

cPa DIXON, WALLER & CO., INC.

TOWN OF CAMPO, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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Office of the State Auditor

July 27, 2018

DIXON, WALLER & CO., INC.

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TOWN OF CAMPO, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2017

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and
the Board of Trustees
Town of Campo
Campo, CO 81029

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Campo, as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion on Governmental Activities

The governmental activities do not reflect an estimated liability for landfill closure and post-closure costs, and sufficient, appropriate audit evidence could not be obtained to accurately measure the potential liability.

Qualified Opinion

In our opinion, except for the possible effects of the matter discussed in the "Basis for Qualified Opinion on Governmental Activities" paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Town of Campo, Colorado as of December 31, 2017, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Town of Campo, Colorado as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information, on pages 25 through 26 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.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Campo's basic financial statements. The individual fund schedules and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund schedules and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules and other schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Deaton, Waller & Co., Inc.

July 17, 2018

BASIC FINANCIAL STATEMENTS

TOWN OF CAMPO, COLORADO
STATEMENT OF NET POSITION
December 31, 2017

| | <u>Governmental Activities</u> | <u>Business-Type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|------------------|
| <u>ASSETS</u> | | | |
| Cash | 80,995 | 19,633 | 100,628 |
| Receivables (Net, where Applicable, of Allowance for Uncollectibles): | | | |
| Accounts | - | 5,652 | 5,652 |
| Tax Refund | 4,485 | - | 4,485 |
| Property Tax | 4,393 | - | 4,393 |
| Inter-Entity Balances | (4,871) | 4,871 | - |
| Prepaid Expense | 947 | - | 947 |
| Fixed Assets (Net) | <u>68,385</u> | <u>1,311,083</u> | <u>1,379,468</u> |
| <u>Total Assets</u> | <u>154,334</u> | <u>1,341,239</u> | <u>1,495,573</u> |
| <u>DEFERRED OUTFLOWS OF RESOURCES</u> | | | |
| Other | - | - | - |
| <u>Total Deferred Outflows of Resources</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>LIABILITIES</u> | | | |
| Accounts Payable | 3,765 | 4,849 | 8,614 |
| Accrued Payroll | 1,467 | 2,280 | 3,747 |
| Customer Deposits | - | 4,380 | 4,380 |
| Accrued Interest Payable | - | 2,933 | 2,933 |
| Notes Payable – Current | - | 3,400 | 3,400 |
| Long-Term Notes Payable | - | 120,100 | 120,100 |
| <u>Total Liabilities</u> | <u>5,232</u> | <u>137,942</u> | <u>143,174</u> |
| <u>DEFERRED INFLOW OF RESOURCES</u> | | | |
| Property Tax | <u>4,393</u> | - | <u>4,393</u> |
| <u>Total Deferred Inflows of Resources</u> | <u>4,393</u> | <u>-</u> | <u>4,393</u> |
| <u>NET POSITION</u> | | | |
| Net Investment in Capital Assets | 68,385 | 1,187,583 | 1,255,968 |
| Restricted for: | | | |
| Debt Service | - | 10,000 | 10,000 |
| Parks and Recreation | 26,379 | - | 26,379 |
| Tabor Reserve | 2,600 | - | 2,600 |
| Unrestricted | <u>47,345</u> | <u>5,714</u> | <u>53,059</u> |
| <u>Total Net Position</u> | <u>144,709</u> | <u>1,203,297</u> | <u>1,348,006</u> |

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

TOWN OF CAMPO, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2017

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Position | | Total |
|---|----------------|-------------------------|--|--------------------------------------|--|--------------------------------|-----------------|
| | | Charges for Services | Operating Grants & Contributions | Capital Grants & Contributions | Governmental Activities | Business Type Activities | |
| Governmental Activities | | | | | | | |
| General Government | 54,432 | - | - | - | (54,432) | - | (54,432) |
| Public Safety | 39,217 | 36,497 | 7,500 | - | 4,780 | - | 4,780 |
| Public Works | - | - | - | - | - | - | - |
| Health & Welfare | - | - | - | - | - | - | - |
| Culture & Recreation | 3,778 | - | 15,000 | - | 11,222 | - | 11,222 |
| Pension Expense | - | - | - | - | - | - | - |
| Total Governmental Activities | 97,427 | 36,497 | 22,500 | - | (38,430) | - | (38,430) |
| BUSINESS TYPE ACTIVITIES | | | | | | | |
| Water and Sewer | 113,565 | 72,237 | - | - | - | (41,328) | (41,328) |
| Total Business Type Activities | 113,565 | 72,237 | - | - | - | (41,328) | (41,328) |
| Total Primary Government | 210,992 | 108,734 | 22,500 | - | (38,430) | (41,328) | (79,758) |
| General Revenues: | | | | | | | |
| Property Taxes | | | | | 5,415 | - | 5,415 |
| Specific Ownership Taxes | | | | | 526 | - | 526 |
| Intergovernmental Not Specifically Restricted | | | | | 9,794 | - | 9,794 |
| Interest Revenues | | | | | 116 | - | 116 |
| Gain on Sale of Assets | | | | | 6,051 | - | 6,051 |
| Other Revenues | | | | | 5,554 | - | 5,554 |
| Total General Revenues | | | | | 27,456 | - | 27,456 |
| Change in Net Position | | | | | (10,974) | (41,328) | (52,302) |
| Net Position, Beginning | | | | | 155,683 | 1,244,625 | 1,400,308 |
| Net Position, Ending | | | | | 144,709 | 1,203,297 | 1,348,006 |

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

TOWN OF CAMPO, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2017

| | <u>General</u> | <u>Total Governmental Funds</u> |
|--|----------------|---|
| <u>ASSETS</u> | | |
| Cash | 80,995 | 80,995 |
| Property Taxes Receivable | 4,393 | 4,393 |
| Tax Refund Receivable | 4,485 | 4,485 |
| Prepaid Assets | <u>947</u> | <u>947</u> |
| <u>Total Assets</u> | <u>90,820</u> | <u>90,820</u> |
| <u>DEFERRED OUTFLOW OF RESOURCES</u> | | |
| | - | - |
| <u>LIABILITIES</u> | | |
| Accounts Payable | 3,765 | 3,765 |
| Accrued Salaries | 1,467 | 1,467 |
| Due to Enterprise Fund | <u>4,871</u> | <u>4,871</u> |
| <u>Total Liabilities</u> | <u>10,103</u> | <u>10,103</u> |
| <u>DEFERRED INFLOW OF RESOURCES</u> | | |
| Property Tax | <u>4,393</u> | <u>4,393</u> |
| <u>FUND BALANCES</u> | | |
| Nonspendable: | | |
| Prepays | 947 | 947 |
| Restricted for: | | |
| Emergencies | 2,600 | 2,600 |
| Culture and Recreation | 26,379 | 26,379 |
| Assigned for: | | |
| Health and Welfare | - | - |
| Unassigned | <u>46,398</u> | <u>46,398</u> |
| <u>Total Fund Balances</u> | <u>76,324</u> | <u>76,324</u> |
| <u>TOTAL LIABILITIES, DEFERRED RESOURCES AND FUND BALANCES</u> | | |
| | <u>90,820</u> | <u>90,820</u> |

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

TOWN OF CAMPO, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2017

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

| | |
|---|----------------|
| <u>Total Fund Balance – Governmental Funds</u> | 76,324 |
| Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$123,171 and the accumulated depreciation is \$54,786. | <u>68,385</u> |
| <u>Total Net Position – Governmental Activities</u> | <u>144,709</u> |

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

TOWN OF CAMPO, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2017

| | <u>General</u> | <u>Total Governmental Funds</u> |
|--|----------------|---|
| <u>REVENUES:</u> | | |
| Taxes | 5,941 | 5,941 |
| Licenses and Permits | - | - |
| Intergovernmental Revenues | 17,294 | 17,294 |
| Fines and Forfeits | 36,497 | 36,497 |
| Interest Revenue | 116 | 116 |
| Grants | 15,000 | 15,000 |
| Miscellaneous Revenues | <u>5,554</u> | <u>5,554</u> |
| <u>Total Revenues</u> | <u>80,402</u> | <u>80,402</u> |
| <u>EXPENDITURES:</u> | | |
| General Government | 52,662 | 52,662 |
| Public Safety | 28,817 | 28,817 |
| Public Works | - | - |
| Health and Welfare | - | - |
| Culture and Recreation | 3,778 | 3,778 |
| Debt Service Principal | - | - |
| Debt Service Interest | - | - |
| <u>Total Expenditures</u> | <u>85,257</u> | <u>85,257</u> |
| <u>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</u> | <u>(4,855)</u> | <u>(4,855)</u> |
| <u>OTHER FINANCING SOURCES (USES):</u> | | |
| Gain on Sale of Assets | <u>6,051</u> | <u>6,051</u> |
| <u>Total Other Financing Sources (Uses)</u> | <u>6,051</u> | <u>6,051</u> |
| <u>NET CHANGES IN FUND BALANCES</u> | 1,196 | 1,196 |
| <u>FUND BALANCES – Beginning</u> | <u>75,128</u> | <u>75,128</u> |
| <u>FUND BALANCES - Ending</u> | <u>76,324</u> | <u>76,324</u> |

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

TOWN OF CAMPO, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2017

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

Net Change in Fund Balances – Total Governmental Funds 1,196

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

| | |
|----------------------|----------|
| Capital Outlays | - |
| Depreciation Expense | (12,170) |

Change in Net Position of Governmental Activities (10,974)

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

TOWN OF CAMPO, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2017

| | Business Type Activities Enterprise Fund <u>Water & Sewer Fund</u> | <u>Totals</u> |
|--|--|------------------|
| <u>ASSETS</u> | | |
| <u>Current Assets</u> | | |
| Cash | 19,633 | 19,633 |
| Receivables: | | |
| Accounts | 5,652 | 5,652 |
| Prepaid Assets | - | - |
| Due From General Fund | <u>4,871</u> | <u>4,871</u> |
| <u>Total Current Assets</u> | <u>30,156</u> | <u>30,156</u> |
| <u>Property and Utility System</u> | | |
| Land | - | - |
| Utility System | 2,029,164 | 2,029,164 |
| Less: Accumulated Depreciation | <u>(718,081)</u> | <u>(718,081)</u> |
| <u>Net Property and Utility System</u> | <u>1,311,083</u> | <u>1,311,083</u> |
| <u>TOTAL ASSETS</u> | <u>1,341,239</u> | <u>1,341,239</u> |
| <u>DEFERRED OUTFLOW OF RESOURCES</u> | | |
| