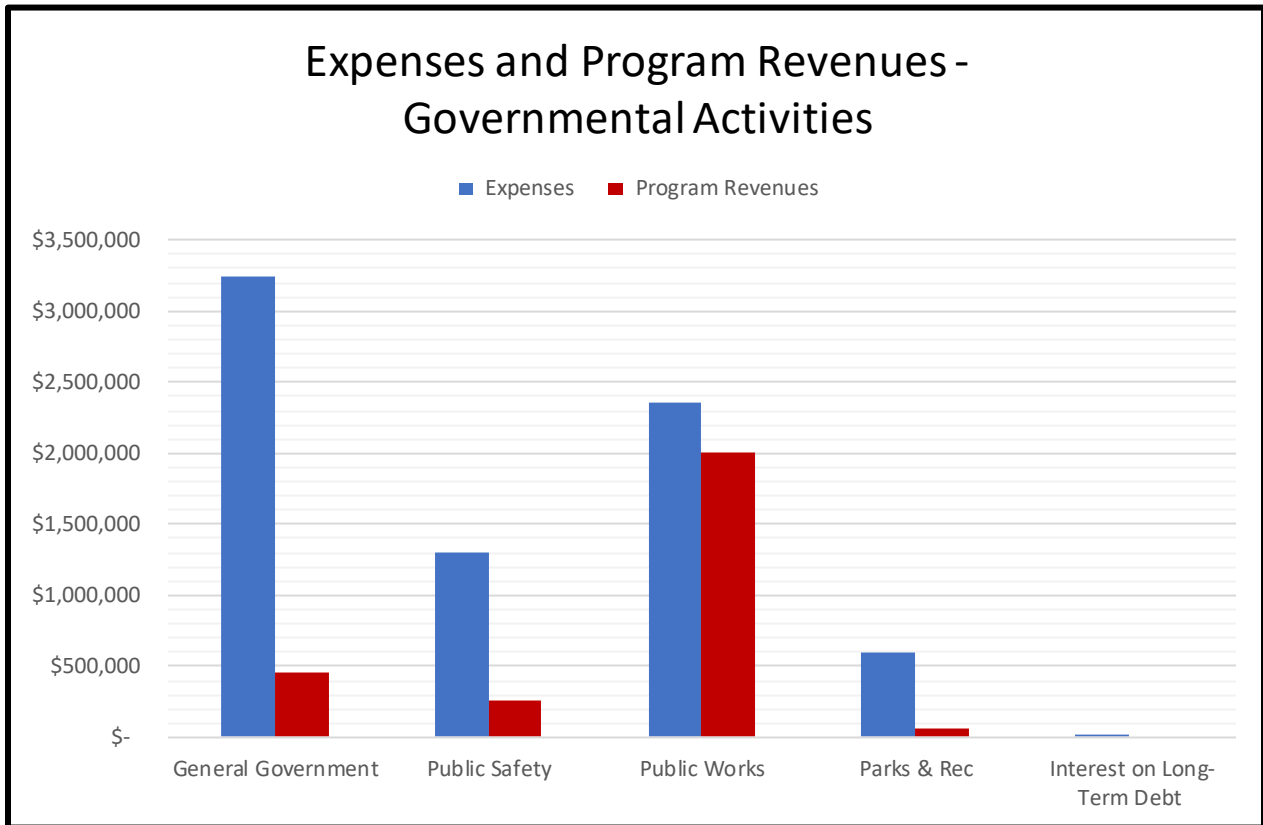
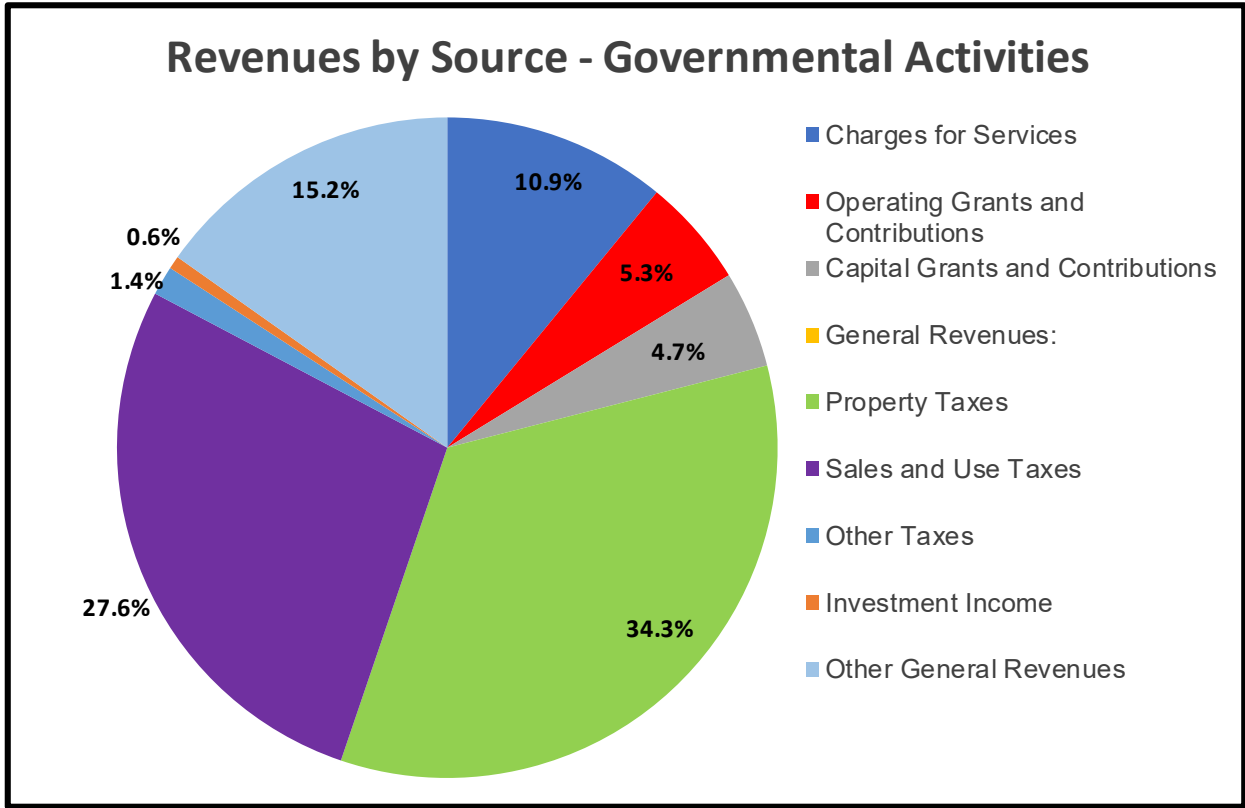
**Governmental Activities**

The Town's Governmental Activities increased in net position by \$5,790,104 (23.9%) in 2020. Key elements of this increase are as follows:

- Sales and use taxes increased by \$1,382,119 due to a growth in the tax base and increase in online shopping due to impacts of COVID-19; the tax rate (2.00%) stayed the same.
- Other general revenues primarily relating to special assessments and impact fees increased by \$1,914,066 due to a growth in new property developments.
- Public Works expenses increased by \$486,491 as the Town reviewed and inspected plans and construction of significant development projects in the Town.

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.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

