



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended
December 31, 2020

CITY OF SALIDA, COLORADO

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**City of Salida, Colorado
Comprehensive Annual Financial Report
For the year ended December 31, 2020**

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June 18, 2021

To the Honorable Mayor, Members of the City Council and Citizens of the City of Salida:

State law requires that every general purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2020.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McMahan and Associates, LLC, a firm of licensed Certified Public Accountants, have issued an unmodified ("clean") opinion on the City of Salida's financial statements for the year ended December 31, 2020. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the government

The City of Salida, incorporated in 1880, is known as the "Heart of the Rockies." Salida is located approximately two to three hours from the more densely populated urban "front range" communities of Colorado, such as Colorado Springs, Denver and Boulder. Salida is the county seat of Chaffee County and its largest city, with a population of approximately 6,082. The City is the service, supply, and tourism center for the Upper Arkansas River Valley in central Colorado. Although flanked by majestic 14,000-foot snow-capped peaks, at just over 7,000 feet in elevation, Salida enjoys a surprisingly mild climate that some refer to as the Banana Belt. Salida has a relaxed pace and a small hometown feel along with world-class recreational opportunities.

The City limits currently occupy just over 2.2 square miles. The City of Salida is empowered to levy a property tax on real property located within its boundaries, but the tax was repealed in 2008. It relies primarily on sales tax revenue to provide government services. It also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

Salida is organized as a statutory city under the constitution of the State of Colorado that follows the mayor-council form of government. The Mayor, the Treasurer and six Council members are directly elected. There are three wards in the City, and two Council members represent each ward. Policy-making and legislative authority are vested in the governing body consisting of the Mayor and six Council members. Council members serve four-year terms, with three members

elected every two years. The Mayor is elected for a two-year term. According to Colorado statutes, officials elected to two-year terms are eligible for three terms. Council members and the Treasurer are elected to four-year terms and are limited to two terms. The City Council appoints the City Administrator, City Attorney and City Clerk. The City Administrator appoints department heads.

Services provided by municipalities vary widely. Although citizens have many of the same services available to them in any incorporated area, some may be served by a special district or other governmental entity. Therefore, one town or city may not be directly comparable to another. It is important that readers of the financial statements and budgets know what services the City provides in order to understand the reports. The broad services provided by Salida's employees across the various divisions (described below) include the following:

- Public safety –
 - 24/7 police protection including vehicle, bicycle and foot patrol, crime prevention and law enforcement; vehicle identification number inspections, school safety, special event support, DUI awareness programs, drug task force, regional preparedness, E911 board representation. The Community Services Division extends safety and public service while protecting the welfare of domestic animals, as well as maintaining the integrity of the Salida City Code through education, citizen engagement and enforcement.
 - 24/7 professional fire response (structural and wildland), emergency medical services, hazardous material response, technical rescue (ice, swift water, confined space, high and low angles), installation of smoke detectors, inspection and plan reviews, code enforcement, fire prevention and CPR classes, fireworks displays, staffing for fire protection district, regional preparedness and various other education and civic activities
- Public works – operation, maintenance and improvement of streets, alleys, walkways, parking lots, parks, play features, public structures, underground distribution or collection lines and appurtenances, trees, and other public infrastructure
- Water and Wastewater plant operations – Treatment and distribution of municipal water; collection, treatment of and safe discharge of wastewater (including wastewater services for the Town of Poncha Springs); lab testing, acceptance and treatment of outside septage.
- Community development – land use and zoning, review of development plans, subdivisions, building and sign permits, long range and current planning, historic preservation, grant writing and reporting
- Parks and recreation – aquatic center, swimming lessons, fitness and recreation programs, and maintenance of park facilities, sports complexes, and trails
- Arts and culture – services for event centers activities and special events for community members of all ages, alliance with outside organizations (Chamber of Commerce, Salida Business Alliance, etc.), and a creative district.
- Administrative services – liquor, marijuana and arborists licensing, vendor and special event permitting, billing and collection of water and wastewater services, protection of water rights, birth and death certificates, municipal court, grant writing and reporting, intergovernmental facility management, payroll, accounts payable, accounts receivable, budgeting, financial reporting, human resources, legal, cash management / treasury, risk management, records management, public information, meeting coordination, and other general government and administrative services

Water treatment and distribution and wastewater collection and treatment services are provided through an enterprise fund. See the MD&A for an explanation about different types of funds.

The Council is required to adopt an initial budget for the fiscal year no later than December 31 preceding the beginning of the fiscal year on January 1. This annual budget serves as the foundation for the City of Salida's financial planning and control. The budget is prepared by fund, function or department (e.g., police). Department heads may transfer resources within a department as they see fit. Transfers between departments within the same fund, however, need approval from the Finance Director or City Administrator. Changes to a fund's total bottom line must be done with an amendment by Council after posting the amendment and holding a public hearing on it.

Local economy

The City of Salida serves as a shopping hub for the surrounding small towns and rural areas. Tourism is a major contributor to the local economy. Sales tax revenue peaks in the "summer season" of June to September, with July being the strongest month. Salida is a short drive from the Monarch Ski area, which draws winter visitors to the area and contributes to the local economy. However, February, which falls in the middle of the "ski season" is the slowest month for collections. Increasingly, Salida is experiencing growth in sales tax collections during the "shoulder season" defined as April-May and October-November when the weather is typically suitable for many outdoor activities that attract visitors to the area.

Sales tax increases year over year have been strong averaging 9.5% over the last five years. In 2020, the sales tax increased 16.1% over 2019 in spite of pandemic restrictions. The retail sector was strong offsetting the declines in the accommodation and food services industries. Strengths in the retail sector were mostly due to visitors and citizens alike stocking up on essentials. The City also saw a significant increase in sales tax generated from online purchasing activity. Tourism remained high as people enjoyed the many "safer" outdoor activities offered by this region.

Reliable unemployment information for just the City of Salida is unavailable, consequently Chaffee County unemployment data is utilized for monitoring purposes. Unemployment in Chaffee County has been relatively flat over the 5 years previous to 2020 hovering around the 2.5% rate which is slightly better than the state which tends to be closer to 3%. Unemployment increased in 2020 as did the rest of the nation due to the pandemic and ended the year at 5.4% compared to the state's rate of 6.9% according to the U.S. Bureau of Labor and Statistics.

Long-term financial planning and major initiatives

Unrestricted fund balance in the general fund at year end was 66.1% of total general fund operating expenses. This amount is significantly above policy guidelines set by Council for budgetary and planning purposes (25%). The strong fund balance coupled with continued growth projections provides the confidence to plan for significant projects in the future. A financial advisor is working with the City to refine a long term financial plan to help achieve capital goals (some wants and some needs) such as the addition of hot spring soaking pools at the aquatic center, a new fire station, aquatic center hot water delivery line replacements, fire equipment replacements, a sports complex and a recreation center. In 2021 a new skatepark will be installed, which will be primarily funded with grant monies and local donations.

The Street fund has high priority projects planned out through 2024 with estimated annual expenditures in the long term plan thereafter. 42% of the City-generated sales tax can predominantly support the anticipated expenditures complemented by grants and possibly some debt issuance for a single bridge repair project planned for 2024.

The City Water and Wastewater funds underwent a rate study in 2020 resulting in recommended rate increases of 2.58% for water and 8.85% for wastewater, which were implemented in 2021 and will be increased by the same rate each year for the next five years. This will ensure the City's financial ability to maintain the important infrastructure for these services. In 2021, another rate study will be accomplished specific to system development fees to ensure those rates can fund future system expansion needs.

Low-interest new debt financing in the amount of \$4.1 million is planned for 2021 to accomplish a larger than normal replacement of major water lines project.

Relevant financial policies

The City of Salida has adopted a comprehensive set of financial policies. During the current year, the City revisited its Fund Balance Policy and updated it to include funds that were not in existence since the policy was originally adopted. The updated version also increased the amount to maintain in the general fund from a previous level of 10% of operating expenses to the revised level of 25%. Since the City is very reliant on sales tax and sales tax has volatility, the 25% minimum level will help during economic downturns.

As a service organization, the City of Salida recognizes employees as the most important resource of the City. In order to ensure that the City provides employees with a total compensation package of pay and benefits comparable to other governmental and private employers, the compensation policy was updated in 2020 to develop new market based pay ranges by position versus grade based pay plans and all employees were brought to market pay.

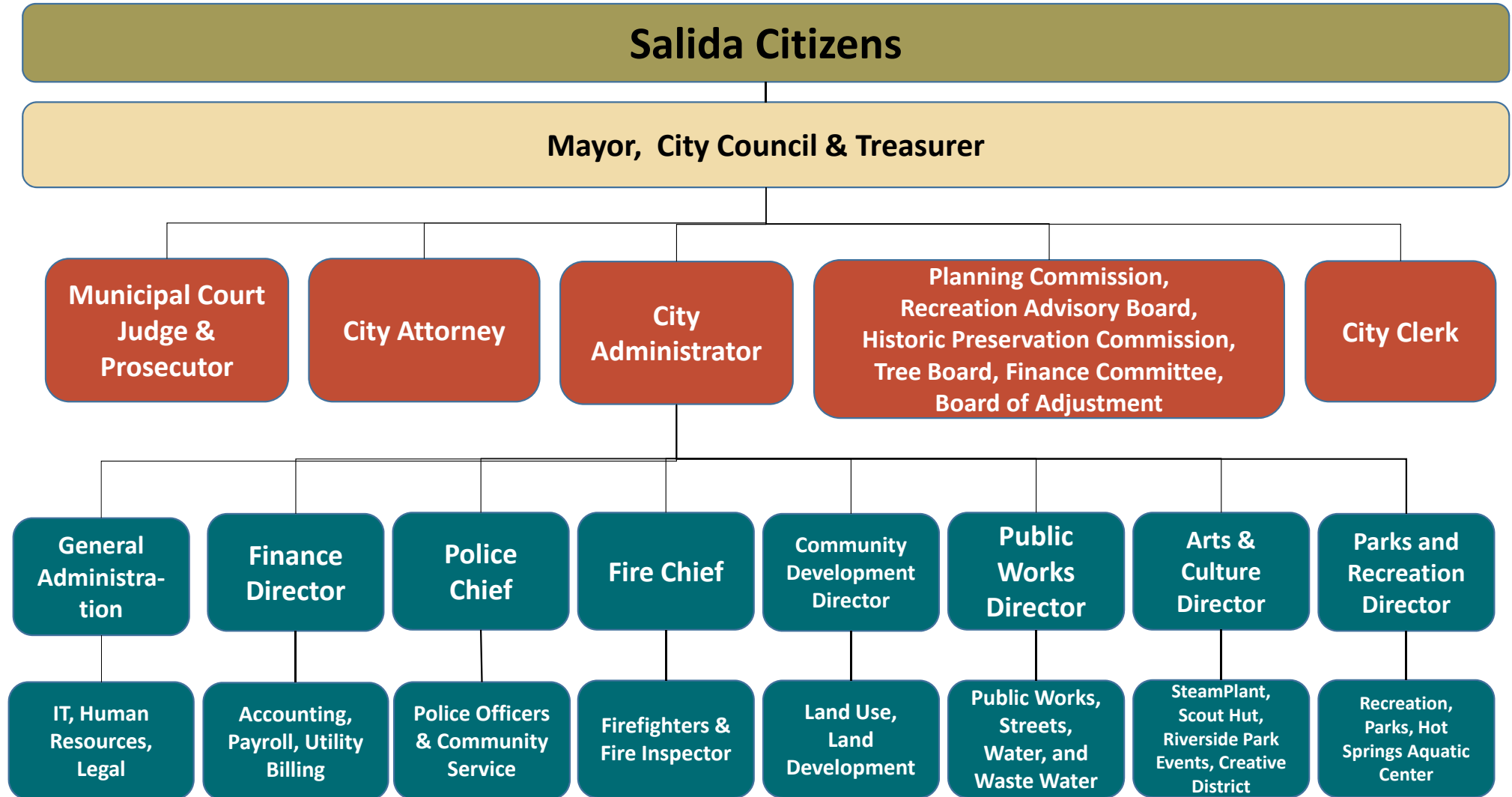
The preparation of this report would not have been possible without the skill, effort, and dedication of the entire staff of the finance and administration department. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Mayor and Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Salida's finances.

Respectfully submitted,

Drew Nelson
City Administrator

Aimee Tihonovich
Finance Director

Organizational Chart



PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
List of Elected and Appointed Officials
as of December 31, 2020

Elected Officials

Mayor

Council Member - Ward 1

Council Member - Ward 1

Council Member - Ward 2

Council Member - Ward 2

Council Member - Ward 3

Council Member - Ward 3

Treasurer

P.T. Wood

Dan Shore

Jane Templeton

Justin Critelli

Mike Pollock

Harald Kasper

Alisa Papenfort

Merrell Bergin

Appointed Officials & Staff

Municipal Court Judge

Municipal Prosecutor

Planning Commition Chairperson

Recreation Advisory Board Chairperson

Historic Preservation Commission Chairperson

Tree Board President

Board of Adjustment Chairperson

City Administrator

City Attorney

City Clerk

Arts & Culture Director

Community Development Director

Finance Director

Fire Chief

Parks & Recreation Director

Police Chief

Public Works Director

Cheryl Hardy-Moore

Matthew Krob

Greg Gollet

Diana Porter

Keith Krebs

Marilyn Moore

Greg Follet

Drew Nelson

Nina Williams

Erin Kelley

Michael Varnum

Bill Almquist

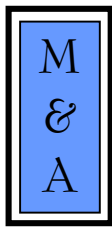
Aimee Tihonovich

Doug Bess

Mike (Diesel) Post

Russ Johnson

David Lady



INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council City of Salida

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of Salida (the "City"), as of and for the year ended December 31, 2020, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

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

Member: American Institute of Certified Public Accountants

Other Matters

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

U. S. generally accepted accounting principles require that the Schedule of City's Proportionate Share of the Net Pension Liability, the Schedule of Changes in Net Pension Asset / Liability, and the Schedules of City Contributions in Section E, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Schedule of City's Proportionate Share of the Net Pension Liability, the Schedule of Changes in Net Pension Asset / Liability, and the Schedules of City Contributions in Section E in accordance with U.S. generally accepted auditing standards, 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements, or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements taken as a whole. The introductory section, individual fund budgetary comparisons found in Section F, the *Local Highway Finance Report*, and the statistical information presented in section G are presented for purposes of additional analysis and are not a required part of the financial statements. The individual fund budgetary comparisons found in Section F and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements.

INDEPENDENT AUDITOR'S REPORT
To the Mayor and City Council
City of Salida

Other Matters (continued)

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

McMahan and Associates, L.L.C.

PRELIMINARY DRAFT

MANAGEMENT'S DISCUSSION AND ANALYSIS



Management's Discussion and Analysis

As Management of the City of Salida, we offer readers of the City of Salida's financial statements this narrative overview and analysis of the financial activities of the City of Salida for the fiscal year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - iv of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Salida exceeded its liabilities at the close of the most recent fiscal year by \$58,360,529 (net position). Of this amount, \$12,517,594 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Salida's total net position increased by \$482,937 in spite of the challenges posed by COVID-19. The City focused efforts on keeping staff safely productive and employed and helping local businesses adjust to restrictions. Although recreation and event fees were significantly down, City sales tax revenue saw a significant 16.1% increase over the previous year.
- At the close of the current fiscal year, the City of Salida's governmental funds reported combined fund balances of \$7,397,949, an increase of \$854,223 (13.1%) in comparison with the prior year. Approximately 90.1% of this amount (\$6,663,132) is available for spending at the government's discretion (*unassigned & committed fund balance*).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$5,774,454, or approximately 66.1% of total general fund expenditures.
- The City of Salida's total outstanding long-term debt decreased by \$155,269 during the current fiscal period due to principal payments exceeding new debt added.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Salida's basic financial statements. The City of Salida's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) the notes to financial statements. This report also includes supplementary information intended to furnish additional detail to support 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 City of Salida's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of Salida's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Salida is improving or deteriorating.

The *statement of activities* presents information showing how the City of Salida'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 for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of Salida 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 City of Salida include general government, public safety, public works/streets, Arts and culture, parks and recreation. The business-type activities of the City of Salida include water and sewer services.

The government-wide financial statements can be found on pages C1 to C2 of this report.

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 City of Salida, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Salida can be divided into two categories: governmental and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the

government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Salida maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all seven funds (the general fund, the Street Fund, the Capital Improvement Fund, the Economic Development Fund, the Lodging Tax Fund, the Conservation Trust Fund and the Housing Fund).

The basic governmental fund financial statements can be found on pages C3 to C6 of this report.

Proprietary Funds. The City of Salida maintains two proprietary funds, both are *enterprise funds*. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Salida uses enterprises funds to account for its water and sewer operations. It should be noted that in previous years, the SteamPlant event center operations were accounted for as an enterprise fund. That fund has been closed and the event center (now called Arts & Culture Department) operations are now a department within the general fund.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages C7 to C9 of this report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages D1 to D29 of this report.

Other Information

The City of Salida adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement for the governmental funds is provided in the *required supplementary information* section. The City of Salida also presents *required supplementary information* concerning the City of Salida's progress in funding its obligation to provide pension benefits to its fire and police employees. The required supplementary information can be found on pages E1 to E16

Finally, budget comparison statements for proprietary funds are presented in the *supplementary information* section as well as the Local Highway Finance Report filed with the State of Colorado. This supplemental information can be found on pages F1 to F5 of this report.

Government-wide Overall Financial Analysis

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City of Salida, assets and deferred outflows of resources exceeded liabilities by \$58,360,529.

City of Salida's Net Position

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Current and other assets	\$ 8,330,038	\$ 6,975,164	\$ 7,798,689	\$ 7,410,481	\$ 16,128,727	\$ 14,385,645
Capital Assets	28,517,023	26,684,823	29,252,447	31,703,650	57,769,470	58,388,473
Total Assets	36,847,061	33,659,987	37,051,136	39,114,131	73,898,197	72,774,118
Total Deferred outflows of resources	1,078,992	1,280,377	-	-	1,078,992	1,280,377
Long-term liabilities	2,486,061	2,369,235	12,724,410	12,600,030	15,210,471	14,969,265
Other liabilities	786,374	505,793	278,016	637,944	1,064,390	1,143,737
Total liabilities	3,272,435	2,875,028	13,002,426	13,237,974	16,274,861	16,113,002
Total Deferred inflows of resources	341,799	63,901	-	-	341,799	63,901
Net position:						
Net investment in capital assets	27,366,982	25,457,709	16,565,969	19,103,620	43,932,951	44,561,329
Restricted	670,645	596,103	1,034,732	986,683	1,705,377	1,582,786
Unrestricted	6,274,192	5,947,623	6,448,009	5,785,854	12,722,201	11,733,477
Total net position	\$ 34,311,819	\$ 32,001,435	\$ 24,048,710	\$ 25,876,157	\$ 58,360,529	\$ 57,877,592

Current and other assets increased in governmental activities by \$1,354,874 from the prior year due primarily to an increase in cash. Although the city recognized its role in contributing to the local economy and thus chose not to drastically cut spending when the pandemic broke out, sales tax revenues reached record high levels as citizens stayed home and shopped locally as well as online. Visitors desiring to safely recreate outdoors also contributed to the record-breaking sales tax levels by visiting local stores for essentials. In addition, the City delayed some projects determined to be of lower priority for impacting the local economy.

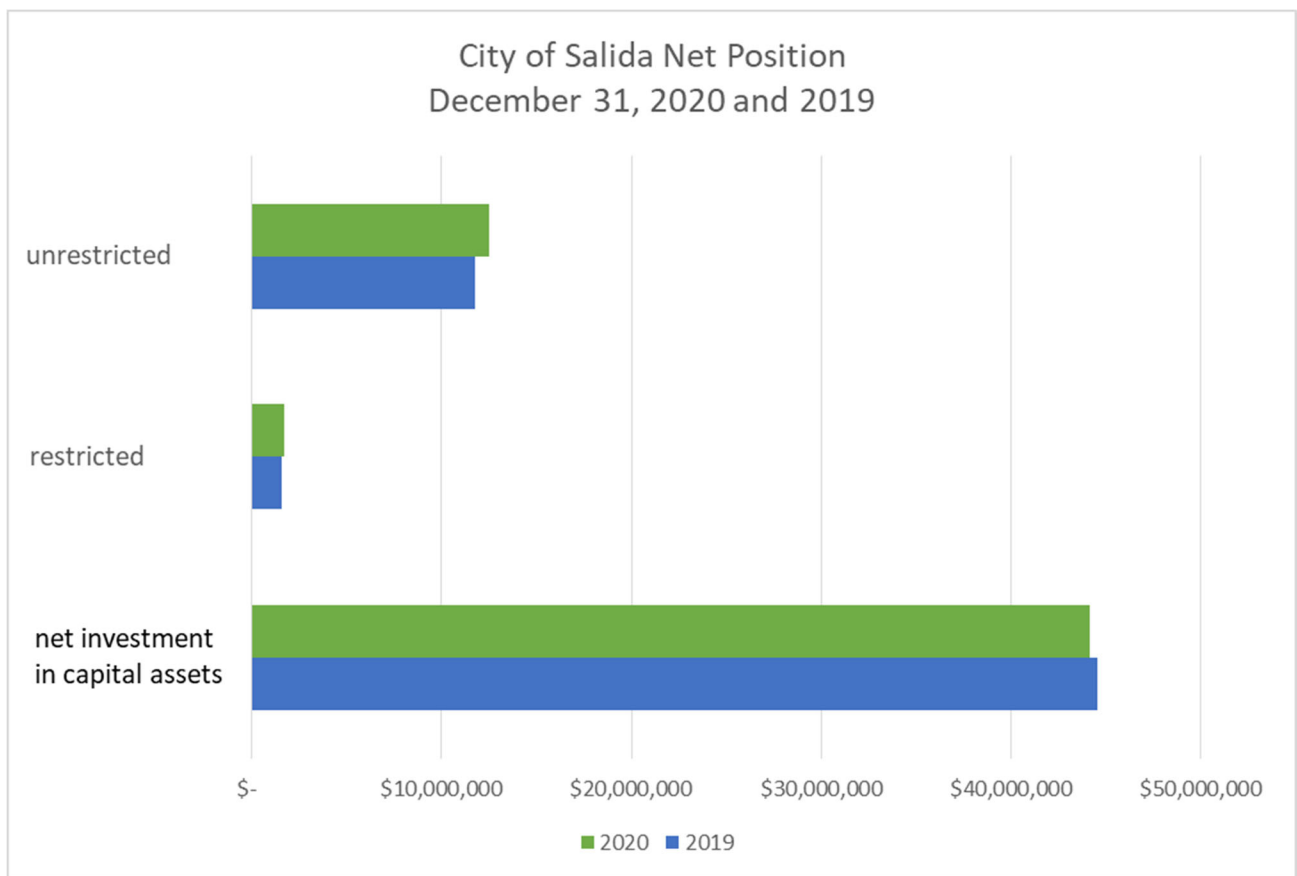
Other liabilities in governmental activities decreased by \$79,347 primarily due to having a lower accounts payable balance.

Long-term liabilities, which consist of bonds, notes, leases, accrued compensated absences and pension liability increased by \$241,206 (1.6%) from the previous year for governmental and business-type activities combined. In 2020 the City of Salida entered into a new capital lease in order to purchase machinery necessary for keeping sewer lines clear. Also, the City changed its personnel policy from a vacation and sick time based benefit to a more modern personal time off (PTO) model and the maximum accrual of paid time off was increased thus causing a higher liability balance.

By far, the largest portion of the City of Salida's net position (75.6%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Salida uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of Salida's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Salida's net position, \$1,705,377 (2.9%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$12,722,201 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of Salida is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.



The City of Salida's overall net position increased by \$482,937 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

City of Salida's Changes in Net Position

	<u>Governmental Activities</u>		<u>Business-type activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Revenues:						
Program revenues						
Charges for service	\$ 931,322	\$ 947,631	\$ 3,416,158	\$ 3,517,281	\$ 4,347,480	\$ 4,464,912
Operating grants and contributions	648,226	104,538	-	903	648,226	105,441
Capital grants and contributions	28,944	371,830	1,283,573	1,198,157	1,312,517	1,569,987
General revenues:						
Taxes	11,352,085	9,990,335			11,352,085	9,990,335
Unrestricted investment earnings	79,103	115,718	98,662	113,413	177,765	229,131
Other	159,024	94,069			159,024	94,069
Total revenues	13,198,704	11,624,121	4,798,393	4,829,754	17,997,097	16,453,875
Expenses:						
General government	2,515,773	915,020			2,515,773	915,020
Public safety	4,389,355	3,509,183			4,389,355	3,509,183
Public works/streets	2,862,257	3,445,982			2,862,257	3,445,982
Culture, parks and recreation	2,812,178	2,044,294			2,812,178	2,044,294
Interest on long term debt	41,070	42,165			41,070	42,165
Water			2,194,312	1,799,018	2,194,312	1,799,018
Sewer			2,699,215	2,434,702	2,699,215	2,434,702
Event center			-	747,091	-	747,091
Total expenses	12,620,633	9,956,644	4,893,527	4,980,811	17,514,160	14,937,455
Increase (decrease) in net position before transfers	578,071	1,667,477	(95,134)	(151,057)	482,937	1,516,420
Transfers	1,732,313	575,280	(1,732,313)	(575,280)	-	-
Increase (decrease) in net position	2,310,384	2,242,757	(1,827,447)	(726,337)	482,937	1,516,420
Net position-beginning	32,001,435	29,758,678	25,876,157	26,602,494	57,877,592	56,361,172
Net position-ending	\$ 34,311,819	\$ 32,001,435	\$ 24,048,710	\$ 25,876,157	\$ 58,360,529	\$ 57,877,592

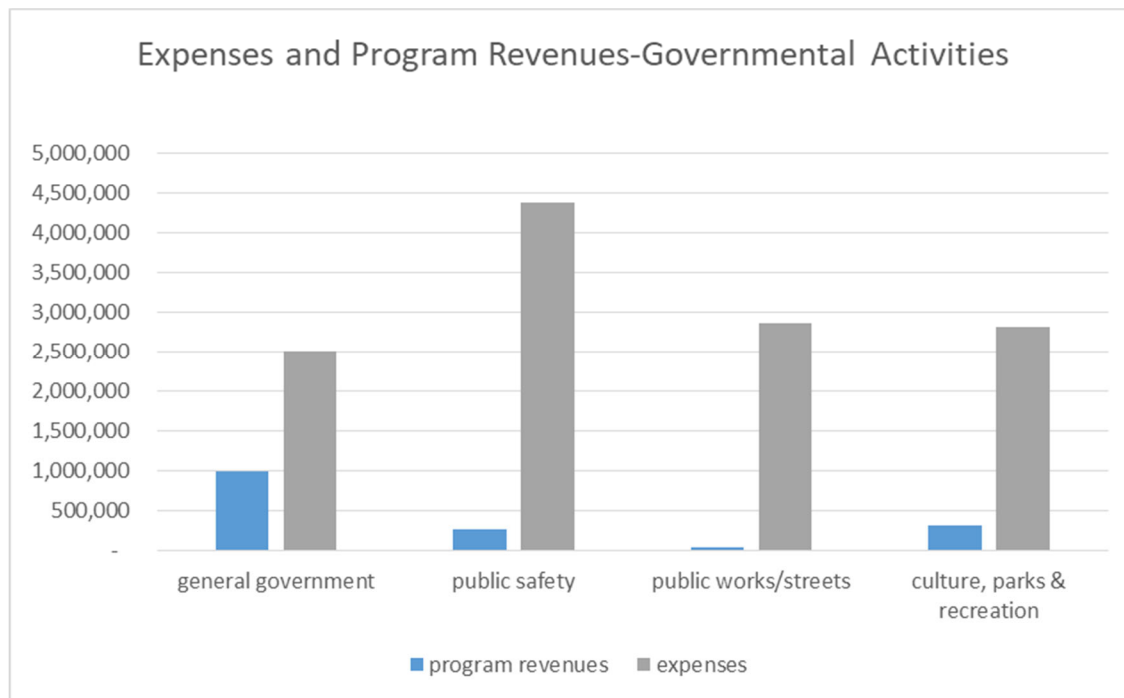
Governmental Activities. During the current fiscal year, net position for governmental activities increased \$2,310,384 from the prior fiscal year for an ending balance of \$34,311,819. \$1,732,313 of this increase can be attributed to transferring the net assets of the SteamPlant Event center, previously a "business-type" activity, into the governmental activities

classification as the amount of general fund support to the event center activities warranted this change in classification.

Revenues increased \$1,574,583 from the prior year due mostly to strong tax revenues. Taxes (primarily sales and lodging) remain the largest source of revenue at \$11,352,085 for the year.

Expenses grew during the current year, increasing from \$9,956,644 in the prior year to \$12,620,633 in the current year, an increase of \$2,663,989. In 2020, approximately \$995,999 more non-capitalized spending on infrastructure maintenance for general government was performed versus in 2019. In addition, \$454,799 more was spent in Economic Development efforts during 2020 to help businesses impacted by the pandemic. The City of Salida utilized federal government relief program funding in order to make this additional spending possible. Finally, expenses of \$542,361 for the Arts and Culture Department (previously classified as a business-type activity) were recorded here for the first time in 2020.

As shown in the chart below, direct revenues generated by the City of Salida's programs are not sufficient to cover the costs. The City of Salida relies on sales tax, lodging tax, and other general revenues to cover the costs associated with various programs.



Business-type Activities. For the City of Salida's business-type activities, net position decreased to an ending balance of \$24,048,710. The total decrease in net position for business-type activities (water and sewer) was \$1,827,447 from the prior fiscal year and can primarily be explained by the transfer of net assets to the governmental activities classification from the SteamPlant Event Center (now known as the Arts & Culture Department).

Financial Analysis of Governmental Funds

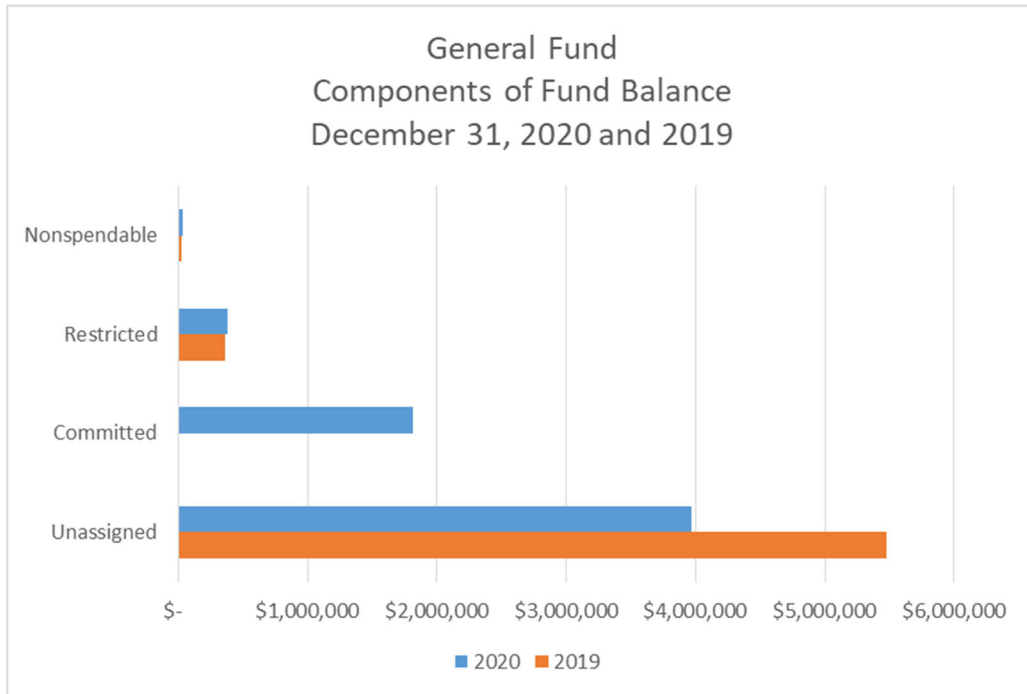
As noted earlier, the City of Salida uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the City of Salida's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Salida's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party or the City of Salida itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Salida City Council.

At December 31, 2020, the City of Salida's governmental funds reported combined fund balances of \$7,397,949, an increase of \$854,223 in comparison with the prior year. Of this amount, \$6,663,132, or 90.1% constitutes *unassigned and committed fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is either *nonspendable or restricted* to indicate that it is 1) not in spendable form (\$64,172), 2) legally required to be maintained intact (\$380,000), or 3) restricted for particular purposes (\$290,645).

Analysis of Individual Funds

The general fund is the chief operating fund of the City of Salida. At the end of the current fiscal year, unassigned fund balance of the general fund was \$5,774,454, while total fund balance increased to \$6,191,526. As a measure of the general fund's liquidity, it may be useful to compare both unrestricted (combination of unassigned and committed) fund balance and total fund balance to total general fund expenditures. Unrestricted fund balance represents approximately 66.1% percent of total general fund expenditures, while total fund balance represents approximately 70.9% of that same amount.



The fund balance of the general fund increased by \$329,089 during the current fiscal year. The increase was due to strong sales tax collections which offset other reductions in income related to imposing restrictions on various fee generating activities during the pandemic. A portion of the previously unassigned fund balance was moved to committed fund balance which discloses the level required by Council to be held as an operating reserve according to their newly revisited fund balance policy.

The Street Fund, a major fund, had a \$343,070 increase in fund balance during the current fiscal year which put the overall fund balance to \$623,628. The Street Fund is a relatively new fund established in 2017 by a vote of the people and financed by a reallocation of sales tax out of the General Fund and into the Street Fund. Depending on maintenance and improvement needs, the street fund expenses can vary from year to year. Many projects take years to complete and fund balance can accumulate to pay for future project needs.

Proprietary Funds. The City of Salida's proprietary funds Statement of Net Position on page C7 provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of the year was \$4,249,496 and for the Wastewater (Sewer) Fund was \$2,198,513. The total growth (decline) in net position for each of the funds was \$278,555 and (\$373,689) respectively. Water and Sewer fund service fees were increased for the first time since 2016 resulting in a slight increase in revenues in spite of relatively flat usage. Infrastructure maintenance projects performed in 2020 were fairly routine in nature and the change in net position was at an anticipated level with the wastewater fund running a slight deficit which was covered by reserves.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, the general fund budget was amended for the purpose of setting up the Arts & Culture Department in the same amount as the budget originally established for the SteamPlant Event Center, a proprietary fund. The SteamPlant Events Center relied heavily on general fund support and did not qualify as a proprietary fund. The City of Salida appropriates its budget in total by fund and line items within the general fund can be reallocated without a formal amendment as long as the total appropriation is not changed.

Final budget compared to actual results. The most significant differences between budgeted revenues and actual revenues in the General Fund were as follows:

Revenue source	Final Budget	Actual revenues	Difference
Sales Tax	\$ 3,950,000	\$ 4,479,518	\$ 529,518
Sales Tax - County shared	2,100,000	2,580,358	\$ 480,358
Charges for Service - Hot Springs Pool	475,000	176,971	\$ (298,029)
Charges for Service - Arts & Culture	430,500	105,426	\$ (325,074)

The shortfalls in the above revenue sources were caused by the COVID-19 restrictions placed on all public places. The pool was closed for a portion of the year and attendance was restricted during the remainder of the year. All events typically hosted by the Arts & Culture department were cancelled and most venues were rarely open to the public.

The City of Salida has struggled to understand the positive sales tax results in spite of the pandemic and city-wide closures. As mentioned earlier, it is assumed that local citizens stocked up on supplies shopping locally and online, and tourism in the community remained high as people gravitated to areas where camping and other “safe” recreational activities are abundant. Those visitors purchased from local retail establishments that remained open in Salida. The retail NAICS industry sector is always Salida’s strongest sector but did especially well during 2020.

Capital Assets and Debt Administration

Capital assets. The City of Salida’s capital assets for its governmental and business-type activities as of December 31, 2020, amount to \$57,769,470 (net of accumulated depreciation/amortization). Capital assets includes land, water rights, buildings, park land and improvements, water and sewer lines, infrastructure and software and other intangibles. The total decrease in capital assets for the current fiscal year was 1.1% as current year depreciation exceeded additions to capital assets.

City of Salida's Capital Assets (net of depreciation/amortization)

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 4,722,477	\$ 4,722,477	\$ 89,435	\$ 89,435	\$ 4,811,912	\$ 4,811,912
Water rights			1,391,521	1,391,521	1,391,521	1,391,521
Construction in progress	411,889	176,022	150,965	48,945	562,854	224,967
Buildings	7,540,067	6,115,223		-	7,540,067	6,115,223
Park land and improvements	3,075,156	3,030,367	409,615	536,877	3,484,771	3,567,244
Lines			8,659,350	8,925,251	8,659,350	8,925,251
Structures			9,490,540	11,559,168	9,490,540	11,559,168
Equipment & Vehicles	1,750,794	1,763,591	9,061,021	9,152,453	10,811,815	10,916,044
Infrastructure	11,010,271	10,867,998			11,010,271	10,867,998
Software and other intangibles	6,369	9,145			6,369	9,145
	<u>\$ 28,517,023</u>	<u>\$ 26,684,823</u>	<u>\$ 29,252,447</u>	<u>\$ 31,703,650</u>	<u>\$ 57,769,470</u>	<u>\$ 58,388,473</u>

As discussed previously, the Arts & Culture Fund previously classified as a business type activity is now within governmental activities. A net total of \$1,829,338 in assets shown in the chart above were accordingly moved from the business-type activities section to the General Government section. Major capital asset events during the current fiscal year included the following:

- Locker room upgrade at the pool at a cost of \$158,000
- Parking expansion at Centennial Park at a cost of \$158,704.
- Street and sidewalk reconstruction at Centennial Park & Holman Street at a cost of \$468,432.
- Various street reconstruction projects at Blake Street, G Street and 1st to Sackett at a cost of \$488,258.
- Expansion of the biosolids concrete slab at the wastewater plant at a cost of \$136,992.
- Purchase of a vac-con combination machine and camera truck necessary for sewer line maintenance at a cost of \$542,177. This purchase was financed utilizing a capital lease.

Long-term Debt. At the end of the current fiscal year, the City of Salida had total debt outstanding of \$13,631,912. Of this amount, \$11,155,058 are notes payable, \$1,035,000 is a revenue bond and \$1,441,854 are Leases Payable.

City of Salida's Outstanding Debt

	Governmental activities		Business-type activities		Total	
	2020	2019	2020	2019	2020	2019
Notes payable	\$ -	\$ -	\$ 11,155,058	\$ 11,430,030	\$ 11,155,058	\$ 11,430,030
Revenue bonds	-	-	1,035,000	1,170,000	1,035,000	1,170,000
Leases payable	974,656	1,187,151	467,198	-	1,441,854	1,187,151
	<u>\$ 974,656</u>	<u>\$ 1,187,151</u>	<u>\$ 12,657,256</u>	<u>\$ 12,600,030</u>	<u>\$ 13,631,912</u>	<u>\$ 13,787,181</u>

The City of Salida's total debt decreased by \$155,269 (1.1%) as debt payments exceeded the proceeds of a new lease for capital equipment in the Wastewater fund for \$542,177.

Additional information on the City of Salida's long-term debt can be found on page D15 in the Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budgets and Rates

The following economic factors currently affect the City of Salida and were considered in developing the 2020 fiscal year budget.

- 2020 city sales tax rose 16.1% over the previous year. Due to unknowns surrounding the pandemic, the 2021 budget conservatively anticipates a slight reduction in sales tax revenues.
- A rate study was performed in 2020 which calls for an annual increase of 2.58% for water usage fees and 8.85% for wastewater fees which is necessary for properly maintaining this important infrastructure.
- The actual value of all real property within the City per the County Assessor increased 2.1% in 2020 over the previous year.
- According to Zillow.com, average home values in Salida are \$435,526, up 6.0% from the previous year.
- The most recent population estimate for Salida (2019) according to the U.S. Census Bureau is 6,082 which is a 15.9% increase from the April 1, 2010 census.

During the current fiscal year, the unassigned fund balance in the general fund was \$5,774,454. The City of Salida has appropriated \$2,170,738 of this amount for spending in the 2021 fiscal year budget for the purpose of investing in some community projects that will ensure our infrastructure is healthy and that we have the amenities to continue to attract tourists.

Request for Information

This financial report is designed to provide a general overview of the City of Salida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Aimee.Tihonovich@CityofSalida.com.

PRELIMINARY DRAFT

GOVERNMENT-WIDE FINANCIAL STATEMENTS

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Statement of Net Position
December 31, 2020

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments	5,820,580	6,082,752	11,903,332
Restricted cash	-	1,034,732	1,034,732
Receivables (net of allowance)	2,299,573	651,363	2,950,936
Prepays	64,172	29,842	94,014
Net pension asset	145,713	-	145,713
Capital assets not being depreciated:			
Land and right-of-way	4,722,477	89,435	4,811,912
Water rights	-	1,391,521	1,391,521
Construction in progress	411,889	150,965	562,854
Capital assets being depreciated, net of accumulated depreciation	23,382,657	27,620,526	51,003,183
Total Assets	36,847,061	37,051,136	73,898,197
Deferred Outflows of Resources:			
Deferred outflows related to pensions	1,078,992	-	1,078,992
Liabilities:			
Accounts payable and other current liabilities	576,784	134,586	711,370
Retainage payable	175,385	29,222	204,607
Interest payable	-	72,208	72,208
Unearned revenue	34,205	42,000	76,205
Noncurrent liabilities:			
Due within one year	312,770	511,022	823,792
Due in more than one year	939,107	12,213,388	13,152,495
Net pension liability	1,234,184	-	1,234,184
Total Liabilities	3,272,435	13,002,426	16,274,861
Deferred Inflows of Resources:			
Deferred inflows related to pensions:	341,799	-	341,799
Net Position:			
Net investment in capital assets	27,366,982	16,565,969	43,932,951
Restricted for:			
Emergencies	380,000	-	380,000
Parks and recreation	290,645	-	290,645
Debt service	-	1,034,732	1,034,732
Unrestricted	6,274,192	6,448,009	12,722,201
Total Net Position	34,311,819	24,048,710	58,360,529

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

CITY OF SALIDA, COLORADO
Statement of Activities
For the Year Ended December 31, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	2,515,773	334,350	628,185	21,846	(1,531,392)	-	(1,531,392)
Public safety	4,389,355	250,794	12,876	-	(4,125,685)	-	(4,125,685)
Public works/Streets	2,862,257	35,033	-	7,098	(2,820,126)	-	(2,820,126)
Culture, parks and recreation	2,812,178	311,145	7,165	-	(2,493,868)	-	(2,493,868)
Interest on long-term debt	41,070	-	-	-	(41,070)	-	(41,070)
Total governmental activities	12,620,633	931,322	648,226	28,944	(11,012,141)	-	(11,012,141)
Business-type activities:							
Water	2,194,312	1,859,763	-	557,846	-	223,297	223,297
Sewer	2,699,215	1,556,395	-	725,727	-	(417,093)	(417,093)
Total business-type activities	4,893,527	3,416,158	-	1,283,573	-	(193,796)	(193,796)
Total Primary Government	17,514,160	4,347,480	648,226	1,312,517	(11,012,141)	(193,796)	(11,205,937)
General revenues:							
Taxes:							
Sales taxes					7,723,299	-	7,723,299
Sales taxes - County					2,580,358	-	2,580,358
Franchise taxes					329,232	-	329,232
Occupation taxes					349,513	-	349,513
Other taxes					369,683	-	369,683
Unrestricted investment earnings					79,103	98,662	177,765
Miscellaneous					159,024	-	159,024
Transfers					1,732,313	(1,732,313)	-
Total general revenues, special items, and transfers					13,322,525	(1,633,651)	11,688,874
Change in Net Position					2,310,384	(1,827,447)	482,937
Net position - beginning					32,001,435	25,876,157	57,877,592
Net position - ending					34,311,819	24,048,710	58,360,529

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

FUND FINANCIAL STATEMENTS

CITY OF SALIDA, COLORADO
Balance Sheet
Governmental Funds
December 31, 2020

	General Fund	Street Fund	Capital Improvement Fund	Economic Development Fund	Lodging Tax Fund	Conservation Trust Fund	Housing Fund	Total Governmental Funds
Assets								
Cash and cash equivalents	4,494,392	833,396	131,406	-	-	290,645	70,741	5,820,580
Receivables, net:								
Taxes receivable	1,852,712	-	-	-	-	-	-	1,852,712
Accounts receivable	12,504	15,108	-	-	-	-	-	27,612
Intergovernmental	57,097	-	21,846	340,306	-	-	-	419,249
Due from other funds	204,901	-	-	-	-	-	-	204,901
Prepaid items	37,072	-	-	27,100	-	-	-	64,172
Total Assets	<u>6,658,678</u>	<u>848,504</u>	<u>153,252</u>	<u>367,406</u>	<u>-</u>	<u>290,645</u>	<u>70,741</u>	<u>8,389,226</u>
Liabilities:								
Accounts payable	350,544	51,119	94,348	-	-	-	-	496,011
Retainage payable	4,632	170,753	-	-	-	-	-	175,385
Due to other funds	-	-	-	204,901	-	-	-	204,901
Accrued wages and benefits	33,543	3,004	-	-	-	-	-	36,547
Accrued liabilities	686	-	-	-	-	-	-	686
Customer deposits	43,542	-	-	-	-	-	-	43,542
Unearned revenue	34,205	-	-	-	-	-	-	34,205
Total Liabilities	<u>467,152</u>	<u>224,876</u>	<u>94,348</u>	<u>204,901</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>991,277</u>
Fund Balances								
Nonspendable	37,072	-	-	27,100	-	-	-	64,172
Restricted for:								
Parks and recreation	-	-	-	-	-	290,645	-	290,645
Emergencies	380,000	-	-	-	-	-	-	380,000
Committed to:								
Operating reserve	1,809,178	144,982	-	30,309	-	-	-	1,984,469
Capital outlay	-	-	58,904	-	-	-	-	58,904
Public works	-	478,646	-	-	-	-	-	478,646
Community and economic development	-	-	-	105,096	-	-	-	105,096
Affordable housing	-	-	-	-	-	-	70,741	70,741
Unassigned	3,965,276	-	-	-	-	-	-	3,965,276
Total Fund Balances	<u>6,191,526</u>	<u>623,628</u>	<u>58,904</u>	<u>162,505</u>	<u>-</u>	<u>290,645</u>	<u>70,741</u>	<u>7,397,949</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>6,658,678</u>	<u>848,504</u>	<u>153,252</u>	<u>367,406</u>	<u>-</u>	<u>290,645</u>	<u>70,741</u>	<u>8,389,226</u>

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

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
For the Year Ended December 31, 2020

Total fund balances - governmental funds	7,397,949	
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.		
Governmental capital assets	48,348,379	
Accumulated depreciation	<u>(19,831,356)</u>	
		28,517,023
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		
Capital leases	(974,654)	
Net pension liability	(1,234,184)	
Compensated absences	<u>(277,221)</u>	
		(2,486,059)
Deferred outflows and inflows of resources related to pensions and net pension assets are applicable to future reporting periods and therefore are not reported in the funds.		
Deferred outflows of resources	1,078,992	
Deferred inflows of resources	(341,799)	
Net pension asset	<u>145,713</u>	
		882,906
Total net position - governmental activities		<u><u>34,311,819</u></u>

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

CITY OF SALIDA, COLORADO
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
For the Year Ended December 31, 2020

	General Fund	Street Fund	Capital Improvement Fund	Economic Development Fund	Lodging Tax Fund	Conservation Trust Fund	Housing Fund	Total Governmental Funds
REVENUES								
Taxes	4,823,474	2,471,456	617,864	154,466	349,513	-	-	8,416,773
Intergovernmental	3,022,161	212,445	21,846	440,338	-	61,126	-	3,757,916
Charges for services	501,264	-	-	-	-	-	70,741	572,005
Fines and forfeitures	47,791	-	-	-	-	-	-	47,791
Interest revenue	75,678	-	-	-	-	3,416	-	79,094
Insurance proceeds	90,788	-	-	-	-	-	-	90,788
Other revenues	249,865	2,067	-	-	-	-	-	251,932
Total Revenues	8,811,021	2,685,968	639,710	594,804	349,513	64,542	70,741	13,216,299
EXPENDITURES								
Current:								
General government	1,674,972	-	-	576,033	-	-	-	2,251,005
Public safety	3,624,359	-	-	-	-	-	-	3,624,359
Public works/streets	560,638	731,868	-	-	-	-	-	1,292,506
Culture, parks and recreation	2,180,966	-	-	-	-	-	-	2,180,966
Capital outlay	439,920	1,611,030	601,700	-	-	10,000	-	2,662,650
Debt service:								
Principal	212,495	-	-	-	-	-	-	212,495
Interest and fiscal charges	41,070	-	-	-	-	-	-	41,070
Total Expenditures	8,734,420	2,342,898	601,700	576,033	-	10,000	-	12,265,051
Excess of Revenues Over (Under) Expenditures	76,601	343,070	38,010	18,771	349,513	54,542	70,741	951,248
Other Financing Sources (Uses):								
Transfers in	252,488	-	-	-	-	-	-	252,488
Transfers out	-	-	-	-	(349,513)	-	-	(349,513)
Total Other Financing Sources (Uses)	252,488	-	-	-	(349,513)	-	-	(97,025)
Net change in fund balances	329,089	343,070	38,010	18,771	-	54,542	70,741	854,223
Fund balances, beginning of year	5,862,437	280,558	20,894	143,734	-	236,103	-	6,543,726
Fund balances, end of year	6,191,526	623,628	58,904	162,505	-	290,645	70,741	7,397,949

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

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
For the Year Ended December 31, 2020

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

Net change in fund balances - total governmental funds		854,223
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation expense and capital outlays in the current period.		
Capital outlay	1,780,220	
Depreciation expense	<u>(1,730,534)</u>	49,686
Governmental fund reports the loss from the sale of capital assets as an expense. However, in the statement of activities, the loss on the sale of capital assets is reported net of its net book value.		(46,824)
Repayment of long term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		212,495
A transfer of capital assets from government-type activities to business-type activities is not reported in the governmental funds but is reported as an interfund transfer in governmental activities.		1,829,339
Pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension liability is measured a year before the City's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
Pension expense	<u>(385,670)</u>	(385,670)
Compensated absences 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.		(202,865)
Change in net position of governmental activities		<u><u>2,310,384</u></u>

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

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2020

	Water	Sewer	SteamPlant Event Center	Combined Total
Assets				
Current assets:				
Cash	3,920,381	2,162,371	-	6,082,752
Restricted cash	-	1,034,732	-	1,034,732
Receivables (net of allowance)	372,694	270,669	-	643,363
Due from other governments	8,000	-	-	8,000
Prepays	28,602	1,240	-	29,842
Total current assets	4,329,677	3,469,012	-	7,798,689
Capital assets:				
Land	49,772	39,663	-	89,435
Water rights	1,391,521	-	-	1,391,521
Construction in progress	5,498	145,467	-	150,965
Plant and equipment	18,099,061	27,475,121	-	45,574,182
Accumulated depreciation	(7,813,796)	(10,139,860)	-	(17,953,656)
Total capital assets	11,732,056	17,520,391	-	29,252,447
Total Assets	16,061,733	20,989,403	-	37,051,136
Liabilities				
Current liabilities:				
Accounts payable	39,209	86,636	-	125,845
Accrued wages and benefits	4,170	4,571	-	8,741
Retainage payable	-	29,222	-	29,222
Interest payable	2,404	69,804	-	72,208
Unearned revenue	-	42,000	-	42,000
Accrued compensated absences - current	11,466	10,919	-	22,385
Loans, leases and bonds payable - current	196,359	292,278	-	488,637
Total current liabilities	253,608	535,430	-	789,038
Noncurrent liabilities:				
Accrued compensated absences	22,932	21,837	-	44,769
Loans, leases and bonds payable	1,547,628	10,620,991	-	12,168,619
Total noncurrent liabilities	1,570,560	10,642,828	-	12,213,388
Total liabilities	1,824,168	11,178,258	-	13,002,426
Net Position				
Net investment in capital assets	9,988,069	6,577,900	-	16,565,969
Restricted for debt service	-	1,034,732	-	1,034,732
Committed for operating reserve	440,698	533,902	-	974,600
Unrestricted	3,808,798	1,664,611	-	5,473,409
Total net position	14,237,565	9,811,145	-	24,048,710

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

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Water	Wastewater	SteamPlant Event Center	Combined Total
Operating Revenues				
Charges for services	1,859,515	1,456,095	-	3,315,610
Other revenues	248	100,300	-	100,548
Total operating revenues	<u>1,859,763</u>	<u>1,556,395</u>	<u>-</u>	<u>3,416,158</u>
Operating Expenses				
Administrative	164,923	141,510	-	306,433
Operations	588,928	1,018,425	-	1,607,353
Public Works	910,706	318,296	-	1,229,002
Depreciation	496,906	940,346	-	1,437,252
Total operating expenses	<u>2,161,463</u>	<u>2,418,577</u>	<u>-</u>	<u>4,580,040</u>
Operating Income (loss)	<u>(301,700)</u>	<u>(862,182)</u>	<u>-</u>	<u>(1,163,882)</u>
Non-Operating Revenues (Expenses)				
Interest income	55,258	43,404	-	98,662
Interest expense and fiscal charges	(32,849)	(280,638)	-	(313,487)
Total non-operating revenue (expenses)	<u>22,409</u>	<u>(237,234)</u>	<u>-</u>	<u>(214,825)</u>
Income (loss) before contributions and transfers	(279,291)	(1,099,416)	-	(1,378,707)
Capital Contributions, Grants and Transfers:				
Development fees and other capital revenue	549,841	725,727	-	1,275,568
Capital grants	8,005	-	-	8,005
Transfers (out)	-	-	(1,732,313)	(1,732,313)
Total capital contributions, grants and transfers	<u>557,846</u>	<u>725,727</u>	<u>(1,732,313)</u>	<u>(448,740)</u>
Change in net position	278,555	(373,689)	(1,732,313)	(1,827,447)
Net Position, beginning of year	<u>13,959,010</u>	<u>10,184,834</u>	<u>1,732,313</u>	<u>25,876,157</u>
Net position, end of year	<u><u>14,237,565</u></u>	<u><u>9,811,145</u></u>	<u><u>-</u></u>	<u><u>24,048,710</u></u>

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

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Water	Sewer	SteamPlant Event Center	Combined Total
Cash Flows From Operating Activities:				
Cash received from customers, service fees	1,797,808	1,544,919	-	3,342,727
Cash received from customers, other	-	-	(24,816)	(24,816)
Cash paid to suppliers	(1,017,659)	(1,042,498)	(51,807)	(2,111,964)
Cash paid to employees	(615,509)	(648,937)	(20,402)	(1,284,848)
Net Cash Provided by Operating Activities	164,640	(146,516)	(97,025)	(78,901)
Cash Flows From Noncapital Financing Activities:				
Transfers from/(to) other funds	-	-	97,025	97,025
Net cash flows from noncapital and financing activities	-	-	97,025	97,025
Cash Flows From Capital and Related Financing Activities:				
Purchase of capital assets	(105,964)	(708,481)	-	(814,445)
Principal paid on long-term debt	(194,655)	(290,296)	-	(484,951)
Interest paid	(31,390)	(277,468)	-	(308,858)
Debt proceeds	-	542,177	-	542,177
Development fees and other capital revenue	549,841	725,727	-	1,275,568
Capital grants	160,367	-	-	160,367
Net cash flows from capital and related financing activities	378,199	(8,341)	-	369,858
Cash Flows From Investing Activities				
Interest on investments	55,258	43,404	-	98,662
Net change in cash and cash equivalents	598,097	(111,453)	-	486,644
Cash and cash equivalents, beginning of year	3,322,284	3,308,556	-	6,630,840
Cash and Cash Equivalents, End of Year	3,920,381	3,197,103	-	7,117,484
Reconciliation of Operating Income to net cash provided by operating activities:				
Net operating income/(loss)	(301,700)	(862,182)	-	(1,163,882)
Adjustments to reconcile net income/(loss) to net cash provided by operating activities				
Depreciation/amortization	496,906	940,346	-	1,437,252
Changes in operating assets and liabilities				
(Increase)/decrease in accounts receivable	(61,956)	4,526	-	(57,430)
(Increase)/decrease in prepaids	(635)	(761)	4,900	3,504
Increase/(decrease) in payables	1,747	(242,619)	(56,707)	(297,579)
Increase/(decrease) in accrued liabilities	30,278	30,174	(20,402)	40,050
Increase/(decrease) in unearned revenue	-	(16,000)	(24,816)	(40,816)
Total adjustments	466,340	715,666	(97,025)	1,084,981
Net cash flows from operating activities	164,640	(146,516)	(97,025)	(78,901)

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

NOTES TO THE FINANCIAL STATEMENTS

I. Summary of Significant Accounting Policies

The City of Salida, Colorado (the "City"), was incorporated under the laws of the State of Colorado. An elected Mayor and City Council are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The City's major operations include police and fire protection, road maintenance, utilities, culture and recreation.

The City's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the City are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the City, and (b) organizations for which the City is financially accountable. The City is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. Consideration is also given to other organizations, which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the City. Organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the City is not financially accountable to any other entity and the City is not a component unit of any other government.

B. Government-wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The City's police and fire protection, road maintenance, culture and recreation, and administration are classified as governmental activities. The City's utilities are classified as business activities.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (public safety, highways and streets, utilities, etc.). The functions are also supported by general government revenues (Sales and franchise taxes, intergovernmental revenue, fines and permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, roads, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (sales and franchise taxes, interest income, etc.).

The government-wide focus is on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

2. Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budget compliance.

The City reports the following major governmental funds:

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

The City reports the following special revenue funds:

The *Streets Fund* accounts for sales taxes to be used solely for the construction, operating, maintenance and repair of city streets and street-related infrastructure.

The *Capital Improvement Fund* accounts for sales taxes to be used to provide capital improvements, other than streets.

The *Economic Development Fund* accounts for sales taxes to be used for economic development purposes.

The *Lodging Tax Fund* accounts for revenues derived from lodging taxes to be used primarily for capital improvements and operations expenses for parks and recreation and arts facilities.

The *Conservation Trust Fund* accounts for lottery proceeds required to be expended solely on park and recreation improvements.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

2. Fund Financial Statements (Continued)

The *Housing Fund* accounts for inclusionary housing fee in lieu revenues required to be expended on affordable housing projects.

The City reports the following proprietary or business-type funds:

The *Water Fund* accounts for the delivery of water to the citizens of the City.

The *Wastewater Fund* accounts for sewer service to the citizens of the City.

The *SteamPlant Event Center Fund* accounts for event rentals and sales of art pieces. The Fund was transferred to the General Fund as of December 31, 2020.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (within 60 days after December 31). Sales taxes, intergovernmental revenues, other taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers for goods and services provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

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

D. Financial Statement Accounts

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the City.

Investments are stated at fair value, net asset value, or amortized cost. The change in fair value, net asset value, or amortized cost of investments is recognized as an increase or decrease to investment assets and investment income.

Colorado state statutes permit investments in the following type of obligations:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Corporate Bonds (maximum maturity of 36 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts

2. Receivables

Receivables are reported net of an allowance for uncollectible accounts.

3. Interfund Receivables and Payables

Balances at year-end between funds are reported as “due to / from other funds” in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as “internal balances” in the government-wide financial statements.

4. Prepaid Expenses

Prepaid expenses are amounts paid in the current year for expenses related to subsequent years.

5. Inventory

Inventory consists of supplies for the City’s use and is carried at cost using the first-in, first-out method.

6. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets constructed in the business-type activities.

Infrastructure, buildings, and equipment are depreciated using the straight line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Infrastructure	40
Buildings and improvements	20 - 40
Distribution systems	10 - 50
Equipment and vehicles	5 - 10

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

7. Compensated Absences

Earned but unused paid time off benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for the amounts is reported in governmental funds only if they are required to be paid out within 60 days of year-end.

8. Pensions

The City participates in the Statewide Defined Benefit Plan, administered by the Fire and Police Pension Association of Colorado ("FPPA"). The Statewide Defined Benefit Plan is a cost-sharing multiple-employer defined benefit pension plan. The City also sponsors the fire and police "old hire" single employer defined plan. The net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Deferred Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has one item that qualifies for reporting in this category, which is the pension-related deferred outflows reported in the government-wide statement of net position.

10. Deferred Inflows of Resources

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for this type of reporting, pension-related deferred inflows.

11. Fund Balance

The City classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

11. Fund Balance (continued)

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority which is the City Council.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Council or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City requires restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has adopted a minimum fund balance policy, which includes the following requirements:

1. A General Fund reserve of 25% of the previous year's operating expenditures. Amount may be modified by Council upon analysis of trends and forecast along with any likely or known factors that would reduce the City's revenue.
2. A Street Fund reserve of 25% of the previous year's operating expenditures. Amount may be modified by Council upon analysis of trends and forecast along with any likely or known factors that would reduce the City's revenue. It is possible that this fund balance could grow as funds are saved up for large maintenance projects.
3. An Economic Development reserve of 25% of previous year's operating expenditures.
4. A Water and Wastewater reserve of 25% of the previous year's operating expenditures should be maintained for operations. For capital, reserves should accumulate for future debt service payments and in anticipation of future capital needs.

E. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

The governmental fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that “Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds”. The \$28,517,023 difference is related to capital assets of \$48,348,379 less accumulated depreciation of \$19,831,356.

B. Explanation of certain differences between the governmental fund Statement of Revenue, Expenditures and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes reconciliation between *net change in fund balances of governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities.

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

As required by Colorado Statutes, the City followed the required timetable noted below in preparing, approving, and enacting its budget for 2020.

1. The Mayor, or other qualified person appointed by the Council, submitted to the Council, on or before October 15, 2019, a recommended budget which detailed available revenues to meet the City's operating requirements.
2. Prior to December 15, 2019, a public hearing was held for the budget, and the Council adopted the proposed budget and an appropriating ordinance that legally appropriated expenditures for the upcoming year.
3. After adoption of the budget resolution, the City may make the following changes:
a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

For the year ended December 31, 2020, expenditures exceeded appropriations in the Sewer fund by \$238,386. This may be a violation of Colorado budget law.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The City has reserved \$380,000, which is the approximate required reserve at December 31, 2020.

The City's voters approved a ballot question which will allow the City to collect, retain, and expend the full proceeds of the County's and City's sales and taxes, grants, revenue from the State of Colorado, admission charges from the Salida Hot Springs Swimming Pool, and fines and court costs imposed by the Salida Municipal Court, without increasing or adding taxes of any kind, and notwithstanding any State restrictions on fiscal year spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution, from the date of January 1, 1993, and thereafter.

On November 4, 2008, the City's voters approved the following ballot questions:

"Shall the City of Salida sales tax be increased by not more than \$1,500,000 in the first full fiscal year, and by such additional amounts as are generated annually thereafter, by an increase in City sales tax by one percent (1.0%) from two percent (2.0%) to three percent (3.0%) total, which increase shall take effect on January 1, 2009, and which revenues therefore, together with investment earnings thereon, shall be used solely for construction, operation, maintenance, and repair of roads and other public infrastructure of the City, and shall such revenues be collected by the City as a voter approved revenue change and tax policy change, notwithstanding any applicable revenue or expenditure limitation imposed by Article X, Section 20 of the Colorado Constitution. C.R.S. Section 29-1-301, or any other law, and shall the City of Salida's property tax be repealed?"

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

“Shall the City of Salida’s taxes be increased by an estimated \$800,000 annually (First fiscal year increase) or such other amount that may be collected thereafter by the imposition of an occupational lodging tax on the leasing or renting of rooms or other accommodations in commercial lodging within the City for less than 30 days at a rate of \$4.82 per night per occupied room, commencing January 1, 2009, the proceeds of such tax, together with investment earnings thereon, shall be used primarily for capital improvements and operations expenses for parks and recreation and arts facilities in the City, including, without limitation, the aquatic center and SteamPlant theater, and shall such revenues be collected by the City of Salida as a voter approved revenue change and tax policy change, notwithstanding any revenue or expenditure limitation set forth in Article X, Section 20 of the Colorado Constitution, C.R.S. Section 29-1-301, or any other law?”

On November 7, 2017, the City’s voters approved the following ballot question:

“Without raising tax rates or levying any new tax, shall the City of Salida be authorized to collect, keep and send the revenues it receives from all sources commencing on January 1, 2017 as a voter approved revenue change pursuant to the Article X, Section 20 of the Colorado Constitution.”

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

IV. Detailed Notes on All Funds

A. Deposits and Investments

The City’s deposits are entirely covered by federal depository insurance (“FDIC”) or by collateral held under Colorado’s Public Deposit Protection Act (“PDPA”). The FDIC insures the first \$250,000 of the City’s deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

At December 31, 2020, the City had the following recurring fair value measurements.

Investments Measured at Fair Value	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Certificates of deposit	\$ 730,779	\$ 730,779	\$ -	\$ -
U.S. government agency securities	2,953,454	-	2,953,454	-
U.S. treasuries	2,001,541	-	2,001,541	-
Corporate bonds	564,397	-	564,397	-
Money market	3,688,660	-	3,688,660	-
Total	<u>\$ 9,938,831</u>	<u>\$ 730,779</u>	<u>\$ 9,208,052</u>	<u>\$ -</u>
Investments Measured at Net Asset Value				
CSIP		\$ 328,170		

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Agencies: quoted prices for identical securities in markets that are not active;
- Negotiable Certificates of Deposit: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market Funds: published fair value per share (unit) for each fund.

Debt securities, namely mortgage pools, classified in Level 3 are valued using an appraisal service.

The Investment Pool represents investments in CSIP. The fair value of the pool is determined by the pool's share price. They operate similarly to a money market fund and each share is equal in value to \$1. The City has no regulatory oversight for the pool. At December 31, 2020, the City's investments in CSIP were 3% of the City's investment portfolio respectively.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the City diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The City coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the City has limited its interest rate risk.

Credit Risk. City investment policy limits investments to those authorized by State statutes as listed in Note 1C. The City's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The City diversifies its investments by security type and institution. Financial institutions holding City funds must provide the City a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

The City had the following cash and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Less than one year	Less than five years
<i>Deposits:</i>				
Cash on hand	<i>Not Rated</i>	\$ 3,770	\$ 3,770	\$ -
Checking and savings	<i>Not Rated</i>	2,667,293	2,667,293	-
CD	<i>Not Rated</i>	730,779	570,650	160,130
<i>Investments:</i>				
Pools	<i>AAAm</i>	328,170	328,170	-
U.S. agencies	<i>AA+</i>	2,001,541	2,001,541	-
U.S. treasuries		3,688,660	3,688,660	-
Corporate bonds		2,953,454	1,021,674	1,931,780
Money Market	<i>AAAm</i>	564,397	253,236	311,160
Total		<u>\$ 12,938,064</u>		

The City's cash and investments are presented on the Statement of Net Position as follows:

	Governmental Activities	Business- type Activities	Total
Cash and investments	\$ 5,820,580	\$ 6,082,752	\$ 11,903,332
Restricted cash	-	1,034,732	1,034,732
Total	<u>\$ 5,820,580</u>	<u>\$ 7,117,484</u>	<u>\$ 12,938,064</u>

B. Receivables

Receivables as of December 31, 2020, for the City's funds, including applicable allowances for uncollectible accounts, are as follows:

	General	Street	Capital Improvement	Economic Development	Water	Sewer	Total
Receivables:							
Taxes	\$ 1,852,712	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,852,712
Accounts	12,504	15,108	-	-	372,694	270,669	670,975
Intergovernmental	57,097	-	21,846	340,306	8,000	-	427,249
Gross receivables	<u>1,922,313</u>	<u>15,108</u>	<u>21,846</u>	<u>340,306</u>	<u>380,694</u>	<u>270,669</u>	<u>2,950,936</u>
Less: allowance for uncollectible	-	-	-	-	-	-	-
Net receivables	<u>\$ 1,922,313</u>	<u>\$ 15,108</u>	<u>\$ 21,846</u>	<u>\$ 340,306</u>	<u>\$ 380,694</u>	<u>\$ 270,669</u>	<u>\$ 2,950,936</u>

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

PRELIMINARY DRAFT

IV. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2020 was as follows:

	Beginning Balance	SteamPlant Transfer in	Increases	Decreases	Ending Balance
Governmental Activities:					
Capital assets, not being depreciated:					
Land	\$ 4,722,477	-	-	-	4,722,477
Construction in progress	176,022	-	235,867	-	411,889
Total capital assets, not being depreciated	4,898,499	-	235,867	-	5,134,366
Capital assets, being depreciated:					
Buildings	12,536,536	2,419,024	158,000	-	15,113,560
Park land and improvements	5,275,107	97,189	171,256	-	5,543,552
Vehicles	3,195,190	-	149,109	(143,640)	3,200,659
Equipment	1,832,591	204,422	109,298	(26,664)	2,119,647
Infrastructure	16,229,312	-	956,690	-	17,186,002
Software and other intangibles	50,593	-	-	-	50,593
Total capital assets being depreciated	39,119,329	2,720,635	1,544,353	(170,304)	43,214,013
Less accumulated depreciation for:					
Buildings	(6,421,313)	(756,625)	(395,555)	-	(7,573,493)
Park land and improvements	(2,244,740)	(9,719)	(213,937)	-	(2,468,396)
Vehicles	(2,277,499)	-	(136,012)	101,926	(2,311,585)
Equipment	(986,691)	(124,953)	(167,837)	21,554	(1,257,927)
Infrastructure	(5,361,314)	-	(814,417)	-	(6,175,731)
Software and other intangibles	(41,448)	-	(2,776)	-	(44,224)
Total accumulated depreciation	(17,333,005)	(891,297)	(1,730,534)	123,480	(19,831,356)
Total capital assets, being depreciated, net	21,786,324	1,829,338	(186,181)	(46,824)	23,382,657
Governmental activities capital assets, net	\$ 26,684,823	1,829,338	49,686	(46,824)	28,517,023

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

	Beginning Balance	SteamPlant Transfer out	Increases	Decreases	Ending Balance
Business-type Activities:					
Capital assets, not being depreciated:					
Land	\$ 89,435	-	-	-	89,435
Water rights	1,391,521	-	-	-	1,391,521
Construction in progress	48,946	-	102,019	-	150,965
Total capital assets, not being depreciated	1,529,902	-	102,019	-	1,631,921
Capital assets, being depreciated:					
Lines	14,193,559	-	76,657	(31,544)	14,238,672
Structures	17,831,667	(2,419,024)	75,099	(3,504)	15,484,238
Land improvements	794,455	(97,189)	-	-	697,266
Equipment and vehicles	14,761,768	(204,422)	663,812	(67,152)	15,154,006
Total capital assets being depreciated	47,581,449	(2,720,635)	815,568	(102,200)	45,574,182
Less accumulated depreciation for:					
Lines	(5,268,308)	-	(311,013)	-	(5,579,321)
Structures	(6,272,499)	756,625	(477,824)	-	(5,993,698)
Land improvements	(257,578)	9,719	(39,792)	-	(287,651)
Equipment and vehicles	(5,609,316)	124,953	(608,623)	-	(6,092,986)
Total accumulated depreciation	(17,407,701)	891,297	(1,437,252)	-	(17,953,656)
Total capital assets, being depreciated, net	30,173,748	(1,829,338)	(621,684)	(102,200)	27,620,526
Business-type activities capital assets, net	\$ 31,703,650	(1,829,338)	(519,665)	(102,200)	29,252,447

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

C. Capital Assets (continued)

Depreciation expense was charged to functions of the primary government as follows:

Governmental activities:

General government	\$ 168,782
Public safety	190,744
Public works	895,710
Culture and recreation	475,298
Total depreciation expense - governmental activities	<u>\$ 1,730,534</u>

Business-type activities:

Water	\$ 496,906
Sewer	940,346
Total depreciation expense - business-type activities	<u>\$ 1,437,252</u>

D. Interfund Receivables, Payables, and Transfers

There were no interfund receivables or payables as of December 31, 2020.

Transfers were as follows:

	In	Out	Purpose
General Fund	252,488	-	From Steamplant and Lodging
SteamPlant	-	1,829,338	To Governmental activities
SteamPlant	-	(97,025)	Transfer deficit fund balance to General Fund
Lodging	-	349,513	To fund General Fund
Governmental activities	1,829,338	-	From Steamplant capital assets
Total	<u>\$ 2,081,826</u>	<u>\$ 2,081,826</u>	

E. Long-term Liabilities

1. Lease Purchase – Community Services Complex 2008 and 2009

On September 1, 2008, the City entered into a \$1,975,000 lease purchase agreement with Capital One Public Funding. The lease payments were amended in March 2012 and requires monthly payments of \$13,486 and bears an interest rate of 3.40%. The lease matures on February 15, 2026. Proceeds from the lease were used for construction of a new police station and are secured by the land on which the station was constructed.

2. Lease Purchase – Equipment

On August 3, 2018, the City entered into a \$161,723 lease to purchase radio equipment for the Police, Fire, and Public Works departments. The lease requires five annual payments of \$35,484 and bears an interest rate of 4.722%. The lease matures August 15, 2022.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Long-term Liabilities (continued)

2. Lease Purchase – Equipment (continued)

On June 21, 2019, the City entered into a \$255,835 lease to purchase a mechanical sweeper for the Public Works department. The lease requires five annual payments of \$56,251 and bears an interest rate of 4.2%. The lease matures October 21, 2023.

On February 15, 2020, the City entered into a \$542,177 lease to purchase a Vacuum Truck and Sewer Camera for the Sewer Fund. The lease requires seven annual payments of \$87,274 and bears an interest rate of 3.36%. The lease matures October 15, 2026.

The net book value of the assets acquired through a capital lease is computed as follows at December 31, 2020:

Cost	\$ 2,934,735
Less: accumulated depreciation	(935,543)
Net book value	<u>\$ 1,999,192</u>

3. Water and Sewer Enterprise Revenue Refunding Bonds 2016

On December 6, 2016, the City issued Water and Sewer Enterprise Revenue Refunding Bonds, Series 2016, in the principal amount of \$1,535,000. Proceeds from the 2016 Bonds were used to advance refund a portion of the City's Water and Sewer Refunding and Improvement Revenue Bonds, Series 2004. As a result, the refunded 2004 bonds are considered to be defeased, and the City realized a net present value on the refunding of \$135,476.

The 2016 bonds require variable annual principal payments ranging from \$110,000 to \$155,000. Interest payments are payable semi-annually on June 1 and December 1 through 2027 and bear an interest rate of 2.16%.

4. Water and Sewer Revenue Bond, Series 2013

In March 2013, the City issued Water and Sewer Revenue Bonds, Series 2013, in the principal amount of \$12,103,000, which are owned by the United States Department of Agriculture. The note requires semi-annual payments of \$240,242 due March 27 and September 27 and bears interest at 2.5%. The note matures September 27, 2052. The proceeds were used to upgrade the wastewater treatment plant.

The 2013 bonds require the City to maintain a debt service reserve and asset management reserve equal to 10% of the monthly payment each month over the life of the bonds until one annual installment is accumulated. The bonds also require a reserve equal to the lesser of the combined maximum annual principal. As of December 31, 2020, the City has reserved \$1,034,732 for the bonds.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Long-term Liabilities (continued)

5. Colorado Water Resources and Power Development Authority Note

On December 21, 2011, the City entered into a \$545,000 non-interest-bearing note with the Colorado Water Resources and Power Development Authority. The note requires semi-annual payments of \$13,625 due November 1 and May 1. The note matures May 1, 2032. The proceeds were for the necessary repairs to the water treatment facility.

The Colorado Water Resources and Power Development Authority Loan Agreement sets forth certain covenants and restrictions. As of December 31, 2016, the City appears to be in compliance with all covenants and restrictions as set forth in Exhibit A and Exhibit F, Additional Covenants and Requirements.

Rate Covenant: The City shall establish and collect such rates, fees, and charges for the use or the sale of the products and services of the System as, together with other moneys available therefore, are expected to produce Gross revenue for each calendar year that will be at least sufficient for such calendar year to pay the sum of estimated operation and maintenance expenses, 110% of the debt service coming due on the bond during the calendar year and other debt service requirements. Gross revenue as defined in Para (3) of Exhibit A to the Loan Agreement is all income and revenues directly or indirectly derived by the government agency for the operation and use of the system, including investment income, but excluding, property taxes and grants received for capital improvements.

Total Gross Revenue requirement \$ 1,180,863

Total water fund revenues, excluding capital grants \$1,859,763

Excess (deficiency) of gross revenues \$ 678,900

6. DOLA Note Payable 2001

On May 31, 2001, the City entered into a \$175,000 note with the Department of Local Affairs. The note requires annual payments of \$14,042 due September 1 and bears interest at 5%. The note matures September 1, 2021. The proceeds were for the construction of a one million gallon steel tank for treated water storage and related water lines.

7. 2017 CWRPDA Loan – Drinking Water Revolving Fund

On February 28, 2017, the City entered into a \$1,505,000 note with CWRPDA for the purposes of installing a UV disinfection system. The note requires semi-annual payments of \$18,622, and are due May 1 and November 1, bearing interest at 1% per annum. The note matures November 1, 2037. As of December 31, 2019, payments were amended to semiannual payments of \$12,253 due May and November 1 on debt balance of \$401,911, net of draws, forgiven debts, and rescissions. The City had no remaining authorized but unissued debt.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

E. Long-term Liabilities (continued)

8. Schedule of Debt Service Requirements

Year ending December 31	Governmental Activities			Business Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 220,363	33,205	253,568	\$ 488,637	302,275	790,912
2022	228,798	24,769	253,567	488,428	290,526	778,954
2023	202,078	16,005	218,083	506,815	279,115	785,930
2024	153,209	8,623	161,832	515,431	267,259	782,690
2025	155,592	6,240	161,832	524,282	255,168	779,450
2026 - 2031	14,616	62	14,678	2,288,775	1,311,854	3,600,629
2032 - 2036	-	-	-	1,656,812	881,763	2,538,575
2037 - 2041	-	-	-	1,751,200	675,726	2,426,926
2042 - 2046	-	-	-	1,955,292	447,128	2,402,420
2047 - 2051	-	-	-	2,213,920	188,500	2,402,420
2052	-	-	-	267,664	3,730	271,394
	<u>974,656</u>	<u>88,904</u>	<u>1,063,560</u>	<u>12,657,256</u>	<u>4,903,044</u>	<u>17,560,300</u>

9. Accrued Compensated Absences

Earned but unused paid time off benefits amounted to \$277,221 in governmental activities and \$67,154 in business-type activities at December 31, 2020. In 2020, the City changed its policy from vacation to paid time off and individual maximum accrual hours were increased, resulting in an increase to the liability balance.

10. Schedule of Changes in Long-term Liabilities

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Capital leases	\$ 1,187,151	-	(212,495)	974,656	220,363
Net pension liability	1,182,084	52,100	-	1,234,184	-
Accrued compensated absences	74,356	401,349	(198,484)	277,221	92,407
Total Governmental Activities					
Long-term Liabilities	<u>\$ 2,443,591</u>	<u>453,449</u>	<u>(410,979)</u>	<u>2,486,061</u>	<u>312,770</u>
Business-type Activities:					
2001 DOLA Note Payable	\$ 26,688	-	(13,314)	13,374	13,374
2011 CWRPDA Loan	340,043	-	(26,668)	313,375	27,250
2013 Water and Sewer Revenue Bonds	10,661,388	-	(215,317)	10,446,071	220,700
2016 Water and Sewer Revenue Bonds	1,170,000	-	(135,000)	1,035,000	135,000
2017 CWRPDA DWRF Loan	401,911	-	(19,673)	382,238	20,735
Capital leases	-	542,177	(74,979)	467,198	71,578
Accrued compensated absences	14,329	97,223	(44,398)	67,154	22,385
Total Business-type Activities					
Long-term Liabilities	<u>\$ 12,614,359</u>	<u>639,400</u>	<u>(529,349)</u>	<u>12,724,410</u>	<u>511,022</u>

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

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

1. FPPA Statewide Defined Benefit Plan

Plan Description. The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980.

The plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Director Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Separate Retirement Account assets from eligible retired members).

Contributions. Determined by state statute or by election of the members, contributions are set at a level that enables all benefits to be fully funded at the retirement date of all members. Effective January 1, 2021, contribution rates may be increased 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 0.5% annually from 2015 through 2022 to a total of 12% of base salary. Employer contributions will increase 0.5% annually beginning in 2021 through 2030 to a total of 13%. In 2019, employees and employers are contributing at a rate of 10.5% and 8%, respectively, of base salary for a total contribution rate of 18.5%.

Contributions from members and employers of plans reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 23% of base salary in 2020. It is a local decision on who pays the additional 4% contribution. Per the 2014 member election, the reentry group will also have their required member and employer contribution rates increase 0.5% annually. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4% contribution to the plan for reentry contributions.

The contribution rate for members and employers of affiliated social security employers is 5.25% and 4% of base salary for a total contribution rate of 9.25% in 2020. Per the 2014 member election, the affiliated social security group will also have their required member contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of base salary. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of base salary.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Benefits. On May 23, 1983, the Colorado Revised Statutes were amended to allow the Trustees of the Plan to change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The amended statutes state that retirement age should not be less than age 55 or more than age 60. The Trustees subsequently elected to amend the retirement provisions, effective July 1, 1983, such that any member with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement pension. 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.

The annual normal retirement benefit is 2% 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% 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% or the Consumer Price Index.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% 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% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

Net Pension Liability (Asset): At December 31, 2020, the City reported (\$61,929) and (\$83,784) for its proportionate share of the net pension liability (asset) for fire and police respectively. The net pension liability (asset) was measured as of December 31, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2020. The City's proportion of the net pension liability was based on City contributions to the Plan for the calendar year 2019 relative to the total contributions of participating employers to the Plan.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

At the pension measurement date of December 31, 2019 and 2018, the City's proportionate shares for fire and police were as follows:

	Proportionate Share	
	2019	2018
Fire	0.10950%	0.10246%
Police	0.14814%	0.13694%

For the year ended December 31, 2020, the City recognized net pension expense (revenue) of (\$15,973) and \$1,592 for fire and police respectively.

At December 31, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Fire		Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 209,578	1,212	283,541	1,639
Changes of assumptions or other inputs	117,590	-	159,089	-
Net difference between projected and actual earnings on pension plan investments	-	97,354	-	131,711
Changes in proportionate share of contributions	29,348	35,945	10,696	68,990
Contributions subsequent to the measurement date	72,162	-	90,479	-
Total	\$ 428,678	134,511	543,805	202,340

Contributions subsequent to the measurement date of December 31, 2019, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	Amortization	
December 31:	Fire	Police
2021	\$ 21,439	\$ 22,785
2022	13,008	11,379
2023	44,679	54,227
2024	3,599	(1,351)
Thereafter	139,280	163,946
	\$ 222,005	\$ 250,986

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Actuarial assumptions. The total pension asset in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Total Pension Liability 2020	Actuarially Determined Contributions 2019
	Entry Age Normal	Entry Age Normal
Actuarial Method		Level % of
Amortization Method	N/A	Payroll, Open
Amortization Period	N/A	30 Years
	5-Year Smoothed Fair	5-Year Smoothed Fair
Asset Valuation Method	Value	Value
Long-term investment Rate of Return *	7.0	7.0
Projected Salary Increases	4.25% to 11.25%	4.25% to 11.25%
Cost of Living Adjustments	0%	0%
* Includes Inflation at	2.50%	2.50%

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

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).

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

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:

Asset Class	Target Allocation	Long Term Expected Rate of Return
Global Equity	38%	7.00%
Equity Long/Short	8%	6.00%
Illiquid Alternatives	25%	9.20%
Fixed Income	15%	5.20%
Absolute Return	8%	5.50%
Managed Futures	4%	5.00%
Cash	2%	2.52%
Total	<u>100%</u>	

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

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 2.75% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

Sensitivity of the District's proportionate share of the net pension liability (asset) to changes in the discount rate - The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.0%)	Current Discount Rate (7.0%)	1% Increase (8.0%)
Proportionate share of net pension liability (asset)			
Fire	\$ 375,490	(61,929)	(424,710)
Police	\$ 508,002	(83,784)	(574,593)

Pension plan fiduciary net position: Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained at: http://www.fppaco.org/annual_reports.htm.

Subsequent Disclosure. 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.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Agent "Old Hire" Pension Plan

Plan Description: The City is trustee of a single-employer defined benefit pension plan available to provide retirement income for all firefighters and police hired before April 8, 1978 ("old hires") in recognition of their service to the City. FPPA administers an agent multiple-employer Public Employee Retirement System ("PERS"). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at <http://fppaco.org>.

The plan provides normal retirement benefits, severance, and death and disability benefits. Normal retirement benefits begin at 50 years of age and upon completion of 18 years of service and include monthly pension equal to one-half of his monthly salary at the date of his retirement. For severances, firefighters and police have the option to refund their contribution with 5% annual interest, or to receive deferred retirement pensions equal to one-half their monthly salary if they meet the age and service requirements of the normal retirement benefit. If a firefighter or policeman is eligible to receive or is receiving benefits dies in retirement, the surviving spouse shall receive, until death or remarriage, a monthly pension equal to one-half the monthly pension the firefighter or policeman was entitled to receive. There are no vested retirement benefits.

As of January 1, 2020 the latest actuarial valuation date, there were no active members, no inactive, nonretired member and 3 retirees and beneficiaries in the Salida Old Hire Fire Pension Fund.

As of January 1, 2020 the latest actuarial valuation date, there were no active members, no inactive, nonretired member and 6 retirees and beneficiaries in the Salida Old Hire Police Pension Fund.

Funding Policy: The funding of the plan by the City and members is authorized by the Board of Trustees. The contribution by the State of Colorado (the "State") toward fire pension funds has been a fixed dollar amount established by the legislature and allocated pro rata to all fire pension funds in the State who apply for State matching funds, based upon the amounts contributed by the employer up to a maximum of one half (1/2) mill on the assessed valuation or 90% of City contributions, whichever is less. Since the City currently offers maximum retirement benefits in excess of \$300 per month, the State will match at the level determined above but no greater than the maximum of: (1) the amount necessary to fund a pension of \$300 per month on an actuarially sound basis, and (2) the amount of State contributions provided in the prior year

Net Pension Liability: At December 31, 2020, the Old Hire pension fund reported a net pension liability of \$163,772 and \$1,070,412 for Fire and Police, respectively. 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 January 1, 2020.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Agent “Old Hire” Pension Plan (continued)

Actuarial Assumptions: The significant actuarial assumptions used in the valuation as of January 1, 2020 were:

Actuarial Method	Entry Age Normal
Amortization Method	Level Dollar, Open
Amortization Period	15 Years*
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Long-term investment Rate of Return *	7.5
Retirement age	Any remaining activities are assumed to retire immediately.
Mortality	Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB. Disabled (pre-1980): RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of participants.

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

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 2.75% (based on the weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. Agent "Old Hire" Pension Plan (continued)

Regarding the sensitivity of the net pension asset (liability) to changes in the Single Discount Rate, the following represent the plan's net pension liability / (asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability / (asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease (3.5%)	Current Discount Rate (4.5%)	1% Increase (5.5%)
Proportionate share of net pension liability (asset)			
Fire	\$ 181,523	163,772	148,082
Police	\$ 1,217,501	1,070,412	945,102

In connection with the City's Fire and Police Protection Retirement Plan, the following deferred outflow of resources and deferred inflows of resources were reported at December 31, 2020:

	Fire		Police	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	847	\$ -	4,101
Contributions subsequent to the measurement date	14,622	-	91,887	-
Total	\$ 14,622	847	\$ 91,887	4,101

Contributions subsequent to the measurement date of December 31, 2019, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in subsequent years. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized as a component of pension expense in future years as follows:

Year Ending	Amortization	
December 31:	Fire	Police
2021	\$ (179)	\$ (897)
2022	(672)	(3,098)
2023	698	3,439
2024	(694)	(3,545)
Thereafter	-	-
	\$ (847)	\$ (4,101)

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

IV. Detailed Notes on All Funds (continued)

G. Restricted Net Position

The City restricted net position in the following funds as of December 31, 2020:

	<u>General Fund</u>	<u>Conservation Trust Fund</u>	<u>Sewer Fund</u>	<u>Description</u>
Restricted:				
Emergency Reserve	\$ 380,000	-	-	Legislative restriction
Conservation Trust	-	290,645	-	Legislative restriction
Debt Service	-	-	1,034,732	Bond reserve requirement

V. Other Information

A. Other Retirement Plans

1. Deferred Compensation Plans – Section 401

In 1997, the City established a defined contribution money purchase plan in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust under code section 401 of the Internal Revenue Code. The normal retirement age is age 60 (not to exceed age 65). All full time employees except Fire and Police personnel are entitled to participate in the plan. The City contributes on behalf of each participant 3% of earnings for the Plan Year. There is no minimum required contribution by the employee. Participants are 100% vested immediately and may direct their investment, without restriction, among various investment options available under the Trust. The City's contributions vest at a rate of 25% per year.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

2. Deferred Compensation Plan - Section 457

In 1997, the City established a defined contribution money purchase plan in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust under code section 457 of the Internal Revenue code. The normal retirement age is age 60 (not to exceed age 65). All full-time employees except Fire and Police personnel are entitled to participate in the plan. The City will match up to 3% of employee contributions. There is no minimum required contribution by the employee. Participants are 100% vested immediately in their direct investment. The City's contributions vest at a rate of 25% per year.

B. Other Employee Benefits – Cafeteria Plan

The City offers a cafeteria compensation plan organized under IRS Section 125 that includes the following benefits: death and disability, term life insurance, health expense reimbursement and child care benefits. No cost to the City is recognized as the plan is a salary reduction plan.

CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2020
(Continued)

V. Other Information (continued)

C. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions, and employee health claims. The City insures against these risks through its participation in the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") and the purchase of commercial insurance.

The City's management is unaware of any excess losses which may have been incurred by CIRSA. There have been no settled claims in excess of coverage in any of the last three years.

D. Subsequent Event

On May 4, 2021, City Council approved Ordinance No. 2021-07 approving the City to enter into a loan agreement from the Colorado Water Resources and Power Development Authority in the amount of \$4,148,000 for wastewater improvements and \$241,450 for design and engineering, bearing interest of 1.5%. The City expects to close the loan in June 2021.

REQUIRED SUPPLEMENTARY INFORMATION

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund - Budget and Actual
For the Year Ended December 31, 2020

REVENUES:	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Taxes:				
Sales tax	3,950,000	3,950,000	4,479,518	529,518
Other taxes	350,000	350,000	343,956	(6,044)
Total taxes	<u>4,300,000</u>	<u>4,300,000</u>	<u>4,823,474</u>	<u>523,474</u>
Charges for services:				
Planning and zoning fees	111,500	111,500	59,548	(51,952)
Public works charges	13,500	13,500	22,241	8,741
Public safety charges	79,900	79,900	83,791	3,891
Hot springs pool	475,000	475,000	176,971	(298,029)
Arts and culture	-	430,500	105,426	(325,074)
Other general governmental charges	22,800	22,800	24,539	1,739
Other recreation revenues	45,000	45,000	28,748	(16,252)
Total charges for services	<u>747,700</u>	<u>1,178,200</u>	<u>501,264</u>	<u>(676,936)</u>
Intergovernmental:				
Sales tax - County	2,100,000	2,100,000	2,580,358	480,358
Federal grants	-	-	47,930	47,930
State grants	117,800	121,800	113,968	(7,832)
South Ark Fire District	70,000	70,000	70,000	-
Other intergovernmental revenue	149,500	149,500	209,905	60,405
Total intergovernmental	<u>2,437,300</u>	<u>2,441,300</u>	<u>3,022,161</u>	<u>580,861</u>
Fines and Forfeitures	<u>75,000</u>	<u>75,000</u>	<u>47,791</u>	<u>(27,209)</u>
Licenses, Permits and Fees:				
Business licenses	10,000	10,000	50,670	40,670
Other licenses and permits	18,000	18,000	17,655	(345)
	<u>28,000</u>	<u>28,000</u>	<u>68,325</u>	<u>40,325</u>
Other Revenues:				
Capital revenue				
Insurance proceeds	10,000	10,000	90,788	80,788
Other capital revenues	-	-	17,600	17,600
Miscellaneous revenue				
Interest revenue	125,000	125,000	75,678	(49,322)
Rent, leases and royalties	55,000	55,000	57,915	2,915
Land dedication fees in lieu	40,000	40,000	59,000	19,000
Donations	2,000	2,000	4,126	2,126
Other miscellaneous revenues	29,700	29,700	42,899	13,199
	<u>261,700</u>	<u>261,700</u>	<u>348,006</u>	<u>86,306</u>
TOTAL REVENUES	<u>7,849,700</u>	<u>8,284,200</u>	<u>8,811,021</u>	<u>526,821</u>

(continued)

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund - Budget and Actual (continued)
For the Year Ended December 31, 2020

EXPENDITURES:	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
General Government:				
Administration	1,328,952	1,328,952	1,278,804	50,148
Community Development	728,154	728,154	396,168	331,986
Total General Government	2,057,106	2,057,106	1,674,972	382,134
Public Safety				
Police	2,209,347	2,209,347	2,175,207	34,140
Fire	1,515,374	1,515,374	1,449,152	66,222
Total Public Safety	3,724,721	3,724,721	3,624,359	100,362
Public Works				
Public Works	314,302	314,302	340,571	(26,269)
Other	237,000	237,000	220,067	16,933
Total Public Works	551,302	551,302	560,638	(9,336)
Culture, Parks and Recreation				
Pool and Recreation	1,010,133	1,010,133	920,102	90,031
Parks, Open Space and Trails	637,438	637,438	744,433	(106,995)
Arts and culture	-	710,400	516,431	193,969
Total Culture, Parks and Recreation	1,647,571	2,357,971	2,180,966	177,005
Capital outlays	346,100	401,600	439,920	(38,320)
Debt service				
Principal	153,900	153,900	212,495	(58,595)
Interest	48,300	48,300	41,070	7,230
Total debt service	202,200	202,200	253,565	(51,365)
TOTAL EXPENDITURES	8,529,000	9,294,900	8,734,420	560,480
Excess of Revenues Over (Under) Expenditures	(679,300)	(1,010,700)	76,601	1,087,301
Other Financing Sources (Uses):				
Transfer in	420,000	420,000	252,488	(167,512)
Transfer (out)	(2,001,700)	(1,670,300)	-	1,670,300
Total Other Financing Sources (Uses)	(1,581,700)	(1,250,300)	252,488	1,502,788
Net change in fund balance	(2,261,000)	(2,261,000)	329,089	2,590,089
Fund balance, beginning of year	5,843,000	5,843,000	5,862,437	19,437
Fund balance, end of year	3,582,000	3,582,000	6,191,526	2,609,526

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Street Fund
Budget and Actual
For the Year Ended December 31, 2020

REVENUES:	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Taxes:				
Sales tax	2,179,000	2,179,000	2,471,456	292,456
Intergovernmental:				
Highway users tax	215,000	215,000	205,347	(9,653)
State grants	494,200	494,200	7,098	(487,102)
Public improvement - payments in lieu	-	-	2,067	2,067
Total revenues	<u>2,888,200</u>	<u>2,888,200</u>	<u>2,685,968</u>	<u>(202,232)</u>
EXPENDITURES:				
Public Works:				
Personnel services	385,900	385,900	352,420	33,480
Contracted services	150,000	150,000	254,513	(104,513)
Supplies and materials	36,300	36,300	34,121	2,179
Other operating costs	75,500	75,500	90,814	(15,314)
Capital purchases and improvements (\$5,000+)	<u>2,210,000</u>	<u>2,210,000</u>	<u>1,611,030</u>	<u>598,970</u>
Total Expenditures	<u>2,857,700</u>	<u>2,857,700</u>	<u>2,342,898</u>	<u>514,802</u>
Net change in fund balance	30,500	30,500	343,070	312,570
Fund balances, beginning of year	<u>192,000</u>	<u>192,000</u>	<u>280,558</u>	<u>88,558</u>
Fund balances, end of year	<u>222,500</u>	<u>222,500</u>	<u>623,628</u>	<u>401,128</u>

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Capital Improvement Fund
Budget and Actual
For the Year Ended December 31, 2020

REVENUES:	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Taxes:				
Sales tax	544,700	544,700	617,864	73,164
Intergovernmental revenue:				
State grants	860,000	860,000	21,846	(838,154)
Total revenues	<u>1,404,700</u>	<u>1,404,700</u>	<u>639,710</u>	<u>(764,990)</u>
EXPENDITURES:				
Public safety:				
Capital outlay	300,000	300,000	-	300,000
Culture, parks, and recreation				
Capital outlay	<u>2,775,000</u>	<u>2,775,000</u>	<u>601,700</u>	<u>2,173,300</u>
Total Expenditures	<u>3,075,000</u>	<u>3,075,000</u>	<u>601,700</u>	<u>2,473,300</u>
Excess of Revenues				
Over (Under) Expenditures	<u>(1,670,300)</u>	<u>(1,670,300)</u>	<u>38,010</u>	<u>1,708,310</u>
Other Financing Sources (Uses):				
Transfer in	<u>1,670,300</u>	<u>1,670,300</u>	<u>-</u>	<u>(1,670,300)</u>
Total Other Financing Sources (Uses)	<u>1,670,300</u>	<u>1,670,300</u>	<u>-</u>	<u>(1,670,300)</u>
Net change in fund balance	-	-	38,010	38,010
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>20,894</u>	<u>20,894</u>
Fund balances, end of year	<u>-</u>	<u>-</u>	<u>58,904</u>	<u>58,904</u>

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Economic Development Fund
Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
REVENUES:				
Taxes:				
Sales tax	136,200	136,200	154,466	18,266
Intergovernmental revenue:				
Federal grants	-	-	320,994	320,994
State grants	-	350,000	119,344	(230,656)
Total revenues	<u>136,200</u>	<u>486,200</u>	<u>594,804</u>	<u>108,604</u>
EXPENDITURES:				
Community development	<u>266,300</u>	<u>616,300</u>	<u>576,033</u>	<u>40,267</u>
Total Expenditures	<u>266,300</u>	<u>616,300</u>	<u>576,033</u>	<u>40,267</u>
Net change in fund balance	(130,100)	(130,100)	18,771	148,871
Fund balances, beginning of year	<u>138,400</u>	<u>138,400</u>	<u>143,734</u>	<u>5,334</u>
Fund balances, end of year	<u><u>8,300</u></u>	<u><u>8,300</u></u>	<u><u>162,505</u></u>	<u><u>154,205</u></u>

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Lodging Tax Fund
Budget and Actual
For the Year Ended December 31, 2020

REVENUES:	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Taxes:				
Sales tax	<u>420,000</u>	<u>420,000</u>	<u>349,513</u>	<u>(70,487)</u>
Total revenues	<u>420,000</u>	<u>420,000</u>	<u>349,513</u>	<u>(70,487)</u>
EXPENDITURES:				
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	<u>420,000</u>	<u>420,000</u>	<u>349,513</u>	<u>(70,487)</u>
Other Financing Sources (Uses):				
Transfer out	<u>(420,000)</u>	<u>(420,000)</u>	<u>(349,513)</u>	<u>70,487</u>
Total Other Financing Sources (Uses)	<u>(420,000)</u>	<u>(420,000)</u>	<u>(349,513)</u>	<u>70,487</u>
Net change in fund balance	-	-	-	-
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Conservation Trust Fund
Budget and Actual
For the Year Ended December 31, 2020

REVENUES:	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Intergovernmental revenue:				
State lottery	60,000	60,000	61,126	1,126
Interest income	<u>1,200</u>	<u>1,200</u>	<u>3,416</u>	<u>2,216</u>
Total revenues	<u>61,200</u>	<u>61,200</u>	<u>64,542</u>	<u>3,342</u>
EXPENDITURES:				
Parks and recreation:				
Capital outlay	281,200	281,200	10,000	271,200
Total Expenditures	<u>281,200</u>	<u>281,200</u>	<u>10,000</u>	<u>271,200</u>
Excess of Revenues Over (Under) Expenditures	<u>(220,000)</u>	<u>(220,000)</u>	<u>54,542</u>	<u>274,542</u>
Other Financing Sources (Uses):				
Transfer out	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(220,000)	(220,000)	54,542	274,542
Fund balances, beginning of year	<u>220,800</u>	<u>220,800</u>	<u>236,103</u>	<u>15,303</u>
Fund balances, end of year	<u>800</u>	<u>800</u>	<u>290,645</u>	<u>289,845</u>

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Housing Fund
Budget and Actual
For the Year Ended December 31, 2020

REVENUES:	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Housing fee in lieu	<u>50,000</u>	<u>50,000</u>	<u>70,741</u>	<u>20,741</u>
Total revenues	<u>50,000</u>	<u>50,000</u>	<u>70,741</u>	<u>20,741</u>
Net change in fund balance	50,000	50,000	70,741	20,741
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>50,000</u>	<u>50,000</u>	<u>70,741</u>	<u>20,741</u>

CITY OF SALIDA, COLORADO
Schedule of City's Proportionate Share of Net Pension Asset / Liability
Statewide Defined Benefit Plans
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

Measurement period ending December 31,	2019	2018	2017	2016	2015	2014	2013
Fire:							
City's portion of the net pension asset - Fire	0.109500%	0.102460%	0.113522%	0.105545%	0.111828%	0.109666%	0.105488%
City's proportionate share of the net pension asset (liability) - Fire	61,929	(129,538)	163,320	(38,138)	1,971	123,767	94,326
City's covered payroll - Fire	1,059,250	686,338	664,025	540,163	542,116	493,175	458,177
City's proportionate share of the net pension asset as a percentage of its covered payroll - Fire	5.85%	-18.87%	24.60%	-7.06%	0.36%	25.10%	20.59%
Police:							
City's portion of the net pension asset - Police	0.148143%	0.136943%	0.134815%	0.119709%	0.126477%	0.117005%	0.129598%
City's proportionate share of the net pension asset (liability)- Police	83,784	(173,134)	193,953	(43,255)	2,230	132,049	115,885
City's covered payroll - Police	1,091,863	917,325	788,575	612,650	613,126	525,825	562,895
City's proportionate share of the net pension asset as a percentage of its covered payroll - Police	7.67%	-18.87%	24.60%	-7.06%	0.36%	25.11%	20.59%
Plan fiduciary net position as a percentage of the total pension asset	95.20%	95.20%	106.30%	98.21%	100.10%	106.80%	105.80%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014 for the employer plan, and fiscal year 2015 for the volunteer plan.

CITY OF SALIDA, COLORADO
Schedule of City's Contributions
Statewide Defined Benefit Plans
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

Statewide Defined Benefit Plan:	2020	2019	2018	2017	2016	2015	2014
Fire:							
Contractually required contribution	72,162	84,740	54,907	53,122	43,213	43,369	39,454
Contributions in relation to the contractually required contribution	<u>(72,162)</u>	<u>(84,740)</u>	<u>(54,907)</u>	<u>(53,122)</u>	<u>(43,213)</u>	<u>(43,369)</u>	<u>(39,454)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
City's covered payroll	902,025	1,059,250	686,338	664,025	540,163	542,116	493,175
Contributions as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%
Police:							
Contractually required contribution	90,479	87,349	73,386	63,086	49,012	49,050	42,066
Contributions in relation to the contractually required contribution	<u>(90,479)</u>	<u>(87,349)</u>	<u>(73,386)</u>	<u>(63,086)</u>	<u>(49,012)</u>	<u>(49,050)</u>	<u>(42,066)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
City's covered payroll	1,130,988	1,091,863	917,325	788,575	612,650	613,126	525,825
Contributions as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%	8.00%

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

CITY OF SALIDA, COLORADO
Schedule of Changes in Net Pension Asset / Liability
Fire "Old Hire" Plan
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

Measurement period ending December 31,	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Interest on the Total Pension Liability	14,821	15,698	15,903	16,704	15,943	16,742
Difference between Expected and Actual Experience	10,431	-	8,761	-	8,172	-
Assumption Changes	39,872	-	-	-	13,426	-
Benefit Payments	(27,391)	(27,391)	(27,391)	(27,391)	(27,391)	(27,391)
Net Change in Total Pension Liability	<u>37,733</u>	<u>(11,693)</u>	<u>(2,727)</u>	<u>(10,687)</u>	<u>10,150</u>	<u>(10,649)</u>
Total Pension Liability - Beginning	<u>211,064</u>	<u>222,757</u>	<u>225,484</u>	<u>236,171</u>	<u>226,021</u>	<u>236,670</u>
Total Pension Liability - Ending (a)	<u><u>248,797</u></u>	<u><u>211,064</u></u>	<u><u>222,757</u></u>	<u><u>225,484</u></u>	<u><u>236,171</u></u>	<u><u>226,021</u></u>
Plan Fiduciary Net Position						
Employer Contributions	14,622	14,074	14,074	9,539	9,539	5,426
Pension Plan Net Investment Income	9,670	382	14,284	5,806	2,452	9,441
Benefit Payments	(27,391)	(27,391)	(27,391)	(27,391)	(27,391)	(27,391)
Pension Plan Administrative Expense	(1,585)	(3,401)	(1,065)	(2,052)	(544)	(3,351)
Net Change in Plan Fiduciary Net Position	<u>(4,684)</u>	<u>(16,336)</u>	<u>(98)</u>	<u>(14,098)</u>	<u>(15,944)</u>	<u>(15,875)</u>
Plan Fiduciary Net Position - Beginning	<u>89,709</u>	<u>106,045</u>	<u>106,143</u>	<u>120,241</u>	<u>136,185</u>	<u>152,060</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>85,025</u></u>	<u><u>89,709</u></u>	<u><u>106,045</u></u>	<u><u>106,143</u></u>	<u><u>120,241</u></u>	<u><u>136,185</u></u>
Net Pension Liability/(Asset) - Ending (a) - (b)	<u><u>163,772</u></u>	<u><u>121,355</u></u>	<u><u>116,712</u></u>	<u><u>119,341</u></u>	<u><u>115,930</u></u>	<u><u>89,836</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	34.17%	42.50%	47.61%	47.07%	50.91%	60.25%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A

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

CITY OF SALIDA, COLORADO
Schedule of Changes in Net Pension Asset / Liability
Police "Old Hire" Plan
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

Measurement period ending December 31,	2019	2018	2017	2016	2015	2014
Total Pension Liability						
Interest on the Total Pension Liability	86,476	89,445	90,074	92,791	89,922	92,650
Difference between Expected and Actual Experience	34,811	-	30,567	-	27,855	-
Assumption Changes	319,664	-	-	-	49,510	-
Benefit Payments	(129,025)	(129,025)	(129,025)	(129,025)	(129,025)	(129,025)
Net Change in Total Pension Liability	<u>311,926</u>	<u>(39,580)</u>	<u>(8,384)</u>	<u>(36,234)</u>	<u>38,262</u>	<u>(36,375)</u>
Total Pension Liability - Beginning	<u>1,216,365</u>	<u>1,255,945</u>	<u>1,264,329</u>	<u>1,300,563</u>	<u>1,262,301</u>	<u>1,298,676</u>
Total Pension Liability - Ending (a)	<u><u>1,528,291</u></u>	<u><u>1,216,365</u></u>	<u><u>1,255,945</u></u>	<u><u>1,264,329</u></u>	<u><u>1,300,563</u></u>	<u><u>1,262,301</u></u>
Plan Fiduciary Net Position						
Employer Contributions	80,582	75,808	75,808	66,481	66,481	56,214
Pension Plan Net Investment Income	50,225	1,542	68,209	27,005	10,580	39,097
Benefit Payments	(129,025)	(129,025)	(129,025)	(129,025)	(129,025)	(129,025)
Pension Plan Administrative Expense	(2,211)	(4,047)	(1,628)	(2,683)	(1,127)	(3,771)
Net Change in Plan Fiduciary Net Position	<u>(429)</u>	<u>(55,722)</u>	<u>13,364</u>	<u>(38,222)</u>	<u>(53,091)</u>	<u>(37,485)</u>
Plan Fiduciary Net Position - Beginning	<u>458,308</u>	<u>514,030</u>	<u>500,666</u>	<u>538,888</u>	<u>591,979</u>	<u>629,464</u>
Plan Fiduciary Net Position - Ending (b)	<u><u>457,879</u></u>	<u><u>458,308</u></u>	<u><u>514,030</u></u>	<u><u>500,666</u></u>	<u><u>538,888</u></u>	<u><u>591,979</u></u>
Net Pension Liability/(Asset) - Ending (a) - (b)	<u><u>1,070,412</u></u>	<u><u>758,057</u></u>	<u><u>741,915</u></u>	<u><u>763,663</u></u>	<u><u>761,675</u></u>	<u><u>670,322</u></u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	29.96%	37.68%	40.93%	39.60%	41.43%	46.90%
Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A

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

CITY OF SALIDA, COLORADO
Schedule of City's Contributions
"Old Hire" Plan
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

Agent - Fire "Old Hire" Plan:	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	14,622	14,622	14,074	14,074	9,539	9,539	5,426
Actual contribution	<u>(14,622)</u>	<u>(14,622)</u>	<u>(14,074)</u>	<u>(14,074)</u>	<u>(9,539)</u>	<u>(9,539)</u>	<u>(5,426)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Agent - Police "Old Hire" Plan:	2020	2019	2018	2017	2016	2015	2014
Actuarially determined contribution	91,887	80,582	75,808	78,808	66,481	66,481	56,214
Actual contribution	<u>(91,887)</u>	<u>(80,582)</u>	<u>(75,808)</u>	<u>(78,808)</u>	<u>(66,481)</u>	<u>(66,481)</u>	<u>(56,214)</u>
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
City's covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014.

**City of Salida
Notes to the Required Supplementary Information
December 31, 2020**

I. Schedule of City's Proportionate Share of the Net Pension (Asset) Liability – Statewide Defined Benefit Plans

A. Changes to assumptions or other inputs

1. Changes Since the January 1, 2018 Actuarial Valuation are as Follows:

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

2. Changes Since the January 1, 2015 Actuarial Valuation are as Follows:

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that is a three-year set-forward, meaning a disabled member age 70 will be valued as if they were a 73-year-old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

3. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented.

PRELIMINARY DRAFT

City of Salida
Notes to the Required Supplementary Information
December 31, 2020

II. Notes to the Schedule of City's Contributions – Statewide Defined Benefit Plans

A. Changes to assumptions or other inputs

No changes during the years presented.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

III. Schedule of Changes in Net Pension Asset / Liability – Fire and Police “Old Hire” Plan

A. Changes to assumptions

1. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

The inflation assumption was reduced from 3.0% to 2.5%.

Post-retirement mortality assumptions: For ages less than 55, RP- 2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitant. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

Disabled (pre-1930) mortality assumptions: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% for females.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

**City of Salida
Notes to the Required Supplementary Information
December 31, 2020**

IV. Schedule of City's Contributions – Fire and Police "Old Hire" Plan

A. Changes to assumptions

1. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

The asset method valuation approximates smoothing over a five-year period by recognizing 20% of the difference between the projected actuarial value and the market value at the valuation date. The remaining amortization period is 17 years.

Disabled (pre-1980) mortality assumptions: RP-2000 Disabled Mortality Table generationally projected with Scale AA.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

SUPPLEMENTARY INFORMATION

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Water Fund
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Fees for General Services:				
Service and usage fees	1,404,800	1,404,800	1,501,731	96,931
Water line maintenance	200,900	200,900	216,269	15,369
Commercial demand charges	102,000	102,000	98,198	(3,802)
Other revenues	37,400	37,400	42,251	4,851
Water leases	5,000	5,000	1,066	(3,934)
Total Fees for General Services	1,750,100	1,750,100	1,859,515	109,415
Intergovernmental Revenue				
State grants	-	-	8,005	8,005
Total Intergovernmental Revenue	-	-	8,005	8,005
Capital Revenue:				
System development fees	540,000	540,000	534,015	(5,985)
Sale of water meters	16,000	16,000	15,826	(174)
Total Capital Revenue	556,000	556,000	549,841	(6,159)
Other Revenue:				
Interest revenue	8,000	8,000	55,258	47,258
Miscellaneous revenue	500	500	248	(252)
Total Other Revenue	8,500	8,500	55,506	47,006
Total Revenues	2,314,600	2,314,600	2,472,867	158,267
Expenses				
Administration - Water:				
Personnel services	108,331	108,331	111,999	(3,668)
Contracted services	49,000	49,000	29,339	19,661
Supplies and materials	2,000	2,000	2,083	(83)
Other operating costs	14,100	14,100	21,502	(7,402)
Total Administration - Water	173,431	173,431	164,923	8,508
Public Works - Water:				
Personnel services	242,461	242,461	253,317	(10,856)
Contracted services	64,000	64,000	92,864	(28,864)
Supplies and materials	18,800	18,800	22,755	(3,955)
Other operating costs	32,650	32,650	28,099	4,551
Financing obligations	166,000	166,000	223,096	(57,096)
Total Public Works - Water	523,911	523,911	620,131	(96,220)
				(continued)

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Water Fund (Continued)
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Expenses, Continued				
Water Plant:				
Personnel services	292,408	292,408	280,471	11,937
Contracted services	138,800	138,800	98,324	40,476
Supplies and materials	46,650	46,650	40,375	6,275
Utilities	70,900	70,900	85,326	(14,426)
Other operating costs	138,000	138,000	84,432	53,568
Financing obligations	239,100	239,100	4,408	234,692
Total Water Plant	<u>925,858</u>	<u>925,858</u>	<u>593,336</u>	<u>332,522</u>
Capital outlay	<u>2,648,000</u>	<u>2,648,000</u>	<u>619,635</u>	<u>2,028,365</u>
Total Expenses	<u>4,271,200</u>	<u>4,271,200</u>	<u>1,998,025</u>	<u>2,273,175</u>
Other Financing Sources (Uses)				
Financing proceeds	<u>1,750,000</u>	<u>1,750,000</u>	<u>-</u>	<u>(1,750,000)</u>
Total Other Financing Sources (Uses)	<u>1,750,000</u>	<u>1,750,000</u>	<u>-</u>	<u>(1,750,000)</u>
Excess of Revenues Over (Under)				
Expenses - Budget Basis	<u>(206,600)</u>	<u>(206,600)</u>	<u>474,842</u>	<u>681,442</u>
GAAP Basis Adjustments				
Capitalized expenses			105,964	
Depreciation			(496,906)	
Debt principal			<u>194,655</u>	
Total GAAP Basis Adjustments			<u>(196,287)</u>	
Net Income - GAAP Basis			278,555	
Net Position, beginning of year			<u>13,959,010</u>	
Net Position, end of year			<u>14,237,565</u>	

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Net Assets
Sewer Fund
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

Revenues	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Fees for General Services:				
Metered service and usage fees	1,217,500	1,217,500	1,258,539	41,039
Unmetered wastewater charges	81,500	81,500	78,302	(3,198)
Septage receiving	85,000	85,000	86,771	1,771
Lab analysis fees	28,000	28,000	24,076	(3,924)
Other	15,000	15,000	8,407	(6,593)
Total Fees for General Services	<u>1,427,000</u>	<u>1,427,000</u>	<u>1,456,095</u>	<u>29,095</u>
Capital Revenue:				
System development fees	450,000	450,000	725,727	275,727
Total Capital Revenue	<u>450,000</u>	<u>450,000</u>	<u>725,727</u>	<u>275,727</u>
Other Revenue:				
Interest revenue	50,000	50,000	43,404	(6,596)
Miscellaneous revenue	-	-	100,300	100,300
Total Other Revenue	<u>50,000</u>	<u>50,000</u>	<u>143,704</u>	<u>93,704</u>
Total Revenues	<u>1,927,000</u>	<u>1,927,000</u>	<u>2,325,526</u>	<u>398,526</u>
Expenses				
Administration - Wastewater:				
Personnel services	108,331	108,331	112,914	(4,583)
Contracted services	4,000	4,000	4,367	(367)
Supplies and materials	1,500	1,500	2,146	(646)
Other operating costs	14,600	14,600	22,083	(7,483)
Total Administration - Wastewater	<u>128,431</u>	<u>128,431</u>	<u>141,510</u>	<u>(13,079)</u>
Public Works - Wastewater:				
Personnel services	247,900	247,900	259,381	(11,481)
Contracted services	98,500	98,500	23,111	75,389
Supplies and materials	12,900	12,900	23,051	(10,151)
Utilities	700	700	2,055	(1,355)
Other operating costs	14,000	14,000	10,698	3,302
Total Public Works - Wastewater	<u>374,000</u>	<u>374,000</u>	<u>318,296</u>	<u>55,704</u>

(continued)

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Sewer Fund (Continued)
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Expenses, Continued				
Wastewater Plant:				
Personnel services	365,069	365,069	306,816	58,253
Contracted services	98,000	98,000	86,036	11,964
Supplies and materials	66,000	66,000	48,360	17,640
Utilities	128,500	128,500	128,639	(139)
Other operating costs	140,200	140,200	115,261	24,939
Financing obligations	482,000	482,000	570,934	(88,934)
Total WasteWater Plant	<u>1,279,769</u>	<u>1,279,769</u>	<u>1,256,046</u>	<u>23,723</u>
Capital outlay	<u>738,000</u>	<u>738,000</u>	<u>1,042,734</u>	<u>(304,734)</u>
Total Expenses	<u>2,520,200</u>	<u>2,520,200</u>	<u>2,758,586</u>	<u>(238,386)</u>
Other Financing Sources				
Capital lease issuance	-	-	542,177	542,177
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>542,177</u>	<u>542,177</u>
Excess of Revenues Over (Under)				
Expenses - Budget Basis	<u>(593,200)</u>	<u>(593,200)</u>	<u>109,117</u>	<u>702,317</u>
GAAP Basis Adjustments				
Capitalized expenses			709,421	
Depreciation			(940,346)	
Lease proceeds			(542,177)	
Debt service principal			290,296	
Total GAAP Basis Adjustments			<u>(482,806)</u>	
Net Income - GAAP Basis			(373,689)	
Net Position, beginning of year			<u>10,184,834</u>	
Net Position, end of year			<u>9,811,145</u>	

PRELIMINARY DRAFT

CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
SteamPlant Event Center Fund
Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget
Revenues				
Rentals:				
Room rentals	189,500	-	-	-
Other rentals	20,000	-	-	-
Total Rentals	209,500	-	-	-
Intergovernmental Revenue:				
State grants	4,000	-	-	-
Total Intergovernmental Revenue	4,000	-	-	-
Sales				
Food sales	3,000	-	-	-
Beverage sales	125,000	-	-	-
Merchandise sales	3,000	-	-	-
Total Sales	131,000	-	-	-
Other Charges for Services:				
Ticket sales	40,000	-	-	-
Event sponsorship fees	20,000	-	-	-
Caterer Fee	20,000	-	-	-
Total Other Charge for Services	80,000	-	-	-
Other Revenue:				
Other services	10,000	-	-	-
Total Other Revenue	10,000	-	-	-
Total Revenues	434,500	-	-	-
Expenses				
Cost of sales	131,000	-	-	-
Personnel services	470,500	-	-	-
Contracted services	7,900	-	-	-
Supplies and materials	15,700	-	-	-
Utilities	30,900	-	-	-
Other operating costs	54,400	-	-	-
Repair and maintenance	26,500	-	-	-
Capital outlay	29,000	-	-	-
Total Expenses	765,900	-	-	-
Other Financing Sources (Uses)				
Transfers (out)	-	-	(1,732,313)	(1,732,313)
Transfers in	331,400	-	-	-
Total Other Financing Sources (Uses)	331,400	-	(1,732,313)	(1,732,313)
Excess of Revenues Over (Under)				
Expenses - Budget Basis	-	-	(1,732,313)	(1,732,313)
Net Position, beginning of year			1,732,313	
Net Position, end of year			-	

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

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : 12/31/2020
This Information From The Records Of (example - City of _ or County of _)	
Prepared By: Phone:	

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	0
3. Other local imposts (from page 2)	2,471,456
4. Miscellaneous local receipts (from page 2)	43,471
5. Transfers from toll facilities	0
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	2,514,927
B. Private Contributions	0
C. Receipts from State government (from page 2)	240,320
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	2,755,247

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	1,857,530
2. Maintenance:	261,998
3. Road and street services:	
a. Traffic control operations	86,894
b. Snow and ice removal	86,285
c. Other	18,543
d. Total (a. through c.)	191,722
4. General administration & miscellaneous	440,157
5. Highway law enforcement and safety	557,943
6. Total (1 through 5)	3,309,351
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	3,309,351

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	2,755,247	3,309,351	0	(554,104)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:

Colorado

YEAR ENDING (mm/yy):

12/31/2020

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	43,471
1. Sales Taxes	2,471,456	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	0	g. Other Misc. Receipts	0
6. Total (1. through 5.)	2,471,456	h. Other	0
c. Total (a. + b.)	2,471,456	i. Total (a. through h.)	43,471
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	205,347	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	34,973	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	34,973	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	240,320	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	0	0
b. Engineering Costs	11,116	226,507	237,623
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	0	0
(3). System Preservation	0	8,881	8,881
(4). System Enhancement & Operation	0	1,611,025	1,611,025
(5). Total Construction (1) + (2) + (3) + (4)	0	1,619,907	1,619,907
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	11,116	1,846,414	1,857,530
		(Carry forward to page 1)	

Notes and Comments:

STATISTICAL INFORMATION

STATISTICAL SECTION

This part of the Government's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends	G1 - G5
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	
Revenue Capacity	G6 - G10
<i>These schedules include information to help the reader assess the government's most significant local revenue source. The City of Salida's most important revenue source is sales tax.</i>	
Debt Capacity	G11 - G14
<i>These schedules present information to help the reader assess the affordability of the government's current level of outstanding debt and the government's ability to issue additional debt in the future.</i>	
Demographic and Economic Information	G15 - G16
<i>These schedules help the reader understand the environment within which the government's financial activities take place.</i>	
Operating Information	G17 - G19
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	

CITY OF SALIDA, COLORADO
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Schedule 1

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Net Investment in Capital Assets	\$ 27,366,982	\$ 25,457,709	\$ 24,397,257	\$ 19,889,837	\$ 19,869,497	\$ 19,852,447	\$ 14,698,702	\$ 13,442,842	\$ 12,218,760	\$ 13,309,540
Restricted	670,645	596,103	415,821	357,296	673,749	394,208	2,794,809	325,423	1,483,322	1,107,246
Unrestricted	6,274,192	5,947,623	4,945,600	4,770,534	5,986,284	4,321,561	1,543,801	101,220	2,629,204	2,101,918
Subtotal Governmental Activities	\$ 34,311,819	\$ 32,001,435	\$ 29,758,678	\$ 25,017,667	\$ 26,529,530	\$ 24,568,216	\$ 19,037,312	\$ 17,709,278	\$ 16,331,286	\$ 16,518,704
Business-type Activities										
Net Investment in Capital Assets	\$ 16,565,969	\$ 19,103,620	\$ 19,543,829	\$ 19,251,243	\$ 17,626,979	\$ 17,385,077	\$ 15,351,346	\$ 14,149,193	\$ 12,784,270	\$ 13,560,406
Restricted	1,034,732	986,683	914,823	-	-	-	913,515	1,221,792	726,037	381,790
Unrestricted	6,448,009	5,785,854	6,143,842	4,829,020	4,044,718	3,908,583	302,309	309,102	3,024,469	2,054,026
Subtotal Business-type Activities	\$ 24,048,710	\$ 25,876,157	\$ 26,602,494	\$ 24,080,263	\$ 21,671,697	\$ 21,293,660	\$ 19,288,170	\$ 18,464,087	\$ 16,534,776	\$ 15,996,222
Primary Government										
Net Investment in Capital Assets	\$ 43,932,951	\$ 44,561,329	\$ 43,941,086	\$ 39,141,080	\$ 37,496,476	\$ 37,237,524	\$ 30,050,048	\$ 27,592,035	\$ 25,003,030	\$ 26,869,946
Restricted	1,705,377	1,582,786	1,330,644	357,296	673,749	394,208	3,708,324	4,476,026	2,209,359	1,489,036
Unrestricted	12,722,201	11,733,477	11,089,442	9,599,554	10,031,002	8,230,144	4,567,110	4,105,304	5,653,673	4,155,944
Total Primary Government Net Position	\$ 58,360,529	\$ 57,877,592	\$ 56,361,172	\$ 49,097,930	\$ 48,201,227	\$ 45,861,876	\$ 38,325,482	\$ 36,173,365	\$ 32,866,062	\$ 32,514,926

CITY OF SALIDA, COLORADO
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Schedule 2

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Expenses										
Governmental Activities:										
General Government	\$ 2,515,773	\$ 915,020	\$ 1,175,900	\$ 1,574,671	\$ 1,524,785	\$ 1,175,090	\$ 1,414,429	\$ 1,929,106	\$ 1,730,060	\$ 1,771,128
Public Safety	4,389,355	3,509,183	3,283,906	3,096,405	2,715,406	2,578,402	2,529,710	2,354,999	2,255,274	2,125,057
Public works/Streets	2,862,257	3,445,982	1,827,415	2,056,193	1,568,062	1,275,564	1,109,882	705,819	650,668	541,915
Culture, parks and recreation	2,812,178	2,044,294	1,824,233	1,520,283	1,301,834	1,241,164	948,611	975,610	748,978	783,481
Interest on long-term debt	41,070	42,165	37,263	41,032	252,804	299,103	52,890	60,074	97,739	126,686
Total Governmental Activities	12,620,633	9,956,644	8,148,717	8,288,584	7,362,891	6,569,323	6,055,522	6,025,608	5,482,719	5,348,267
Business-type Activities:										
Water	2,194,312	1,799,018	1,286,580	1,421,395	1,992,682	1,405,023	1,344,957	1,304,607	1,239,112	1,225,619
Sewer	2,699,215	2,434,702	2,365,047	2,173,083	2,117,033	2,014,136	2,189,182	1,753,919	1,022,594	877,675
Steamplant Event Center	-	747,091	715,902	548,550	480,588	431,307	428,950	401,821	371,219	320,458
Total Business-type Activities	4,893,527	4,980,811	4,367,529	4,143,028	4,590,303	3,850,466	3,963,089	3,460,347	2,632,925	2,423,752
Total Primary Government Expenses	\$ 17,514,160	\$ 14,937,455	\$ 12,516,246	\$ 12,431,612	\$ 11,953,194	\$ 10,419,789	\$ 10,018,611	\$ 9,485,955	\$ 8,115,644	\$ 7,772,019
Program Revenues										
Governmental Activities:										
Charges for services										
General government	\$ 334,350	\$ 193,202	\$ 314,597	\$ 251,388	\$ 196,540	\$ 185,753	\$ 76,164	\$ 282,533	\$ 134,861	\$ 150,564
Public safety	250,794	202,702	79,729	91,675	85,844	116,168	56,244	118,978	135,587	60,788
Public works/Streets	35,033	26,733	23,147	24,230	56,644	29,631	26,659	17,931	23,246	12,548
Culture, parks and recreation	311,145	524,994	472,912	464,586	466,241	843,380	414,489	376,135	360,572	342,972
Operating grants and contributions	648,226	104,538	-	-	-	73,951	129,577	70,000	21,786	334,216
Capital grants and contributions	28,944	371,830	827,689	363,576	305,619	1,736,311	200,965	176,603	904,196	232,091
Total Governmental Activities	1,608,492	1,423,999	1,718,074	1,195,455	1,110,888	2,985,194	904,098	1,042,180	1,580,248	1,133,179
Business-type Activities:										
Charges for services										
Water	1,859,763	1,746,298	1,756,919	1,671,803	1,659,177	1,521,749	1,527,072	1,639,583	1,497,352	1,360,421
Sewer	1,556,395	1,378,262	1,377,798	1,345,584	1,345,305	1,304,101	1,239,528	1,232,454	1,301,950	1,203,348
Steamplant Event Center	-	392,721	368,684	324,615	259,240	220,070	258,640	249,756	196,014	152,714
Operating grants and contributions	-	903	5,060	16,911	8,031	44,479	-	-	-	-
Capital grants and contributions	1,283,573	1,198,157	2,191,124	2,677,589	1,554,433	2,536,446	1,530,286	2,177,661	329,240	129,505
Total Business-type activities	4,699,731	4,716,341	5,699,585	6,036,502	4,826,186	5,626,845	4,555,526	5,299,454	3,324,556	2,845,988
Total Primary Government Program Revenues	\$ 6,308,223	\$ 6,140,340	\$ 7,417,659	\$ 7,231,957	\$ 5,937,074	\$ 8,612,039	\$ 5,459,624	\$ 6,341,634	\$ 4,904,804	\$ 3,979,167
Net (Expense)/Revenue										
Governmental Activities	\$ (11,012,141)	\$ (8,532,645)	\$ (6,430,643)	\$ (7,093,129)	\$ (6,252,003)	\$ (3,584,129)	\$ (5,151,424)	\$ (4,983,428)	\$ (3,902,471)	\$ (4,215,088)
Business-type Activities	(193,796)	(264,470)	1,332,056	1,893,474	235,883	1,776,379	592,437	1,839,107	691,631	422,236
Total Primary Government Net (Expense)/Revenue	\$ (11,205,937)	\$ (8,797,115)	\$ (5,098,587)	\$ (5,199,655)	\$ (6,016,120)	\$ (1,807,750)	\$ (4,558,987)	\$ (3,144,321)	\$ (3,210,840)	\$ (3,792,852)

CITY OF SALIDA, COLORADO
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)
Schedule 2 (Continued)

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Revenues and other changes in net position										
Governmental Activities:										
Sales Tax	\$ 7,723,299	\$ 6,609,399	\$ 6,110,252	\$ 5,725,577	\$ 5,162,570	\$ 4,859,598	\$ 4,399,693	\$ 4,172,734	\$ 5,246,250	\$ 4,932,549
Sales Tax - County	2,580,358	2,303,168	1,997,746	1,849,781	1,785,695	1,586,472	-	-	-	-
Franchise Taxes	329,232	345,904	339,620	308,338	303,382	334,172	344,284	370,021	291,694	268,895
Occupation Taxes	349,513	337,316	-	-	248,230	205,150	217,212	242,902	176,543	120,357
Other Taxes	369,683	394,548	389,021	327,318	311,556	343,227	1,725,291	1,622,996	249,425	-
Unrestricted Investment Earnings	79,103	115,718	75,419	32,320	15,386	10,256	10,482	3,834	6,552	2,862
Capital Contributions	-	-	3,172,780	-	-	-	-	-	-	-
Miscellaneous	159,024	76,441	214,764	433,146	518,794	11,112	3,362	33,333	75,822	34,136
Gain (Loss) on sale of assets	-	17,628	-	(9,328)	75,903	-	-	-	(2,231,233)	(93,674)
Transfers in (out)	1,732,313	575,280	(1,127,948)	(635,280)	(124,100)	(220,103)	(220,866)	(84,400)	(100,000)	(545,000)
Total general revenues, special items, and transfers	13,322,525	10,775,402	11,171,654	8,031,872	8,297,416	7,129,884	6,479,458	6,361,420	3,715,053	4,720,125
Business-type Activities:										
Unrestricted investment earnings	\$ 98,662	\$ 113,413	\$ 62,227	\$ 33,354	\$ 18,054	\$ 9,008	\$ 10,782	\$ 6,193	\$ 7,592	\$ 6,537
Miscellaneous	-	-	-	-	-	-	-	-	-	-
Gain (Loss) on sale of assets	-	-	-	(10,316)	-	-	-	(389)	(260,671)	(22,626)
Transfers in (out)	(1,732,313)	(575,280)	1,127,948	635,280	124,100	220,103	220,866	84,400	100,000	545,000
Total Business-type activities	(1,633,651)	(461,867)	1,190,175	658,318	142,154	229,111	231,648	90,204	(153,079)	528,911
Total primary government	\$ 11,688,874	\$ 10,313,535	\$ 12,361,829	\$ 8,690,190	\$ 8,439,570	\$ 7,358,995	\$ 6,711,106	\$ 6,451,624	\$ 3,561,974	\$ 5,249,036
Change in Net Position										
Governmental Activities	\$ 2,310,384	\$ 2,242,757	\$ 4,741,011	\$ 938,743	\$ 2,045,413	\$ 3,545,755	\$ 1,328,034	\$ 1,377,992	\$ (187,418)	\$ 505,037
Business-type Activities	(1,827,447)	(726,337)	2,522,231	2,551,792	378,037	2,005,490	824,085	1,929,311	538,552	951,147
Total Change in Net Position	\$ 482,937	\$ 1,516,420	\$ 7,263,242	\$ 3,490,535	\$ 2,423,450	\$ 5,551,245	\$ 2,152,119	\$ 3,307,303	\$ 351,134	\$ 1,456,184

CITY OF SALIDA, COLORADO
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 3

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund										
Nonspendable	\$ 37,072	\$ 24,454	\$ 22,985	\$ 92,753	\$ 57,959	\$ 10,846	\$ -	\$ 54,524	\$ 50,496	\$ -
Restricted	380,000	360,000	224,000	225,000	265,000	275,014	226,411	230,935	211,288	178,524
Committed	1,809,178	-	-	-	-	1,117,840	2,444,494	2,709,676	1,009,819	502,132
Assigned	-	-	-	-	-	8,855	6,677	4,720	4,862	222,131
Unassigned	3,965,276	5,477,983	5,235,354	5,126,170	5,553,396	3,297,580	1,612,216	1,016,892	2,631,135	2,145,485
Total General Fund	\$ 6,191,526	\$ 5,862,437	\$ 5,482,339	\$ 5,443,923	\$ 5,876,355	\$ 4,710,135	\$ 4,289,798	\$ 4,016,747	\$ 3,907,600	\$ 3,048,272
All other governmental funds										
Nonspendable	\$ 27,100	\$ 18,612	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	290,645	236,103	191,821	132,296	125,983	119,194	-	-	-	-
Committed	888,678	146,016	580,679	281,084	282,766	253,277	-	-	-	-
Assigned	-	280,558	-	-	-	-	117,227	308,903	257,353	204,459
Unassigned	-	-	(893,418)	(729,473)	-	-	-	-	-	-
Total all other governmental funds	\$ 1,206,423	\$ 681,289	\$ (120,918)	\$ (316,093)	\$ 408,749	\$ 372,471	\$ 117,227	\$ 308,903	\$ 257,353	\$ 204,459

CITY OF SALIDA, COLORADO
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 4

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenues										
Taxes	\$ 8,416,772	\$ 7,306,779	\$ 6,456,172	\$ 6,033,915	\$ 5,714,182	\$ 5,398,920	\$ 4,961,189	\$ 4,785,657	\$ 5,714,487	\$ 5,321,801
Intergovernmental	3,757,916	3,288,305	3,308,118	2,646,707	2,508,023	3,072,527	2,047,493	1,851,599	1,267,633	572,040
Charges for services	572,005	680,845	689,228	641,149	628,553	635,945	485,844	524,658	470,926	468,997
Fines and forfeitures	47,791	57,472	72,183	61,756	46,737	50,192	51,383	61,892	65,587	60,788
Interest revenue	79,094	115,718	75,419	32,320	15,386	10,256	-	-	6,552	2,862
Insurance Proceeds	90,788	-	-	-	-	-	-	-	-	-
Other revenues	251,933	187,374	243,776	456,088	648,401	701,104	58,514	264,194	101,369	205,423
Total Revenues	13,216,299	11,636,493	10,844,896	9,871,935	9,561,282	9,868,944	7,604,423	7,488,000	7,626,554	6,631,911
Expenditures										
Current:										
General government	2,259,376	1,718,222	1,334,406	1,445,588	1,241,479	1,041,907	969,145	922,737	845,762	874,972
Public safety	3,638,008	3,394,005	3,003,536	2,820,575	2,451,591	2,509,421	2,390,535	2,228,947	2,155,541	2,048,393
Public works/streets	1,301,433	1,303,326	1,079,137	1,134,641	937,511	737,210	639,958	622,001	564,611	454,102
Culture, parks and recreation	2,228,879	1,522,322	1,254,096	1,186,520	1,036,540	902,875	980,854	1,107,569	877,023	704,089
Capital outlay	2,583,790	3,093,862	3,995,457	3,362,007	2,014,813	3,523,792	2,159,856	2,199,817	1,998,705	869,358
Debt service:										
Principal	212,495	211,401	160,053	120,800	418,536	216,677	109,103	105,460	76,778	747,629
Interest and fiscal charges	41,070	42,165	37,263	41,032	134,214	280,670	52,730	56,372	95,910	130,062
Total Expenditures	12,265,051	11,285,303	10,863,948	10,111,163	8,234,684	9,212,552	7,302,181	7,242,903	6,614,330	5,828,605
Excess (Deficiency) of Revenue over Expenditures	\$ 951,248	\$ 351,190	\$ (19,052)	\$ (239,228)	\$ 1,326,598	\$ 656,392	\$ 302,242	\$ 245,097	\$ 1,012,224	\$ 803,306
Other Financing Sources (Uses):										
Transfers in	\$ 252,488	\$ 1,580,006	\$ 796,319	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Transfers out	(349,513)	(1,004,726)	(1,061,128)	(635,280)	(124,100)	(220,103)	(220,866)	(84,400)	(100,000)	(545,000)
Lease proceeds	-	255,835	161,723	-	-	-	-	-	-	-
TABOR Refund	-	-	(84,101)	-	-	-	-	-	-	-
Capital Contributions	-	-	439,830	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	(97,025)	831,115	252,643	(635,280)	(124,100)	(220,103)	(220,866)	(84,400)	(100,000)	(545,000)
Net change in fund balances	\$ 854,223	\$ 1,182,305	\$ 233,591	\$ (874,508)	\$ 1,202,498	\$ 436,289	\$ 81,376	\$ 160,697	\$ 912,224	\$ 258,306
Debt service as a percentage of noncapital expenditures	2.42%	2.90%	2.78%	3.97%	8.80%	8.74%	3.11%	3.07%	3.64%	16.89%

CITY OF SALIDA, COLORADO
Tax Revenues by Source - Governmental Funds
(Major Component of Revenue Base)
Last Ten Fiscal Years
Schedule 5

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Tax Revenue Source										
Sales Tax (net of rebates)	\$ 7,723,299	\$ 6,609,399	\$ 5,881,098	\$ 5,540,130	\$ 5,162,570	\$ 4,859,598	\$ 4,399,693	\$ 4,172,734	\$ 5,246,250	\$ 4,932,549
Sales Tax - County	2,580,358	2,303,168	1,997,746	1,849,781	1,785,695	1,586,472	1,432,420	1,354,142	-	-
Franchise Tax	329,232	345,904	339,620	308,338	303,382	334,172	344,284	370,021	291,694	268,895
Occupation Tax	349,513	337,316	229,154	185,447	248,230	205,150	217,212	242,902	176,543	120,357
Other Tax	369,683	394,548	389,021	327,318	311,556	343,227	292,871	268,854	249,425	-
	\$ 11,352,085	\$ 9,990,335	\$ 8,836,639	\$ 8,211,014	\$ 7,811,433	\$ 7,328,619	\$ 6,686,480	\$ 6,408,653	\$ 5,963,912	\$ 5,321,801
% Change from Prior Year	13.6%	13.1%	7.6%	5.1%	6.6%	9.6%	4.3%	7.5%	12.1%	1.7%
Percentage of Total Tax Revenues										
Sales Tax	68.0%	66.2%	66.6%	67.5%	66.1%	66.3%	65.8%	65.1%	88.0%	92.7%
Sales Tax - County	22.7%	23.1%	22.6%	22.5%	22.9%	21.6%	21.4%	21.1%	0.0%	0.0%
Franchise Tax	2.9%	3.5%	3.8%	3.8%	3.9%	4.6%	5.1%	5.8%	4.9%	5.1%
Occupation Tax	3.1%	3.4%	2.6%	2.3%	3.2%	2.8%	3.2%	3.8%	3.0%	2.3%
Other Tax	3.3%	3.9%	4.4%	4.0%	4.0%	4.7%	4.4%	4.2%	4.2%	0.0%
% of Total Tax Revenue	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
% of Total Governmental Fund Revenues	86.5%	85.9%	81.5%	83.2%	81.7%	74.3%	87.9%	85.6%	78.2%	80.2%

CITY OF SALIDA, COLORADO
Assessed Value and Estimated Actual Value of Taxable Property
Last Eight Fiscal Years
Schedule 6

	Fiscal Year							
	2020	2019	2018	2017	2016	2015	2014	2013
Estimated Actual Value								
Agricultural	\$ 373,360	\$ 372,599	\$ 411,421	\$ 412,401	\$ 288,370	\$ 363,277	\$ 404,854	\$ 331,309
Commercial	182,739,025	176,804,847	163,298,276	166,688,470	152,410,307	146,664,715	147,105,506	147,318,330
Exempt	170,604,354	169,805,691	160,488,186	157,538,242	153,549,567	136,538,236	120,307,392	101,809,706
Industrial	6,694,588	7,168,079	6,630,129	6,196,817	6,033,518	6,048,389	5,512,666	5,592,221
Residential	1,030,166,281	1,007,678,761	777,475,475	749,999,937	625,274,481	611,270,187	557,137,874	548,748,243
State Assessed	17,964,430	24,065,520	15,012,280	15,498,090	14,512,700	14,115,300	12,044,100	13,094,190
Vacant Land	25,768,674	24,853,057	16,867,409	17,512,005	13,762,393	14,155,190	12,550,939	12,937,332
Total estimated actual value	\$ 1,434,310,712	\$ 1,410,748,554	\$ 1,140,183,176	\$ 1,113,845,962	\$ 965,831,336	\$ 929,155,294	\$ 855,063,331	\$ 829,831,331
Percentage change from prior year	1.7%	23.7%	2.4%	15.3%	3.9%	8.7%	3.0%	
Taxable Assessed Value								
Agricultural	\$ 108,270	\$ 108,050	\$ 119,330	\$ 119,620	\$ 83,620	\$ 105,350	\$ 117,410	\$ 96,080
Commercial	52,993,970	51,273,260	47,356,280	48,339,590	44,199,170	42,532,780	42,660,720	42,722,430
Exempt	48,250,180	48,018,550	45,541,060	44,766,580	43,567,690	38,634,410	33,945,000	28,634,530
Industrial	1,941,430	2,078,740	1,922,740	1,797,080	1,749,690	1,753,990	1,598,660	1,621,740
Residential	73,657,000	72,049,270	55,977,910	53,999,620	49,772,610	48,657,930	44,346,970	43,679,120
State Assessed	5,208,320	6,978,990	4,353,570	4,494,450	4,208,710	4,093,360	3,494,260	3,799,320
Vacant Land	7,472,980	7,207,490	4,891,620	5,079,520	3,991,168	4,105,053	3,639,778	3,751,829
Total Taxable Assessed Value	\$ 189,632,150	\$ 187,714,350	\$ 160,162,510	\$ 158,596,460	\$ 147,572,658	\$ 139,882,873	\$ 129,802,798	\$ 124,305,049
Taxable Assessed Value as a Percentage of Estimated Actual Value								
Agricultural	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Commercial	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Exempt	28.3%	28.3%	28.4%	28.4%	28.4%	28.3%	28.2%	28.1%
Industrial	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Residential	7.2%	7.2%	7.2%	7.2%	8.0%	8.0%	8.0%	8.0%
State Assessed	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Vacant Land	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%	29.0%
Total	13.2%	13.3%	14.0%	14.2%	15.3%	15.1%	15.2%	15.0%

Source: County Assessor's Office

Note: The City of Salida does not levy a property tax.

Property in the county is reassessed every two years in each odd-numbered year (2019, 2017, etc)

CITY OF SALIDA, COLORADO
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years
Schedule 7

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Taxing Entity										
City of Salida	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Chaffee County	2.75%	2.75%	2.5%	2.5%	2.5%	2.0%	2.0%	2.0%	2.0%	2.0%
State of Colorado	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
Total Sales Tax Rate	8.65%	8.65%	8.40%	8.40%	8.40%	7.90%	7.90%	7.90%	7.90%	7.90%

CITY OF SALIDA, COLORADO
Taxable Sales and Sales Tax Collections by Category
Last Three Fiscal Years
Schedule 8

	Fiscal Year			
	2020	2019	2018	2017 to 2011
Total Sales (Calculated) *	\$ 257,443,300	\$ 221,688,582	\$ 198,080,774	
Sales Tax Collections				Not Tracked Previously
Retail trade	\$ 5,517,768	\$ 4,404,863	\$ 4,048,814	
Accommodation & Food Service	1,206,824	1,307,816	1,203,600	
Manufacturing	228,877	170,388	159,524	
Wholesale Trade	188,030	162,239	67,657	
Other Services	143,086	125,846	103,786	
Construction	100,919	100,171	64,623	
Information	77,196	123,619	87,368	
Real Estate and Rental and Leasing	44,797	66,721	51,782	
Professional, Scientific and Technical	31,931	15,078	15,808	
Arts, Entertainment & Recreation	24,642	20,076	17,051	
Finance and Insurance	7,617	6,670	3,847	
Administrative and Support and Waste Management and Remediation	3,426	7,349	2,184	
Transportation and Warehousing	3,207	2,302	-	
Mining, Quarrying and Oil & Gas Extraction	1,961	1,467	327	
Health Care and Social Assistance	1,602	1,687	1,671	
Agriculture, Forestry, Fishing and Hunting	1,415	3,803	3,042	
Educational Services	524	372	77	
Management of Companies and Enterprises	NR	NR	NR	
Public Administration	NR	NR	NR	
Utilities	NR	NR	NR	
Grand Total	\$ 7,723,299	\$ 6,650,657	\$ 5,942,423	
	-			
Percentage of Total Sales Tax				
Retail trade	71.4%	66.2%	68.1%	
Accommodation & Food Service	15.6%	19.7%	20.3%	
Manufacturing	3.0%	2.6%	2.7%	
Wholesale Trade	2.4%	2.4%	1.1%	
Other Services	1.9%	1.9%	1.7%	
Construction	1.3%	1.5%	1.1%	
Information	1.0%	1.9%	1.5%	
Real Estate and Rental and Leasing	0.6%	1.0%	0.9%	
Professional, Scientific and Technical	0.4%	0.2%	0.3%	
Arts, Entertainment & Recreation	0.3%	0.3%	0.3%	
Finance and Insurance	0.1%	0.1%	0.1%	
Administrative and Support and Waste Management and Remediation	0.0%	0.1%	0.0%	
Transportation and Warehousing	0.0%	0.0%	0.0%	
Mining, Quarrying and Oil & Gas Extraction	0.0%	0.0%	0.0%	
Health Care and Social Assistance	0.0%	0.0%	0.0%	
Agriculture, Forestry, Fishing and Hunting	0.0%	0.1%	0.1%	
Educational Services	0.0%	0.0%	0.0%	
NR	1.8%	2.0%	1.9%	
	100.0%	100.0%	100.0%	

* As a Colorado Statutory City, the state manages sales tax collections. The state does not share total sales so this number has been calculated based on the City's tax rate of 3%.

NR - Not releasable due to taxpayer confidentiality requirements. Total includes NR data.

CITY OF SALIDA, COLORADO
Principal Sales Tax Taxpayers
Current Year and 2 years ago (not tracked previously)
Schedule 9

Taxpayer	2020 Rank	2018 Rank
Wal-Mart Stores Inc & Subsidiaries	1	1
Safeway Store Forty Six Inc	2	2
Town & Country Autoplex Salida Inc	3	3
Murdoch's Ranch & Home Supply	4	4
Vitamin Cottage Natural Food Market	5	
Amazon.Com Services	6	
American Hunting and Firearms Service	7	
FCI Ind Inc	8	6
Hylton Lumber Co	9	5
Cellar Wine & Spirits	10	
Public Service Co of Colorado		7
JMJK LLC		8
Boathouse Cantina LLC		9
Atmos Energy Corp		10
<hr/>		
Total sales taxes paid by top 10 taxpayers *	\$ 3,776,946	\$ 2,936,083
<hr/>		
Percentage of Total Sales Tax Collected	48.9%	49.4%
<hr/>		

* Sales tax vendor information is confidential and can only be disclosed in the aggregate.

Note: The City of Salida does not collect a property tax.

CITY OF SALIDA, COLORADO
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule 10

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Governmental Activities										
Leases	\$ 974,784	\$ 1,187,150	\$ 1,142,716	\$ 1,141,046	\$ 1,261,846	\$ 1,378,614	\$ 1,491,483	\$ 1,600,585	\$ 1,706,046	\$ 1,782,824
Business Type Activities										
Notes & Loans	\$ 708,987	\$ 768,647	\$ 678,551	\$ 444,919	\$ 483,172	\$ 2,465,900	\$ 2,778,130	\$ 3,089,885	\$ 3,376,187	\$ 3,658,433
Revenue Bond	11,481,071	11,831,388	12,176,422	12,491,301	12,811,155	13,416,102	13,944,005	14,465,700	14,848,000	15,108,000
Leases	467,198	-	-	-	-	-	-	-	-	-
Total	\$ 12,657,256	\$ 12,600,035	\$ 12,854,973	\$ 12,936,220	\$ 13,294,327	\$ 15,882,002	\$ 16,722,135	\$ 17,555,585	\$ 18,224,187	\$ 18,766,433
Total Debt	\$ 13,632,040	\$ 13,787,185	\$ 13,997,689	\$ 14,077,266	\$ 14,556,173	\$ 17,260,616	\$ 18,213,618	\$ 19,156,170	\$ 19,930,233	\$ 20,549,257
Percentage of Personal Income (1)	(2)	7.9%	8.0%	8.3%	8.8%	11.4%	13.9%	14.1%	15.5%	15.5%
Debt per Capita (1)	(2)	\$ 2,267	\$ 2,342	\$ 2,415	\$ 2,588	\$ 3,164	\$ 3,411	\$ 3,542	\$ 3,752	\$ 3,891

(1) Personal income and population are disclosed on Demographic and Economic Statistics table.

(2) Statistics are not yet available for 2020.

CITY OF SALIDA, COLORADO
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Schedule 11

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Revenue Bonds	\$ 11,481,071	\$ 11,831,388	\$ 12,176,422	\$ 12,491,301	\$ 12,811,155	\$ 13,416,102	\$ 13,944,005	\$ 14,465,700	\$ 14,848,000	\$ 15,108,000
Less: Bond Reserves	1,034,732	\$ 986,683	\$ 914,823	\$ -	\$ -	\$ -	\$ 913,515	\$ 1,221,792	\$ 726,037	\$ 381,790
Total	\$ 10,446,339	\$ 10,844,705	\$ 11,261,599	\$ 12,491,301	\$ 12,811,155	\$ 13,416,102	\$ 13,030,490	\$ 13,243,908	\$ 14,121,963	\$ 14,726,210
Percentage of Estimated Actual Value of Taxable Property (1)	0.73%	0.77%	0.99%	1.12%	1.33%	1.44%	1.52%	1.60%	*	*
Debt per Capita (2)	*	\$ 1,783	\$ 1,884	\$ 2,143	\$ 2,278	\$ 2,459	\$ 2,441	\$ 2,448	\$ 2,659	\$ 2,789

* Population or taxable property values are not available

(1) Actual Property values are disclosed on Assessed Value and Estimated Actual Value of Taxable Property Schedule

(2) Population figures are disclosed on Demographic and Economic Statistics table

CITY OF SALIDA, COLORADO
Direct and Overlapping Governmental Activities Debt
As of December 31, 2020
Schedule 12

Government Unit	Debt Outstanding	Estimated Percentage Applicable (2)	Amount Applicable to City of Salida
Salida School District (1)	\$ 20,265,393	100.0%	\$ 20,265,393
Chaffee County	5,877,774	27.7%	<u>1,627,355</u>
Subtotal Overlapping Debt			21,892,748
City of Salida direct debt			<u>974,656</u>
Total direct and overlapping debt			<u><u>\$ 22,867,404</u></u>

(1) As of June 30, 2020.

(2) Assessed values used to estimate applicable percents.

CITY OF SALIDA, COLORADO
Legal Debt Margin Information
Last Seven Fiscal Years
Schedule 13

	Fiscal Year							
	2020	2019	2018	2017	2016	2015	2014	2013 to 2011
Actual Value *	\$ 1,301,081,857	\$ 1,274,522,142	\$ 1,019,622,128	\$ 993,692,869	\$ 850,354,292	\$ 831,734,976	\$ 770,019,521	not tracked
Debt Limit (3% of Actual Value)	39,032,456	38,235,664	30,588,664	29,810,786	25,510,629	24,952,049	23,100,586	
Debt Applicable to Limit - General Obligation Bonds	-	-	-	-	-	-	-	
Legal Debt Margin	\$ 39,032,456	\$ 38,235,664	\$ 30,588,664	\$ 29,810,786	\$ 25,510,629	\$ 24,952,049	\$ 23,100,586	

The Constitutional debt limitation applies to all general obligation bonds authorized. Additional general obligation bonds may be authorized to be issued if so approved by a majority of those voting in an election held for that purpose.

* Source: County Abstract of Assessment

CITY OF SALIDA, COLORADO
Demographic and Economic Statistics
Last Ten Fiscal Years
Schedule 14

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Population (1)	*	6,082	5,977	5,828	5,624	5,455	5,339	5,409	5,312	5,281
Median Age (1)(4) ~	*	47.2	46.7	50.0	48.9	46.6	47.0	45.7	45.7	45.7
Per Capita Income (1)(4) ~	*	\$ 28,619	\$ 29,382	\$ 28,991	\$ 29,281	\$ 27,743	\$ 24,459	\$ 25,165	\$ 24,255	\$ 25,165
Personal Income	*	\$ 174,060,758	\$ 175,616,214	\$ 168,959,548	\$ 164,676,344	\$ 151,338,065	\$ 130,586,601	\$ 136,117,485	\$ 128,842,560	\$ 132,896,365
Public School Enrollment (PreK-12) (2)	1,362	1,445	1,380	1,373	1,343	1,291	1,194	1,176	1,156	1,102
Unemployment Rate (3)	5.4	2.2	2.6	2.3	2.0	2.7	3.9	5.4	6.9	7.6
Median Household Income for all Occupied Housing Units (1)(4) ~	*	\$ 46,875	\$ 46,308	\$ 39,741	\$ 39,706	\$ 40,801	\$ 39,547	\$ 38,140	\$ 40,056	\$ 38,140
Median Value of Owner-Occupied Housing Units (1)(4) ~	*	\$ 328,200	\$ 306,100	\$ 274,900	\$ 252,900	\$ 248,400	\$ 235,000	\$ 245,000	\$ 236,289	\$ 225,000

Sources and Explanatory Notes:

(1) U.S. Census Bureau

(2) Salida Public School District R-32-J and Salida Montessori Charter School (Note: The Salida Montessori Charter School opened 2015)

(3) fred.stlouisfed.org

(4) American Community Survey

~ Approximate values are from the American Community Survey which is a 5-year estimate so the figures were not exact

* Statistics not yet released for 2020

CITY OF SALIDA, COLORADO
Principal Employers
Fiscal Year 2020
Schedule 15

Employer	Employees	Percentage of Total City Employment
Heart Of The Rockies Regional Medical Center	386	11.6%
Salida School District R32 (Admin and all schools)	247	7.4%
Chaffee County Government	220	6.6%
Walmart Supercenter	200	6.0%
Columbine Manor Care Center	132	4.0%
City of Salida	87	2.6%
	<hr/> 1,272	<hr/> 38.1%

Source: Colorado Workforce Center, Chaffee County, City of Salida

Notes: Comparable data is not available for previous years.

Total City Employment estimate based on census bureau reporting 54.9% of population is in the labor force.

CITY OF SALIDA, COLORADO
Operating Information - Full-time Equivalent Employees by Function
Schedule 16

	Fiscal Years									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund										
Administration & Finance	8.40	8.40	8.33		-----Not Tracked-----		7.73	7.00	7.00	6.60
Community Development	3.00	3.00	2.82		-----Not Tracked-----		2.88	2.50	2.00	3.00
Police Department	21.00	20.00	18.55		-----Not Tracked-----		17.00	17.00	16.00	16.00
Fire Department	14.00	13.15	12.11		-----Not Tracked-----		10.67	10.70	10.60	10.60
Public Works - Streets	11.50	12.00	12.26		-----Not Tracked-----		12.73	12.50	11.00	11.50
Arts & Culture*	6.40	7.00	7.08		-----Not Tracked-----		5.18	4.50	4.00	3.50
Parks & Recreation	17.60	19.15	18.29		-----Not Tracked-----		11.03	11.80	11.70	10.90
Subtotals	81.90	82.70	79.44		-----Not Tracked-----		67.22	66.00	62.30	62.10
Water and Wastewater Enterprise										
Water Plant	2.40	2.25	3.00		-----Not Tracked-----		3.00	3.00	3.00	3.00
Sewer Plant	3.00	3.15	2.91		-----Not Tracked-----		4.00	4.00	4.00	4.00
Totals	87.30	88.10	85.35		-----Not Tracked-----		74.22	73.00	69.30	69.10

*Prior to 2020, this department was a separate Enterprise fund, the SteamPlant fund.

CITY OF SALIDA, COLORADO
Operating Indicators by Function
Schedule 17

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government:										
Building permits	183	192	207	183	197	151	133	74	85	73
Birth certificates processed	249	415	370	412	392	430	371	307	380	467
Death certificates processed	1440	1355	1188	1321	1370	1421	416	205	52	108
Liquor licenses processed	-----Data Not Available-----						48	63	57	60
Council resolutions	47	65	57	70	97	103	95	86	77	87
Council ordinances	14	18	17	23	28	24	28	35	31	18
Open records requests	54	126	92	48	87	66	45	84	17	12
Public Safety:										
Number of police calls for service	6,747	5,381	5,287	5,826	5,782	4,717	-----Data Not Available-----			
Number of arrests	355	373	397	440	351	275	391	404	341	292
Number of citations	932	863	1,273	1,228	860	778	-----Data Not Available-----			
Number of parking violations	145	405	765	766	780	712	756	570	569	540
Number of fire emergency responses	1,088	984	956	969	897	1,081	1,048	961	1,064	1,133
Number of fires extinguished	16	19	21	61	23	22	27	29	29	27
Number of fire inspections	213	247	246	250	242	276	165	153	155	182
Water Treatment Plant:										
Water Usage (in millions of gallons)	443.956	396.455	414.923	365.144	381.303	354.766	364.984	390.700	427.600	-Not Tracked-
Number of new taps	65	58	93	64	76	52	46	24	20	6
Wastewater Treatment Plant:										
Sewer Usage (in millions of gallons)	407.262	375.463	395.997	350.436	352.081	343.106	160.177	-----Data Not Available-----		
Number of new taps*	146	118	133	93	116	68	53	27	25	8
Pool, Parks and Recreation**:										
Park rentals booked	79	-----Data Not Available-----					139	108	119	108
Participants in Rec Programs	266	-----Data Not Available-----					-----Data Not Available-----			
Number of Access passes sold	6,266	-----Data Not Available-----					-----Data Not Available-----			
Number of Drop-in Registrations	41,993	-----Data Not Available-----					28,444	26,484	25,130	24,552
Arts and Culture:										
Number of events at SteamPlant	361	825	661	498	528	590	546	506	520	615
SteamPlant event hours	1,062	2,920	2,461	1,649	1,247	1,563	1,520	1,429	1,531	2,056
SteamPlant free events	117	243	204	174	204	238	244	201	177	*Not Tracked*
People attending events	10,775	46,248	39,719	31,160	31,416	35,468	34,434	35,442	35,983	29,847

*Beginning in 2017, the City of Salida started handling Town of Poncha Springs Sewer Taps

**Estimated figures for 2020

Sources: Various City Departments

CITY OF SALIDA, COLORADO
Capital Asset Statistics by Function
Schedule 18

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government										
Number of General Government Buildings	1	1	1	1	1	1	1	1	1	1
Number of Airports*	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Number of Community Centers	1	1	1	1	1	1	1	1	1	1
Number of Museums	1	1	1	1	1	1	1	1	1	1
Number of Golf Courses	1	1	1	1	1	1	1	1	1	1
Public Safety										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Vehicles	20	20	19	19	19	18	18	18	17	17
Number of Mobile Speed Trailers	1	1	1	1	1	1	1	1	1	1
Number of Fire Stations	1	1	1	1	1	1	1	1	1	1
Number of Fire Trucks	3	3	3	3	4	4	4	4	4	4
Water / Wastewater Treatment										
Number of Treatment Plants	4	4	4	4	4	4	4	4	4	4
Miles of Sewer Lines	46.7	45.8	44.3	44.1	43.7	43.2	43	43	43	43
Miles of Water Lines	44.6	44.2	44.2	44.2	43.2	42.8	42.5	42.5	42.5	42.5
Public Works										
Miles of Streets	39.2	38.7	37.7	37.4	37.4	37.4	37.2	37.2	37.2	37.2
Number of Street Lights***	560	550	540	530	525	525	525	525	525	525
Number of Electric Vehicle (EV) Charging Stations	3	3	0	0	0	0	0	0	0	0
Parks & Recreation										
Number of Aquatic Centers	1	1	1	1	1	1	1	1	1	1
Miles of Hot Water Lines	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Number of Bike Racks	21									
Number of Skate Parks	1	1	1	1	1	1	1	1	1	1
Acres of Parks**	445									
Number of Parks	16									
Number of Trees	533									
Number of Amphitheaters	1	1	1	1	1	1	1	1	1	1
Miles of Trails	6.55									
Arts & Culture										
Number of Arts & Culture Facilities	4	4	4	3	3	3	3	3	3	3
Number of Sculpture Gardens	1	1	1	1	1	1	1	1	1	1

Notes:

* The City of Salida shares ownership of the Salida Harriet Alexander Airport with Chaffee County.

**This includes acreage for Vandaveer Ranch property and Arkansas Hills

***Estimate prior to 2020