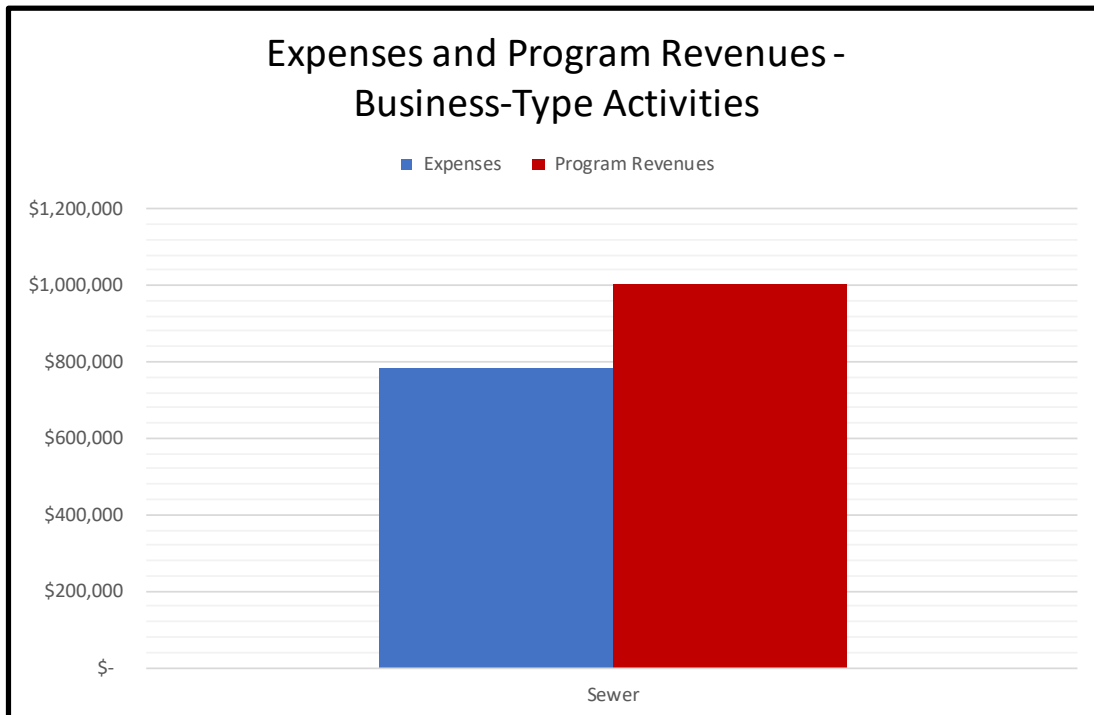
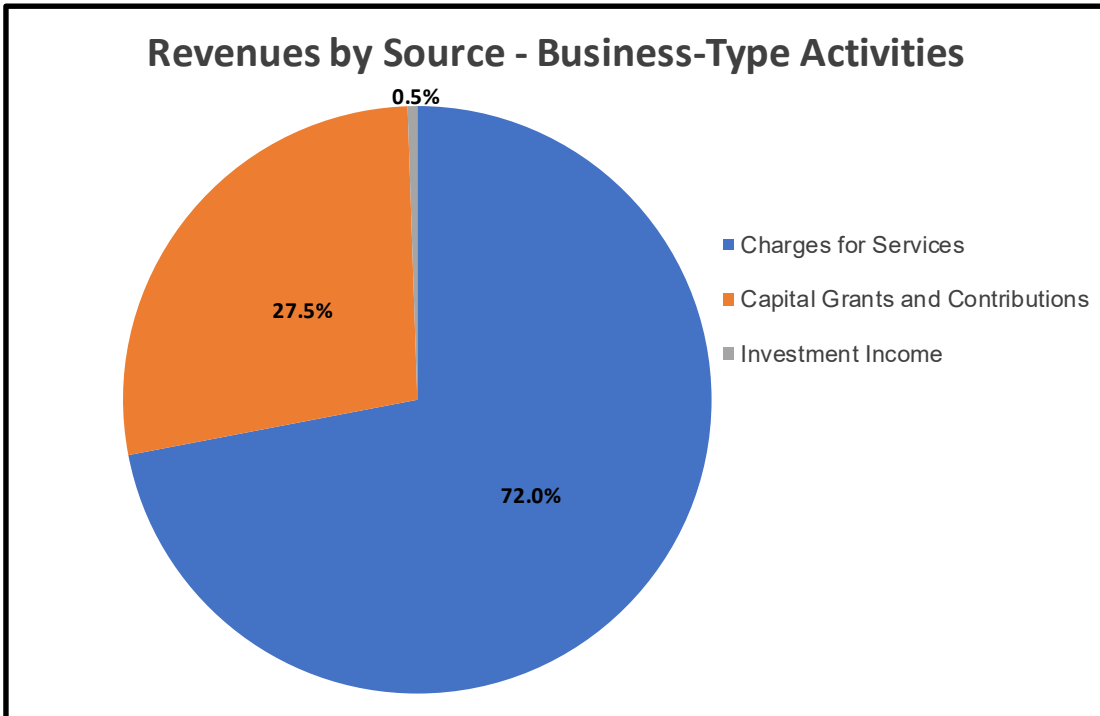


**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

**Business-type Activities**

Business-type Activities increased in net position by \$201,031 (4.3%) during 2020. Operating expenses exceeded operating revenues in the Sewer Fund by \$3,004.

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

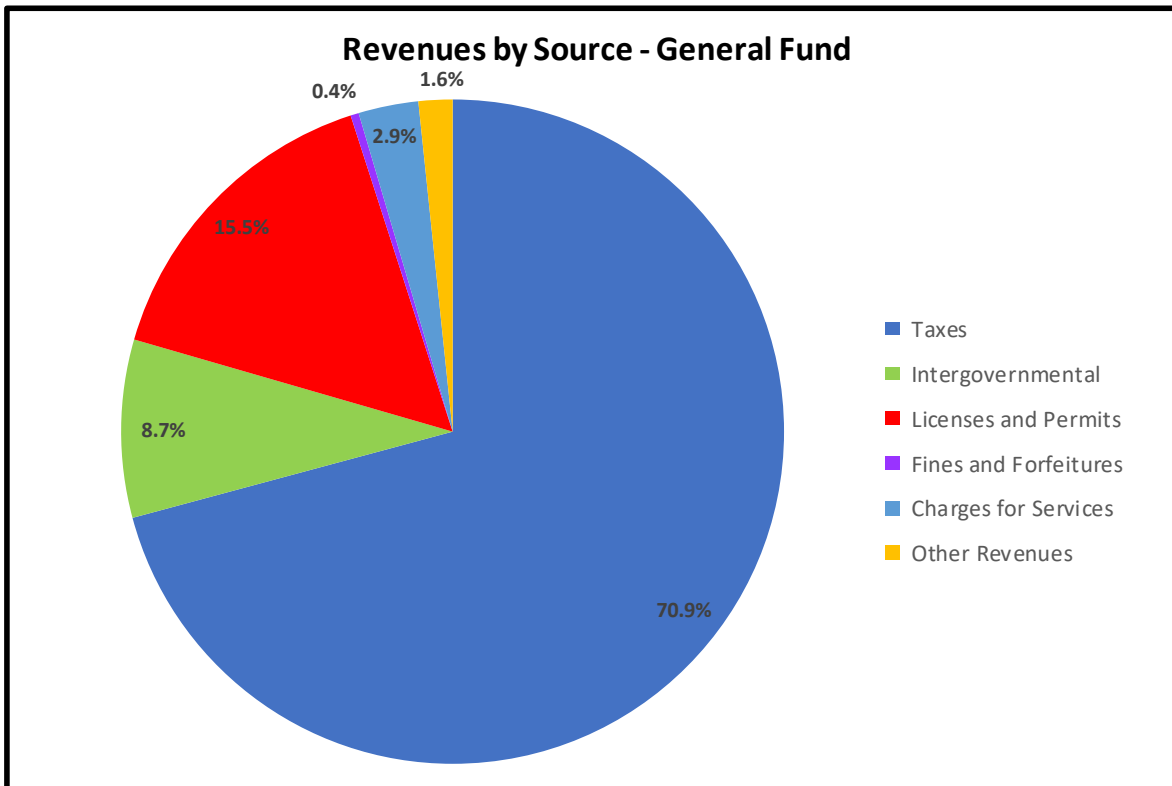


**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

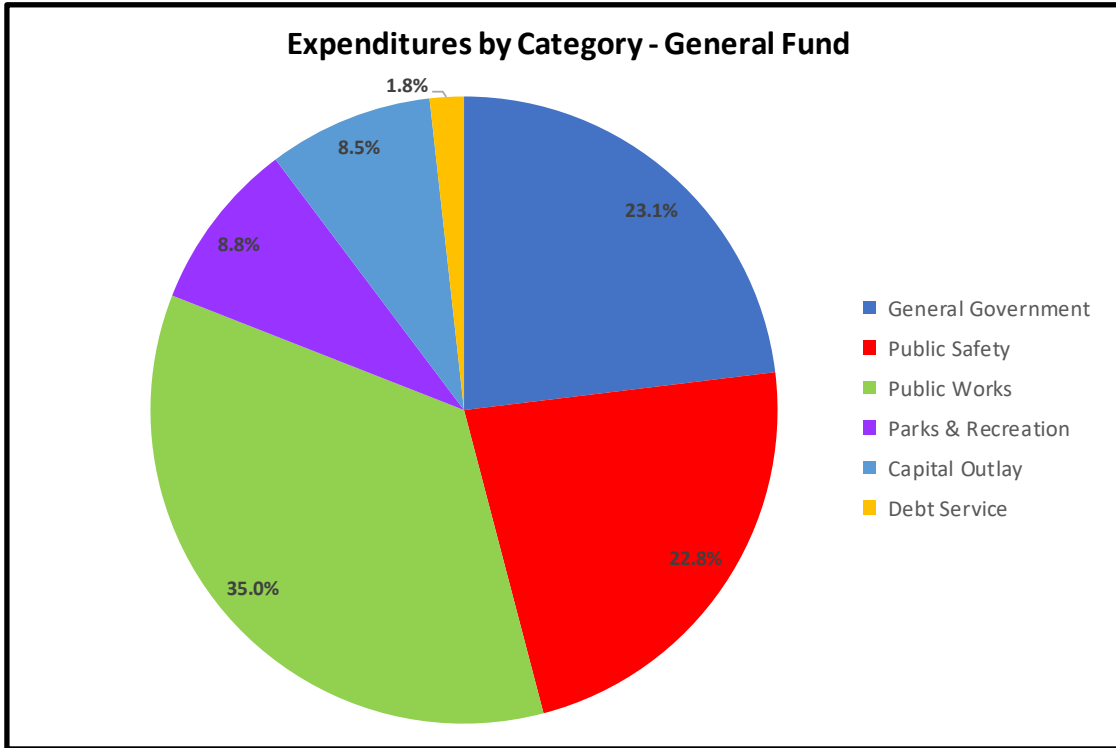
**THE TOWN'S FUNDS**

As noted earlier, the Town of Mead 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 three major Governmental funds reported combined ending fund balances of \$13,521,428. These funds are discussed below.

*General Fund.* The General Fund is the chief operating fund of the Town of Mead. It accounts for all the general services provided by the Town. At the end of 2020, the fund balance of the General Fund totaled \$5,439,986. This was a \$668,871 (10.9%) decrease from 2019 due to an additional transfer out to the Capital Improvement Fund near the end of 2020. The following two tables illustrate General Fund revenues and expenditures during 2020.



**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**



*Mead Urban Renewal Authority (MURA) Fund.* This fund is utilized to account for the taxes levied by the Authority and the capital projects and/or development expenses it incurs to stimulate urban renewal. Much of its revenue is shared with overlapping jurisdictions. Fund revenues exceeded fund expenditures by \$1,159,454 in 2020.

*Capital Improvement Fund.* The Capital Improvement Fund is utilized to accumulate and track funds to finance current and future capital equipment and capital projects for the Town. Fund resources generally include transfers from other Town funds and capital grants. During 2020 the General Fund transferred \$3,004,170 to the Capital Improvement Fund for street improvement projects.

*Sewer Fund.* At December 31, 2020 the net position of the Sewer Fund was \$4,862,845. This was an increase of \$201,031 (4.3%) over 2019. The net operating loss was (\$3,004), and debt service payments of \$130,155 were made during the year.

**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, sewer system lines and treatment plants, infrastructure, and park equipment. Note 3 of the financial statements provides a summary of changes in capital assets during the year. In 2020, the Town purchased bookkeeping software, park maintenance equipment, a portable stage, two police vehicles, and public works equipment including a backhoe/loader, dump truck, and pickup truck. The Town updated the air conditioning system in the Community Room, made landscaping and site improvements at Mead Ponds, began work on new public works and recreation facilities, and installed a new sidewalk on 6th Street. Construction projects were underway for street and trail improvements along 3rd Street, and for North Creek floodplain, Highland Lake, and wastewater treatment plant improvements.

**TOWN OF MEAD, COLORADO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
YEAR ENDED DECEMBER 31, 2020**

*Debt Administration.* The Town's long-term debt primarily consists of a loan and capital leases. Compensated absences are also recorded. At the end of 2020, the governmental activities had a balance of \$51,991 owed on a 2017 capital lease for a dump truck and \$160,394 owed on a 2020 capital lease for a dump truck. See Note 4 for more detailed information.

In business-type activities at December 31, 2020, the Town had a balance of \$1,622,172 owed on its 2007 loan from the Colorado Water Resources & Power Development Authority. This debt was incurred to finance a wastewater treatment system project. See Note 4 for more detailed information.

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

Continued measurable growth in the residential and commercial sectors of Mead's economy is occurring. The 2021 Budget anticipates a continued improvement in the General Fund balance due to its revenues impacted by growth, such as sales taxes, property taxes, and building/development fees.

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. Through the date of this report, the Town's 2021 Budget does not need to be modified due to these restrictions, but 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 Mead'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 Mead, 441 Third Street, P.O. Box 626, Mead, CO 80542 or call Town Hall at (970) 535-4477.

## **BASIC FINANCIAL STATEMENTS**

**TOWN OF MEAD, COLORADO**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 19,512,412	\$ 1,015,047	\$ 20,527,459
Cash with Fiscal Agent	15,000	-	15,000
Accounts Receivable	615,876	94,861	710,737
Property Taxes Receivable	3,376,718	-	3,376,718
Deposits	1,500	-	1,500
Prepaid Expenses	33,695	630	34,325
Net Pension Asset	35,928	-	35,928
Capital Assets, Not Being Depreciated	3,286,893	560,443	3,847,336
Capital Assets, Net of Accumulated Depreciation	9,114,770	4,930,127	14,044,897
Total Assets	<u>35,992,792</u>	<u>6,601,108</u>	<u>42,593,900</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Amounts	241,321	-	241,321
<b>LIABILITIES</b>			
Accounts Payable	406,603	24,418	431,021
Accrued Interest Payable	-	23,589	23,589
Accrued Salaries	71,471	2,744	74,215
Warranty Liability	1,811,449	-	1,811,449
Noncurrent Liabilities:			
Due Within One Year	90,278	78,727	169,005
Due in More Than One Year	271,065	1,608,785	1,879,850
Total Liabilities	<u>2,650,866</u>	<u>1,738,263</u>	<u>4,389,129</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Taxes	3,376,718	-	3,376,718
Pensions, Net of Accumulated Amortization	150,164	-	150,164
Total Deferred Inflows of Resources	<u>3,526,882</u>	<u>-</u>	<u>3,526,882</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	12,189,278	3,810,879	16,000,157
Restricted for:			
Emergencies	281,000	-	281,000
Conservation Trust	11,018	-	11,018
Downtown Revitalization	56,837	-	56,837
Municipal	1,728,398	-	1,728,398
Transportation	1,130,426	-	1,130,426
Storm Drainage	103,620	-	103,620
Parks and Open Space	1,331,136	-	1,331,136
Sewer	-	142,060	142,060
Unrestricted	13,224,652	909,906	14,134,558
Total Net Position	<u>\$ 30,056,365</u>	<u>\$ 4,862,845</u>	<u>\$ 34,919,210</u>

See accompanying Notes to Financial Statements.



**TOWN OF MEAD, COLORADO  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities	Total
<b>Primary Government</b>							
<b>Governmental Activities</b>							
General Government	\$ 3,238,152	\$ 163,566	\$ 296,507	\$ -	\$ (2,778,079)	\$ -	\$ (2,778,079)
Public Safety	1,294,275	227,870	34,444	-	(1,031,961)	-	(1,031,961)
Public Works	2,363,030	1,050,214	321,388	628,419	(363,009)	-	(363,009)
Parks and Recreation	594,082	7,139	53,359	-	(533,584)	-	(533,584)
Interest on Long-Term Debt	2,128	-	-	-	(2,128)	-	(2,128)
Total Governmental Activities	<u>7,491,667</u>	<u>1,448,789</u>	<u>705,698</u>	<u>628,419</u>	<u>(4,708,761)</u>	<u>-</u>	<u>(4,708,761)</u>
<b>Business-Type Activities</b>							
Sewer	784,173	727,221	-	277,653	-	220,701	220,701
Total Business-Type Activities	<u>784,173</u>	<u>727,221</u>	<u>-</u>	<u>277,653</u>	<u>-</u>	<u>220,701</u>	<u>220,701</u>
Total Primary Government	<u>\$ 8,275,840</u>	<u>\$ 2,176,010</u>	<u>\$ 705,698</u>	<u>\$ 906,072</u>	<u>(4,708,761)</u>	<u>220,701</u>	<u>(4,488,060)</u>
<b>General Revenues</b>							
Property Taxes					4,453,219	-	4,453,219
Specific Ownership Taxes					83,914	-	83,914
Sales and use Taxes					3,647,291	-	3,647,291
Franchise Fees					189,766	-	189,766
Special Assessments and Impact Fees					1,937,074	-	1,937,074
Investment Income					83,871	5,330	89,201
Miscellaneous					78,730	-	78,730
Transfers					25,000	(25,000)	-
Total General Revenues					<u>10,498,865</u>	<u>(19,670)</u>	<u>10,479,195</u>
Change in Net Position					5,790,104	201,031	5,991,135
Net Position - Beginning of Year					24,266,261	4,661,814	28,928,075
Net Position - End of Year					<u>\$ 30,056,365</u>	<u>\$ 4,862,845</u>	<u>\$ 34,919,210</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2020**

	General	Mead Urban Renewal Authority	Capital Improvement	Nonmajor Governmental Funds	Total
<b>ASSETS</b>					
Cash and Investments	\$ 6,978,960	\$ 2,880,423	\$ 5,202,077	\$ 4,450,952	\$ 19,512,412
Cash with Fiscal Agent	-	-	-	15,000	15,000
Property Taxes Receivable	1,161,836	2,214,882	-	-	3,376,718
Prepaid Expenses	33,456	96	-	143	33,695
Accounts Receivable	612,876	3,000	-	-	615,876
Deposits	1,500	-	-	-	1,500
Total Assets	<u>\$ 8,788,628</u>	<u>\$ 5,098,401</u>	<u>\$ 5,202,077</u>	<u>\$ 4,466,095</u>	<u>\$ 23,555,201</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
Liabilities:					
Accounts Payable	\$ 305,312	\$ 733	\$ 1,995	\$ 98,563	\$ 406,603
Accrued Salaries	70,045	1,426	-	-	71,471
Deposits	1,811,449	-	-	-	1,811,449
Total Liabilities	<u>2,186,806</u>	<u>2,159</u>	<u>1,995</u>	<u>98,563</u>	<u>2,289,523</u>
Deferred Inflows of Resources					
Property Taxes	1,161,836	2,214,882	-	-	3,376,718
Fund Balances:					
Nonspendable	33,456	96	-	143	33,695
Restricted	281,000	-	-	4,361,292	4,642,292
Committed	-	2,881,264	5,200,082	6,097	8,087,443
Unassigned	5,125,530	-	-	-	5,125,530
Total Fund Balances	<u>5,439,986</u>	<u>2,881,360</u>	<u>5,200,082</u>	<u>4,367,532</u>	<u>17,888,960</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,788,628</u>	<u>\$ 5,098,401</u>	<u>\$ 5,202,077</u>	<u>\$ 4,466,095</u>	<u>\$ 23,555,201</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO**  
**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF NET POSITION**  
**DECEMBER 31, 2020**

Total Fund Balances for Governmental Funds \$ 17,888,960

Total net position reported for governmental activities in the statement of net position is different because:

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

Capital Assets, Not Being Depreciated	3,286,893	
Capital Assets, Being Depreciated	14,120,494	
Less Accumulated Depreciation	<u>(5,005,724)</u>	12,401,663

Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds.

Net Pension Asset	35,928	
Deferred Outflows of Resources Related to Pensions	241,321	
Deferred Inflows of Resources Related to Pensions	<u>(150,164)</u>	127,085

Long-term liabilities and related items, including the loss on debt are not reported in governmental funds.

Capital Leases Payable	(212,385)	
Accrued Compensated Absences	<u>(148,958)</u>	<u>(361,343)</u>

Total Net Position of Governmental Activities \$ 30,056,365

**TOWN OF MEAD, COLORADO**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2020**

	General	Mead Urban Renewal Authority	Capital Improvement	Nonmajor Governmental Funds	Total
<b>REVENUES</b>					
Taxes	\$ 5,377,766	\$ 2,996,424	\$ -	\$ -	\$ 8,374,190
Impact Fees	-	-	-	1,937,074	1,937,074
Intergovernmental	657,439	-	-	225,141	882,580
Licenses and Permits	1,180,660	-	-	-	1,180,660
Fines and Forfeitures	30,621	-	-	-	30,621
Charges for Services	222,026	15,482	-	-	237,508
Capital Contributions	-	-	111,657	339,144	450,801
Investment Income	46,561	11,264	8,622	17,424	83,871
Miscellaneous	78,730	-	-	-	78,730
Total Revenues	<u>7,593,803</u>	<u>3,023,170</u>	<u>120,279</u>	<u>2,518,783</u>	<u>13,256,035</u>
<b>EXPENDITURES</b>					
Current:					
General Government	1,260,460	1,863,716	-	-	3,124,176
Public Safety	1,247,983	-	-	-	1,247,983
Public Works	1,913,991	-	-	83,409	1,997,400
Parks and Recreation	479,491	-	-	16,701	496,192
Capital Outlay	464,890	-	-	634,153	1,099,043
Debt Service:					
Principal	93,934	-	-	-	93,934
Interest	2,128	-	-	-	2,128
Total Expenditures	<u>5,462,877</u>	<u>1,863,716</u>	<u>-</u>	<u>734,263</u>	<u>8,060,856</u>
Excess of Revenues Over (Under) Expenditures	2,130,926	1,159,454	120,279	1,784,520	5,195,179
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	3,004,170	25,000	3,029,170
Transfers Out	(3,004,170)	-	-	-	(3,004,170)
Issuance of Capital Leases	204,373	-	-	-	204,373
Total Other Financing Sources (Uses)	<u>(2,799,797)</u>	<u>-</u>	<u>3,004,170</u>	<u>25,000</u>	<u>229,373</u>
<b>NET CHANGE IN FUND BALANCE</b>	(668,871)	1,159,454	3,124,449	1,809,520	5,424,552
Fund Balances - Beginning of Year	<u>6,108,857</u>	<u>1,721,906</u>	<u>2,075,633</u>	<u>2,558,012</u>	<u>12,464,408</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5,439,986</u>	<u>\$ 2,881,360</u>	<u>\$ 5,200,082</u>	<u>\$ 4,367,532</u>	<u>\$ 17,888,960</u>

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, 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**

Net Change in Fund Balances - Total Governmental Funds \$ 5,424,552

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

Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.

Capital Outlays	1,099,043	
Depreciation Expense	<u>(605,468)</u>	493,575

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Net Pension Liability	81,782	
Change in Deferred Outflows of Resources Related to Pensions	82,237	
Change in Deferred Inflows of Resources Related to Pensions	<u>(147,390)</u>	16,629

Debt proceeds provide current financial resources to governmental funds but issuing debt increases long-term liabilities in the statement of net position:

Capital Leases		(203,637)
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Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.

Principal Payments on Capital Leases		93,934
Change in Accrued Compensated Absences		<u>(34,949)</u>

Change in Net Position of Governmental Activities \$ 5,790,104

**TOWN OF MEAD, COLORADO  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
DECEMBER 31, 2020**

	Sewer
<b>ASSETS</b>	
Current Assets:	
Cash and Investments	\$ 1,015,047
Receivables:	
Utility	94,861
Prepaid Expenses	630
Total Current Assets	1,110,538
Noncurrent Assets:	
Capital Assets, Not Being Depreciated	560,443
Capital Assets, Net of Accumulated Depreciation	4,930,127
Total Noncurrent Assets	5,490,570
Total Assets	\$ 6,601,108
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	24,418
Accrued Salaries and Benefits	2,744
Accrued Interest Payable	23,589
Compensated Absences, Current Portion	782
Notes Payable, Current Portion	77,945
Total Current Liabilities	129,478
Noncurrent Liabilities:	
Accrued Paid Time Off	7,039
Notes Payable	1,601,746
Total Noncurrent Liabilities	1,608,785
Total Liabilities	1,738,263
<b>NET POSITION</b>	
Net Investment in Capital Assets	3,810,879
Restricted	142,060
Unrestricted	909,906
Total Net Position	\$ 4,862,845

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUND**  
**YEAR ENDED DECEMBER 31, 2020**

	Sewer
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 710,391
Miscellaneous	16,830
Total Operating Revenues	727,221
<b>OPERATING EXPENSES</b>	
Operations	245,831
Administration	215,911
Depreciation	268,483
Total Operating Expenses	730,225
<b>NET OPERATING LOSS</b>	(3,004)
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Investment Income	5,330
Interest Expense	(53,948)
Total Nonoperating Revenues (Expenses)	(48,618)
<b>NET LOSS BEFORE CONTRIBUTED CAPITAL</b>	(51,622)
<b>CONTRIBUTED CAPITAL</b>	
Plant Investment Fees	277,653
<b>TRANSFERS OUT</b>	(25,000)
<b>CHANGE IN NET POSITION</b>	201,031
Net Position - Beginning of Year	4,661,814
<b>NET POSITION - END OF YEAR</b>	\$ 4,862,845

See accompanying Notes to Financial Statements.

**TOWN OF MEAD, COLORADO  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUND  
YEAR ENDED DECEMBER 31, 2020**

	Sewer
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers	\$ 714,822
Cash Received from Others	19,092
Cash Paid to Suppliers	(364,962)
Cash Paid to Employees	(114,738)
Cash Paid to Other Funds	(25,000)
Net Cash Provided by Operating Activities	229,214
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest Received	5,330
Net Cash Provided by Investing Activities	5,330
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Tap Fees Received	277,653
Acquisition and Construction of Capital Assets	(265,608)
Debt Principal Payments	(71,660)
Debt Interest Payments	(58,495)
Net Cash Used by Capital and Related Financing Activities	(118,110)
<b>NET CHANGE IN CASH AND CASH EQUIVALENTS</b>	116,434
Cash and Cash Equivalents - Beginning of Year	898,613
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 1,015,047
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Net Operating Loss	\$ (3,004)
Adjustments to Reconcile Net Operating Loss to Net Cash Provided by Operating Activities:	
Depreciation Expense	268,483
Cash Paid to Other Funds	(25,000)
Changes in Operating Assets and Liabilities:	
Utility Receivable	(32,687)
Grants Receivable	19,092
Other Receivables	20,288
Prepaid Expenses	(455)
Accounts Payable	(20,861)
Accrued Salaries and Benefits	480
Accrued Paid Time Off	2,878
Net Cash Provided by Operating Activities	\$ 229,214

See accompanying Notes to Financial Statements.



**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The basic financial statements of the Town of Mead, Colorado, (the Town), have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Town are described below:

**Reporting Entity**

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the Town. 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 there is a potential for the organization to provide benefits to, or impose financial burdens on, the Town.

Based on the application of these criteria, there is one component unit over which the Town exercises significant influence which is the Town of Mead Urban Renewal Authority. Significant influence or accountability is based primarily on operational or financial relationships with the Town (as distinct from legal relationships). The component unit is reported as a fund of the Town.

**Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all activities of the Town and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The primary government is reported separately from the legally separate component unit for which the Town is financially accountable.

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

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

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues, billed accounts and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered 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 a fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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 accounted for in another fund.

The *Mead Urban Renewal Authority Fund* accounts for operations of the Mead Urban Renewal Authority (MURA) component unit. The revenues are derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

The *Capital Improvement Fund* accounts for all other major capital improvements not accounted for in one of the impact fee funds and is primarily funded through General Fund transfer.

Additionally, the Town reports the following major proprietary fund:

The *Sewer Fund* was established to account for the acquisition, operation and maintenance of the Town's sewage treatment plant and infrastructure.

**Assets, Liabilities, and Net Position/Fund Balance**

Cash Equivalents

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less.

Receivables

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

Capital Assets

Capital assets, which include land, buildings, plant, infrastructure, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$5,000 or more 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 the acquisition value on the date of donation.

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

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

Buildings	30 to 40 Years
Plant	40 Years
Sewer Main	20 to 25 Years
Machinery, Equipment and Vehicles	3 to 20 Years
Infrastructure	25 Years
Improvements	20 to 25 Years

Deferred Inflows of Resources

Deferred inflows of resources include property taxes earned but levied for a subsequent year.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

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

Compensated Absences

Employees of the Town are allowed to accumulate unused paid time off (PTO) for up to 1.5 times their annual rate of accrual. Upon termination or resignation of employment from the Town, an employee will be compensated for all accrued PTO. Accumulated, unpaid PTO is accrued when earned in the government-wide and proprietary fund financial statements. A liability is reported in the governmental fund financial statements only when payment is due.

Long-Term Obligations

In the government-wide financial statements and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and refunding losses are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, 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 are reported as other financial uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Net Position/Fund Balance

In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed.

In the fund financial statements, governmental funds report committed fund balances when the Town Board formally commits resources for a specific purpose through passage of a resolution or approval of contractual agreements with third parties.

The Town Board is authorized to informally assign amounts to a specific purpose and has assigned this authority to the Town Manager or other designee. Such fund balance assignments are reported in the governmental fund financial statements.

The Town has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the Town uses restricted fund balance first, followed by committed, assigned and unassigned balances.

**Property Taxes**

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the Town on a monthly basis.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 CASH AND INVESTMENTS**

At December 31, 2020, cash and investments consisted of the following:

Petty Cash	\$ 598
Cash Deposits	8,556,561
Investments	11,970,300
Total	<u>\$ 20,527,459</u>

Cash and investments are reported in the financial statements as follows:

Cash and Investments	\$ 20,512,459
Cash with Fiscal Agent	15,000
Total	<u>\$ 20,527,459</u>

**Deposits**

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The 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 uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. As of December 31, 2020, balances in excess of federal insurance limits and covered by PDPA were \$7,146,535.

**Investments**

The Town is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

- Obligations of the United States and certain U.S. Agency securities
- Certain international 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
- Certificates of deposits

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

The Town's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the year ended December 31, 2020, using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3):

	Level 1	Level 2	Level 3	Other Uncategorized	Total	Weighted Average Maturity	Percent of Total Investments	Rating
Certificates of Deposit	\$ -	\$ 250,000	\$ -	\$ -	\$ 250,000	0.74	2.09 %	N/A
Local Government	-	-	-	-	-	-	-	-
Investment Pools	-	-	-	11,720,300	11,720,300	N/A	97.91	AAAm
Total Investments	<u>\$ -</u>	<u>\$ 250,000</u>	<u>\$ -</u>	<u>\$ 11,720,300</u>	<u>\$ 11,970,300</u>	<u>0.74</u>	<u>100.00 %</u>	

**Fair Value Measurements**

The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

- U.S. Treasuries and Agencies – Valued at quoted market prices of the assets.
- Mutual Fund Investments – Valued at the proportionate share of ownership of the quoted market prices of the underlying assets.
- Commercial Paper – Valued at quoted market prices of the assets.

The Town recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. During 2020, there were no changes in the methods or assumptions utilized to derive the fair value of the Town's assets and liabilities.

**Interest Rate Risk**

State statutes generally limit the maturity of investment securities to five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years.

**Credit Risk**

State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations. At December 31, 2020, the Town's investment of \$5,609,662 in the Colorado Local Government Liquid Asset Trust (Colotrast), \$3,054,642 in the Colorado Statewide Investment Pool (CSIP), and \$3,055,996 in the Colorado Surplus Asset Fund Trust (CSAFE) were all rated AAAM by Standard and Poor's.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Concentration of Credit Risk

State statutes do not limit the amount the Town may invest in a single issuer of investment securities, except for corporate securities.

Local Government Investment Pools

At December 31, 2020, the Town had a total of \$11,720,300 invested in the Colorado Local Government Liquid Asset Trust (Colotrust), the Colorado Surplus Asset Fund Trust (CSAFE) and the Colorado Statewide Investment Pool (CSIP). The Town's investment in ColoTrust Plus and ColoTrust Prime is measured at net asset value, equal to \$1.00 per share. The Town's investment in CSAFE CORE is measured at net asset value, equal to \$2.00 per share. The Town's investment in CSIP Liquid Portfolio is valued at amortized cost. The pools are an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7. The pools are rated AAAM by Standard and Poor's. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 CAPITAL ASSETS**

Capital asset governmental activity for the year ended December 31, 2020, is summarized below.

	Beginning of Year	Additions	Deletions	End of Year
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Land	\$ 2,658,885	\$ -	\$ -	\$ 2,658,885
Water Rights	73,095	-	-	73,095
Construction Progress	45,262	509,651	-	554,913
Total Capital Assets, Not Being Depreciated	2,777,242	509,651	-	3,286,893
Capital Assets, Being Depreciated:				
Buildings	2,493,277	69,627	-	2,562,904
Improvements	271,171	-	-	271,171
Equipment	827,218	107,399	(18,300)	916,317
Vehicles	852,954	397,582	-	1,250,536
Infrastructure	9,104,782	14,784	-	9,119,566
Total Capital Assets, Being Depreciated	13,549,402	589,392	(18,300)	14,120,494
Less: Accumulated Depreciation:				
Buildings	(529,848)	(72,195)	-	(602,043)
Improvements	(169,041)	(9,325)	-	(178,366)
Equipment	(664,121)	(42,878)	18,300	(688,699)
Vehicles	(389,884)	(127,725)	-	(517,609)
Infrastructure	(2,665,662)	(353,345)	-	(3,019,007)
Total Accumulated Depreciation	(4,418,556)	(605,468)	18,300	(5,005,724)
Total Capital Assets, Being Depreciated, Net	9,130,846	(16,076)	-	9,114,770
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 11,908,088</b>	<b>\$ 493,575</b>	<b>\$ -</b>	<b>\$ 12,401,663</b>



**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 3 CAPITAL ASSETS (CONTINUED)**

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

**Governmental Activities**

General Government	\$	79,027
Public Safety		62,921
Public Works		365,630
Parks and Recreation		97,890
Total	<u>\$</u>	<u>605,468</u>

Capital asset business-type activity for the year ended December 31, 2020, is summarized below.

	Beginning of Year	Additions	Deletions	End of Year
<b>Business-Type Activities</b>				
Capital Assets, Not Being Depreciated:				
Land (Sewer)	\$ 294,835	\$ -	\$ -	\$ 294,835
Construction Progress	-	265,608	-	265,608
Total Capital Assets, Not Being Depreciated	294,835	265,608	-	560,443
Capital Assets, Being Depreciated:				
Buildings	281,751	-	-	281,751
Improvements	322,159	-	-	322,159
Sewer Mains	1,004,972	-	-	1,004,972
Treatment Plant	6,091,787	-	-	6,091,787
Equipment and Vehicles	179,757	-	-	179,757
Total Capital Assets, Being Depreciated	7,880,426	-	-	7,880,426
Less: Accumulated Depreciation	(2,681,816)	(268,483)	-	(2,950,299)
Total Capital Assets, Being Depreciated, Net	<u>5,198,610</u>	<u>(268,483)</u>	<u>-</u>	<u>4,930,127</u>
<b>Business-Type Activities</b>				
<b>Capital Assets, Net</b>	<u>\$ 5,493,445</u>	<u>\$ (2,875)</u>	<u>\$ -</u>	<u>\$ 5,490,570</u>

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 4 LONG-TERM DEBT**

**Governmental Activities**

Following is a summary of long-term debt transactions of the governmental activities for the year ended December 31, 2020.

	Beginning of Year	Increases	Decreases	End of Year	Due within One Year
<b>Governmental Activities</b>					
2020 Capital Lease - Dump Truck	\$ -	\$ 203,637	\$ (43,243)	\$ 160,394	\$ 38,287
2017 Capital Lease - Dump Truck	102,682	-	(50,691)	51,991	51,991
Compensated Absences	114,009	41,710	(6,761)	148,958	-
Total	<u>\$ 216,691</u>	<u>\$ 245,347</u>	<u>\$ (100,695)</u>	<u>\$ 361,343</u>	<u>\$ 90,278</u>

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

In January 2017, the Town entered into a lease agreement for financing the acquisition of a dump truck valued at \$249,190. The lease has an interest rate of 2.54% and requires quarterly payments of principal and interest through December 2021 of \$13,205. The vehicle has an estimated useful life of seven years. During the year ended December 31, 2020, \$35,599 was included in depreciation expense. The net book value of the asset is \$142,394 as of December 31, 2020. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. It is the policy of the Town to make the lease payments from the General Fund.

In December 2020, the Town entered into a lease agreement for financing the acquisition of a dump truck valued at \$204,373. The lease has an interest rate of 3.07% and requires annual payments of principal and interest through December 2024 of \$43,243. The vehicle has an estimated useful life of fifteen years. During the year ended December 31, 2020, \$6,812 was included in depreciation expense. The net book value of the asset is \$197,561 as of December 31, 2020. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. It is the policy of the Town to make the lease payments from the General Fund.

The future minimum lease payments of principal and interest as of December 31, 2020, are as follows:

<u>Year Ended December 31,</u>	2017 <u>Dump Truck</u>	2020 <u>Dump Truck</u>
2021	\$ 52,819	\$ 43,243
2022	-	43,243
2023	-	43,243
2024	-	43,243
Less: Interest	(828)	(12,578)
Present Value of Future Minimum Lease Payments	<u>\$ 51,991</u>	<u>\$ 160,394</u>

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 4 LONG-TERM DEBT (CONTINUED)**

**Business-Type Activities**

Following are the changes to long-term debt of the business-type activities for the year ended December 31, 2020:

	Beginning of Year	Increases	Decreases	End of Year	Due within One Year
<b>Business-Type Activities</b>					
CWRPDA Note Payable	\$ 1,693,832	\$ -	\$ (71,660)	\$ 1,622,172	\$ 74,182
CWRPDA Premium	61,282	-	(3,763)	57,519	3,763
Compensated Absences	4,943	2,878	-	7,821	782
Total	<u>\$ 1,760,057</u>	<u>\$ 2,878</u>	<u>\$ (75,423)</u>	<u>\$ 1,687,512</u>	<u>\$ 78,727</u>

In May 2007, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority for financing a wastewater treatment system project. This loan was restructured in April 2017 to extend the term an additional ten years. The loan has an interest rate of 3.49% and requires semi-annual payments of principal and interest of \$65,077 through February 2037. The Town has recorded a premium associated with this loan that is being amortized over the loan period. This loan is repaid through the Sewer Fund. The loan requires an operations and maintenance reserve equal to three months of budgeted operations and maintenance expenses excluding depreciation not to exceed \$1,250,000. At December 31, 2020, this amount has been recorded as restricted net position in the Sewer Fund. The Town has pledged all sewer revenues to the repayment of this debt.

Future debt service requirements are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 74,182	\$ 55,973	\$ 130,155
2022	76,794	53,361	130,155
2023	79,497	50,658	130,155
2024	82,296	47,859	130,155
2025	85,193	44,961	130,154
2026 to 2030	473,122	177,650	650,772
2031 to 2035	562,476	88,296	650,772
2036 to 2037	188,612	6,621	195,233
Total	<u>\$ 1,622,172</u>	<u>\$ 525,379</u>	<u>\$ 2,147,551</u>

The 2007 Colorado Water Resources and Power Development Authority sewer loan agreement includes a rate maintenance coverage covenant that requires the Town to maintain a coverage ratio of Net Revenues equal to 110% of the maximum annual debt service of the loan when due and any parity debt coming due.

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 4 LONG-TERM DEBT (CONTINUED)**

**Business-Type Activities (Continued)**

The computation of the rate maintenance is as follows:

**Revenues**

Operating Revenues	\$ 727,221
System Improvement Fees	277,653
Investment Earnings	5,330
Total Revenues	<u>1,010,204</u>

**Expenses**

Operating Expenses	(730,225)
Less: Depreciation	268,483
Net Expenses	<u>(461,742)</u>
Net Revenues	548,462

**Debt Services Requirements (Parity and Subordinate)**

2007 CWRPDA Note Payable	130,155
Required Coverage	110%
Debt Service Coverage Amount	<u>143,171</u>
Net Revenue Excess (Shortfall)	<u><u>\$ 405,292</u></u>

**NOTE 5 INTERFUND TRANSACTIONS**

Interfund transfers during the year ended December 31, 2020, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Improvement Fund	General Fund	\$ 3,004,170
Municipal Facilities Fund	Sewer Fund	25,000
Total		<u><u>\$ 3,029,170</u></u>

**NOTE 6 DEFERRED COMPENSATION PLAN**

Under Resolution No. 30-R-2015, the Town established a 457 deferred compensation plan. Participation in the plan is at the employee's option and contributions are limited to the Internal Revenue Service maximum. Under the plan, the Town matches on a one-to-one percentage basis up to 5% of an employee's salary. During the year, employees deferred \$86,007 including \$18,327 of Roth contributions and the Town's match was \$64,820.

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 7 DEFINED BENEFIT PENSION PLAN**

**State Fire and Police Pension Plan (FPPA)**

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

**Description of Benefits**

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

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

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

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Contributions**

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. 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 the rate of 10.5 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 18.5 percent. For 2020 (which will impact the 2021 proportionate share of the net pension liability for the Town), the member contribution rate increased to 11%. Contributions to the SWDB plan from the Town were \$51,513 for the year ended December 31, 2020.

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

At December 31, 2020, the Town reported an asset of \$35,928 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2019, the Town's proportion was 0.06352669 percent, which was an increase of 0.02725777 percent from its proportion measured as of December 31, 2018.

For the year ended December 31, 2020, the Town recognized pension income of \$16,629. At 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
Differences Between Expected and Actual Experience	\$ 121,588	\$ 703
Changes of Assumptions and Other Inputs	68,220	-
Net Difference Between Projected and Actual Earnings on Plan Investments	-	56,480
Changes in Proportion	-	92,981
Contributions Subsequent to the Measurement Date	51,513	-
Total	\$ 241,321	\$ 150,164

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

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

\$51,513 in total reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. 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>	<u>Amount</u>
2021	\$ 777
2022	(4,115)
2023	14,260
2024	(9,573)
2025	14,528
Thereafter	23,767
Total	<u>\$ 39,644</u>

**Actuarial Assumptions**

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>Total Pension Liability</u>	<u>Actuarial Determined Contributions</u>
Actuarial Valuation Date	January 1, 2020	January 1, 2019
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25 - 11.25%	4.25 - 11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

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

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Actuarial Assumptions (Continued)**

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund’s target asset allocation as of December 31, 2019 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
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	<u>100.00 %</u>	

**Discount Rate**

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



**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 7 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Sensitivity of the Town’s Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate**

The following presents the Town’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Town’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Town's Proportionate Share of the Net Pension Liability (Asset)	\$ 217,841	\$ (35,928)	\$ (246,397)

**Pension Plan Fiduciary Net Position**

Detailed information about the SWDB’s fiduciary net position is available in FPPA’s comprehensive annual financial report, which can be obtained at <http://www.fppaco.org>.

**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 Statewide Defined Benefit 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 service 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 of the benefit adjustment is approximately \$53 million.

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS**

**Plan Description**

The Town contributes to 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). All full-time police officers are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statute 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 as described previously.

**TOWN OF MEAD, COLORADO**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2020**

**NOTE 8 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**Funding Policy**

The contribution requirements are established by State statute. The Town Board determines the contribution split between members and the Town. For members hired on or after January 1, 1997, the Town contributed 2.8% of base salaries during the years ended December 31, 2020 and 2019. The Town's contributions to the plan for the years ended December 31, 2020 and 2019 were \$18,055 and \$13,110, respectively, equal to the required contributions.

**NOTE 9 RISK MANAGEMENT**

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town purchases commercial insurance for its workers compensation claims.

**Public Entity Risk Pool**

For other risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

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

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

**TOWN OF MEAD, COLORADO  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2020**

**NOTE 10 COMMITMENTS AND CONTINGENCIES**

**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 entities. 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. Management believes that additional disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

**TABOR Amendment**

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. On April 5, 1994, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. On April 5, 1994, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2020, the emergency reserve of \$281,000 was reported as restricted fund balance in the General Fund.

**NOTE 11 SUBSEQUENT EVENTS**

On April 26, 2021, the Town authorized the acquisition of certain real property known as 401 3rd Street in the Town of Mead for \$898,931.

On March 11, 2021, the American Rescue Plan Act (ARPA) of 2021 was signed into law. As part of ARPA, the Town will receive \$1,189,136 over two years. The first installment of the ARPA grant has been received in the amount of \$594,568.

**REQUIRED SUPPLEMENTARY INFORMATION**

**TOWN OF MEAD, COLORADO**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION**  
**ASSET (LIABILITY) AND CONTRIBUTIONS**  
**FPPA STATEWIDE DEFINED BENEFIT PLAN**  
**YEAR ENDED DECEMBER 31, 2020**

<b>Fiscal Year</b>	2020	2019	2018
Plan Measurement Date	<u>December 31, 2019</u>	<u>December 31, 2018</u>	<u>December 31, 2017</u>
<b>Proportionate Share of the Net Pension</b>			
<b>Asset (Liability)</b>			
Town's Proportion of the Net Pension (Asset) Liability	0.06352669%	0.03626892%	0.03490164%
Town's Proportionate Share of the Net Pension Asset (Liability)	\$ 35,928	\$ (45,854)	\$ 50,212
Town's Covered-Employee Payroll	\$ 643,912	\$ 494,759	\$ 248,950
Town's Proportionate Share of the Net Pension Asset (Liability) as a Percentage of its Covered-Employee Payroll	5.6%	(9.3%)	20.2%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.9%	95.2%	106.3%
	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Town Contributions</b>			
Statutorily Required Contribution	\$ 51,513	\$ 37,457	\$ 19,436
Contribution in Relation to the Statutorily Required Contribution	<u>51,513</u>	<u>37,457</u>	<u>19,436</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 643,912	\$ 494,759	\$ 248,950
Contributions as a Percentage of Covered-Employee Payroll	8.00%	7.57%	7.81%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
GENERAL FUND  
YEAR ENDED DECEMBER 31, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>Revenues</b>				
Taxes:				
Property Taxes	\$ 1,661,363	\$ 1,661,363	\$ 1,456,795	\$ (204,568)
Specific Ownership Taxes	110,000	110,000	83,914	(26,086)
Sales and Use Taxes	2,420,000	2,420,000	3,647,291	1,227,291
Franchise Fees	198,000	198,000	189,766	(8,234)
Other Taxes	50,000	50,000	-	(50,000)
Total Taxes	<u>4,439,363</u>	<u>4,439,363</u>	<u>5,377,766</u>	<u>938,403</u>
Intergovernmental:				
Highway Users	219,456	219,456	202,717	(16,739)
Cigarette Taxes	13,000	13,000	13,396	396
Road and Bridges Fees	118,763	118,763	118,671	(92)
Federal Grants	24,932	24,932	24,983	51
State Grants	1,200,000	1,200,000	14,561	(1,185,439)
Mineral Lease	30,000	30,000	109,209	79,209
Other Intergovernmental	-	-	173,902	173,902
Total Intergovernmental	<u>1,606,151</u>	<u>1,606,151</u>	<u>657,439</u>	<u>(948,712)</u>
Licenses and Permits:				
Liquor Licenses	2,534	2,534	3,261	727
Building Permits	573,000	573,000	902,999	329,999
Business Licenses	9,000	9,000	13,862	4,862
Clerk/Motor Vehicle Fees	24,500	24,500	23,312	(1,188)
Animal Licenses	1,500	1,500	617	(883)
Other Licenses and Permits	239,800	239,800	236,609	(3,191)
Total Licenses and Permits	<u>850,334</u>	<u>850,334</u>	<u>1,180,660</u>	<u>330,326</u>
Fines and Forfeitures	97,500	97,500	30,621	(66,879)
Charges for Services:				
Recreation Fees	38,600	38,600	6,987	(31,613)
Other Charges for Services	24,170	24,170	215,039	190,869
Total Charges for Services	<u>62,770</u>	<u>62,770</u>	<u>222,026</u>	<u>159,256</u>
Investment Income	104,558	104,558	46,561	(57,997)
Other Revenues:				
Reimbursement and refunds	204,931	204,931	-	(204,931)
Donations	88,978	88,978	-	(88,978)
State of Capital Assets	-	-	10,730	10,730
Other Miscellaneous Revenues	104,800	104,800	68,000	(36,800)
Total Other Revenues	<u>398,709</u>	<u>398,709</u>	<u>78,730</u>	<u>(319,979)</u>
Total Revenues	<u>7,559,385</u>	<u>7,559,385</u>	<u>7,593,803</u>	<u>34,418</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE (CONTINUED)**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 2020**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
<b>Expenditures</b>				
Current:				
General Government	\$ 2,724,230	\$ 2,724,230	\$ 1,260,460	\$ 1,463,770
Public Safety	1,359,284	1,359,284	1,247,983	111,301
Public Works	2,078,640	2,078,640	1,913,991	164,649
Parks and Recreation	755,827	755,827	479,491	276,336
Total Current	<u>6,917,981</u>	<u>6,917,981</u>	<u>4,901,925</u>	<u>2,016,056</u>
Capital Outlay	390,808	390,808	464,890	(74,082)
Debt Service	52,819	52,819	96,062	(43,243)
Total Expenditures	<u>7,361,608</u>	<u>7,361,608</u>	<u>5,462,877</u>	<u>1,898,731</u>
<b>Excess Revenues Over (Under) Expenditures</b>	197,777	197,777	2,130,926	1,933,149
<b>Other Financing Sources (Uses)</b>				
Transfers In	60,000	60,000	-	(60,000)
Transfers Out	(204,170)	(3,004,170)	(3,004,170)	-
Issuance of Capital Leases	-	-	204,373	204,373
<b>Net Change in Fund Balance</b>	53,607	(2,746,393)	(668,871)	2,077,522
Fund Balance - Beginning of Year	<u>6,395,175</u>	<u>6,395,175</u>	<u>6,108,857</u>	<u>(286,318)</u>
<b>Fund Balance - End of Year</b>	<u>\$ 6,448,782</u>	<u>\$ 3,648,782</u>	<u>\$ 5,439,986</u>	<u>\$ 1,791,204</u>

**TOWN OF MEAD, COLORADO  
BUDGETARY COMPARISON SCHEDULE  
MEAD URBAN RENEWAL AUTHORITY FUND  
YEAR ENDED DECEMBER 31, 2020**

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Property Taxes	\$ 2,979,107	\$ 2,996,424	\$ 17,317
Administrative/Management Fees	15,183	15,482	299
Investment Income	25,582	11,264	(14,318)
<b>Total Revenues</b>	<u>3,019,872</u>	<u>3,023,170</u>	<u>3,298</u>
<b>Expenditures</b>			
General Government:			
Administration	3,395,278	1,863,716	1,531,562
<b>Total Expenditures</b>	<u>3,395,278</u>	<u>1,863,716</u>	<u>1,531,562</u>
<b>Net Change in Fund Balance</b>	(375,406)	1,159,454	1,534,860
Fund Balance - Beginning of Year	<u>1,825,872</u>	<u>1,721,906</u>	<u>(103,966)</u>
<b>Fund Balance - End of Year</b>	<u>\$ 1,450,466</u>	<u>\$ 2,881,360</u>	<u>\$ 1,430,894</u>



**TOWN OF MEAD, COLORADO**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**DECEMBER 31, 2020**

**NOTE 1 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

**Budgets**

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Town Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Board.
- All appropriations lapse at year end.

**NOTE 2 SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION ASSET AND CONTRIBUTIONS**

The Fire & Police Pension Association of Colorado (FPPA) Statewide Defined Benefit Plan's net pension liability and associated amounts are measured annually on December 31, based on an actuarial valuation as of the previous December 31. The Town's contributions and related ratios represent cash contributions and any related accruals that coincide with the Town's fiscal year ending on December 31.

**Changes in Assumptions and Other Inputs**

For the year ended December 31, 2020, the total pension asset was determined by an actuarial valuation as of January 1, 2019. The following revised economic and demographic assumptions were effective as of December 31, 2017.

- Investment rate of return assumption of 7.00% per year, compounded annually. This assumption did not change from the prior year.
- Price inflation assumption of 2.5% per year. This assumption did not change from the prior year.
- Healthy and disabled mortality assumptions are based on the RP-2014 Mortality Tables.

**SUPPLEMENTARY INFORMATION**

**TOWN OF MEAD, COLORADO  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2020  
(SEE INDEPENDENT AUDITORS' REPORT)**

	Conservation Trust	Downtown Revitalization	Municipal Facilities	Transportation	Storm Drainage	Parks and Open Space	Art in Public Places	Total
<b>Assets</b>								
Cash and Investments	\$ 11,018	\$ 56,837	\$ 1,722,983	\$ 1,198,178	\$ 115,703	\$ 1,340,136	\$ 6,097	\$ 4,450,952
Cash with Fiscal Agent	-	-	15,000	-	-	-	-	15,000
Prepaid Expenses	-	-	-	143	-	-	-	143
Total Assets	<u>11,018</u>	<u>56,837</u>	<u>1,737,983</u>	<u>1,198,321</u>	<u>115,703</u>	<u>1,340,136</u>	<u>6,097</u>	<u>4,466,095</u>
<b>Liabilities and Fund Balances</b>								
Liabilities:								
Accounts Payable	\$ -	\$ -	\$ 9,585	\$ 67,895	\$ 12,083	\$ 9,000	\$ -	\$ 98,563
Fund Balances:								
Nonspendable	-	-	-	143	-	-	-	143
Restricted	11,018	56,837	1,728,398	1,130,283	103,620	1,331,136	-	4,361,292
Committed to Capital Projects	-	-	-	-	-	-	6,097	6,097
Total Fund Balance	<u>11,018</u>	<u>56,837</u>	<u>1,728,398</u>	<u>1,130,426</u>	<u>103,620</u>	<u>1,331,136</u>	<u>6,097</u>	<u>4,367,532</u>
Total Liabilities and Fund Balances	<u>\$ 11,018</u>	<u>\$ 56,837</u>	<u>\$ 1,737,983</u>	<u>\$ 1,198,321</u>	<u>\$ 115,703</u>	<u>\$ 1,340,136</u>	<u>\$ 6,097</u>	<u>\$ 4,466,095</u>

**TOWN OF MEAD, COLORADO**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2020**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Conservation Trust	Downtown Revitalization	Municipal Facilities	Transportation	Storm Drainage	Parks and Open Space	Art in Public Places	Total
<b>Revenues</b>								
Impact Fees	\$ -	\$ -	\$ 566,661	\$ 651,731	\$ 149,602	\$ 569,080	\$ -	\$ 1,937,074
Intergovernmental	48,259	-	123,382	53,500	-	-	-	225,141
Capital Contributions	-	-	-	339,144	-	-	-	339,144
Investment Income	117	303	8,047	3,874	309	4,742	32	17,424
Total Revenues	48,376	303	698,090	1,048,249	149,911	573,822	32	2,518,783
<b>Expenditures</b>								
Current:								
Public Works	-	-	30,159	50,258	2,992	-	-	83,409
Parks and Recreation	-	-	-	-	-	16,701	-	16,701
Capital Outlay	54,874	-	337,756	169,005	59,435	13,083	-	634,153
Total Expenditures	54,874	-	367,915	219,263	62,427	29,784	-	734,263
<b>Excess Revenues Over (Under) Expenditures</b>	(6,498)	303	330,175	828,986	87,484	544,038	32	1,784,520
<b>Other Financing Sources (Uses)</b>								
Transfers In	-	-	25,000	-	-	-	-	25,000
<b>Net Change in Fund Balance</b>	(6,498)	303	355,175	828,986	87,484	544,038	32	1,809,520
Fund Balance - Beginning of Year	17,516	56,534	1,373,223	301,440	16,136	787,098	6,065	2,558,012
<b>Fund Balance - End of Year</b>	<u>\$ 11,018</u>	<u>\$ 56,837</u>	<u>\$ 1,728,398</u>	<u>\$ 1,130,426</u>	<u>\$ 103,620</u>	<u>\$ 1,331,136</u>	<u>\$ 6,097</u>	<u>\$ 4,367,532</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**CONSERVATION TRUST FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Intergovernmental	\$ 50,000	\$ 48,259	\$ (1,741)
Investment Income	269	117	(152)
Total Revenues	<u>50,269</u>	<u>48,376</u>	<u>(1,893)</u>
<b>Expenditures</b>			
Capital Outlay	-	54,874	(54,874)
Total Expenditures	<u>-</u>	<u>54,874</u>	<u>(54,874)</u>
<b>Excess Revenues Over (Under) Expenditures</b>	50,269	(6,498)	(56,767)
<b>Other Financing Sources (Uses)</b>			
Transfers Out	<u>(60,000)</u>	-	<u>60,000</u>
<b>Net Change in Fund Balance</b>	(9,731)	(6,498)	3,233
Fund Balance - Beginning of Year	<u>18,871</u>	<u>17,516</u>	<u>(1,355)</u>
<b>Fund Balance - End of Year</b>	<u>\$ 9,140</u>	<u>\$ 11,018</u>	<u>\$ 1,878</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**MUNICIPAL FACILITIES FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Impact Fees	\$ 221,500	\$ 566,661	\$ 345,161
Intergovernmental	-	123,382	123,382
Investment Income	19,843	8,047	(11,796)
Total Revenues	<u>241,343</u>	<u>698,090</u>	<u>456,747</u>
<b>Expenditures</b>			
Public Works	13,885	30,159	(16,274)
Capital Outlays	1,767,877	337,756	1,430,121
Total Expenditures	<u>1,781,762</u>	<u>367,915</u>	<u>1,413,847</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	<u>-</u>	<u>25,000</u>	<u>25,000</u>
<b>Net Change in Fund Balance</b>	(1,540,419)	355,175	1,895,594
Fund Balance - Beginning of Year	<u>1,540,420</u>	<u>1,373,223</u>	<u>(167,197)</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ 1</u></u>	<u><u>\$ 1,728,398</u></u>	<u><u>\$ 1,728,397</u></u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**DOWNTOWN REVITALIZATION FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Investment Income	\$ 879	\$ 303	\$ (576)
<b>Expenditures</b>			
General Government	15,000	-	15,000
Capital Outlays	45,194	-	45,194
Total Expenditures	<u>60,194</u>	<u>-</u>	<u>60,194</u>
<b>Net Change in Fund Balance</b>	(59,315)	303	59,618
Fund Balance - Beginning of Year	<u>59,315</u>	<u>56,534</u>	<u>(2,781)</u>
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ 56,837</u>	<u>\$ 56,837</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**STORM DRAINAGE FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Impact Fees	\$ 62,500	\$ 149,602	\$ 87,102
Investment Income	136	309	173
<b>Total Revenues</b>	<u>62,636</u>	<u>149,911</u>	<u>87,275</u>
<b>Expenditures</b>			
Public Works	3,918	2,992	926
Capital Outlay	125,317	59,435	65,882
<b>Total Expenditures</b>	<u>129,235</u>	<u>62,427</u>	<u>66,808</u>
<b>Net Change in Fund Balance</b>	(66,599)	87,484	154,083
Fund Balance - Beginning of Year	<u>66,599</u>	<u>16,136</u>	<u>(50,463)</u>
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ 103,620</u>	<u>\$ 103,620</u>



**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**TRANSPORTATION FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Impact Fees	\$ 326,125	\$ 651,731	\$ 325,606
Intergovernmental	-	53,500	53,500
Capital Contributions	-	339,144	339,144
Investment Income	4,194	3,874	(320)
Total Revenues	<u>330,319</u>	<u>1,048,249</u>	<u>717,930</u>
<b>Expenditures</b>			
Public Works	110,444	50,258	60,186
Capital Outlay	200,000	169,005	30,995
Contingency Reserve	437,408	-	437,408
Total Expenditures	<u>747,852</u>	<u>219,263</u>	<u>528,589</u>
<b>Net Change in Fund Balance</b>	(417,533)	828,986	1,246,519
Fund Balance - Beginning of Year	<u>417,532</u>	<u>301,440</u>	<u>(116,092)</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ (1)</u></u>	<u><u>\$ 1,130,426</u></u>	<u><u>\$ 1,130,427</u></u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**PARKS AND OPEN SPACE FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Impact Fees	\$ 347,000	\$ 569,080	\$ 222,080
Investment Income	11,544	4,742	(6,802)
Total Revenues	<u>358,544</u>	<u>573,822</u>	<u>215,278</u>
<b>Expenditures</b>			
Parks and Recreation	21,753	16,701	5,052
Capital Outlay	1,137,062	13,083	1,123,979
Total Expenditures	<u>1,158,815</u>	<u>29,784</u>	<u>1,129,031</u>
<b>Net Change in Fund Balance</b>	(800,271)	544,038	1,344,309
Fund Balance - Beginning of Year	<u>800,270</u>	<u>787,098</u>	<u>(13,172)</u>
<b>Fund Balance - End of Year</b>	<u><u>\$ (1)</u></u>	<u><u>\$ 1,331,136</u></u>	<u><u>\$ 1,331,137</u></u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL IMPROVEMENT FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
**(SEE INDEPENDENT AUDITORS' REPORT)**

	Original Budget	Final Budget	Actual	Variance
<b>Revenues</b>				
Investment Income	\$ 14,794	\$ 14,794	\$ 8,622	\$ (6,172)
Capital Contributions	-	-	111,657	111,657
<b>Total Revenues</b>	<u>14,794</u>	<u>14,794</u>	<u>120,279</u>	<u>105,485</u>
<b>Expenditures</b>				
Capital Outlay	1,475,000	3,575,000	-	3,575,000
Contingency Reserve	819,393	819,393	-	819,393
<b>Total Expenditures</b>	<u>2,294,393</u>	<u>4,394,393</u>	<u>-</u>	<u>4,394,393</u>
<b>Excess Revenues Over (Under) Expenditures</b>	(2,279,599)	(4,379,599)	120,279	4,499,878
<b>Other Financing Sources (Uses)</b>				
Transfers In	<u>204,170</u>	<u>3,004,170</u>	<u>3,004,170</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(2,075,429)	(1,375,429)	3,124,449	4,499,878
Fund Balance - Beginning of Year	<u>2,075,429</u>	<u>2,075,429</u>	<u>2,075,633</u>	<u>204</u>
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ 700,000</u>	<u>\$ 5,200,082</u>	<u>\$ 4,500,082</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**ART IN PUBLIC PLACES FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Revenues</b>			
Investment Income	\$ 88	\$ 32	\$ (56)
<b>Expenditures</b>			
Capital Outlay	6,153	-	6,153
Total Expenditures	6,153	-	6,153
<b>Excess Revenues Over (Under) Expenditures</b>	(6,065)	32	6,097
<b>Other Financing Sources (Uses)</b>			
Transfers In	-	-	-
<b>Net Change in Fund Balance</b>	(6,065)	32	6,097
Fund Balance - Beginning of Year	6,065	6,065	-
<b>Fund Balance - End of Year</b>	<u>\$ -</u>	<u>\$ 6,097</u>	<u>\$ 6,097</u>

**TOWN OF MEAD, COLORADO**  
**BUDGETARY COMPARISON SCHEDULE**  
**SEWER FUND**  
**YEAR ENDED DECEMBER 31, 2020**  
(SEE INDEPENDENT AUDITORS' REPORT)

	Original and Final Budget	Actual	Variance
<b>Operating Revenues</b>			
Charges for Services	\$ 699,300	\$ 710,391	\$ 11,091
Miscellaneous	16,500	16,830	330
Total Operating Revenues	<u>715,800</u>	<u>727,221</u>	<u>11,421</u>
<b>Expenses</b>			
Operations	324,175	245,831	78,344
Administration	244,064	215,911	28,153
Capital Outlay	290,000	265,608	24,392
Total Expenditures	<u>858,239</u>	<u>727,350</u>	<u>130,889</u>
<b>Net Operating Income</b>	(142,439)	(129)	142,310
<b>Nonoperating Revenues (Expenses)</b>			
Interest Income	12,625	5,330	(7,295)
Debt Services	(130,155)	(130,155)	-
Total Nonoperating Revenues (Expenses)	<u>(117,530)</u>	<u>(124,825)</u>	<u>(7,295)</u>
<b>Net Income (Loss) Before Contributed Capital</b>	(259,969)	(124,954)	135,015
<b>Contributed Capital</b>			
Plant Investment Fees	216,400	277,653	61,253
<b>Transfers Out</b>	<u>-</u>	<u>(25,000)</u>	<u>(25,000)</u>
<b>Change in Net Position, Budgetary Basis</b>	<u>\$ (43,569)</u>	127,699	<u>\$ 171,268</u>
<b>Reconciliation to GAAP Basis</b>			
Capital Outlay		265,608	
Debt Service Principal		71,660	
Bond Premium Amortization		3,763	
Change in Accrued Interest		784	
Depreciation		<u>(268,483)</u>	
<b>Change in Net Position, GAAP Basis</b>		<u>\$ 201,031</u>	

## **COMPLIANCE SECTION**

## **STATE COMPLIANCE**

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>		City or County: Town of Mead
		YEAR ENDING : December 2020
This Information From the Records of Town of Mead, Colorado	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
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	579,319
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	552,768
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	445,865
2. General fund appropriations	918,963	b. Snow and ice removal	99,636
3. Other local imposts (from page 2)	772,105	c. Other	
4. Miscellaneous local receipts (from page 2)	600,609	d. Total (a. through c.)	545,501
5. Transfers from toll facilities		4. General administration & miscellaneous	105,034
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	692,522
a. Bonds - Original Issues		6. Total (1 through 5)	2,475,144
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	2,291,677	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	279,529	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	2,128
<b>E. Total receipts (A.7 + B + C + D)</b>	2,571,206	b. Redemption	93,934
		c. Total (a. + b.)	96,062
		3. Total (1.c + 2.c)	96,062
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	2,571,206

**IV. LOCAL HIGHWAY DEBT STATUS**

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	102,682	203,637	93,934	212,385

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	2,571,206	2,571,206	0	0

Notes and Comments:



LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2020	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments		a. Interest on investments	3,874
b. Other local imposts:		b. Traffic Fines & Penalties	27,263
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	651,731	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	36,460	f. Charges for Services	
5. Specific Ownership &/or Other	83,914	g. Other Mis Developer Contrib's in Lieu	450,801
6. Total (1. through 5.)	772,105	h. Other County Road & Bridge Tax	118,671
c. Total (a. + b.)	772,105	i. Total (a. through h.)	600,609
	(Carry forward to page 1)		(Carry forward to page 1)
ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	202,717	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	23,312	d. Federal Transit Admin	
d. Other DCOT Devolution Pymt	53,500	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	76,812	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	279,529	3. Total (1. + 2.g)	
			(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		169,005	169,005
(3). System Preservation		410,314	410,314
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	579,319	579,319
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	579,319	579,319
			(Carry forward to page 1)
<b>Notes and Comments:</b>			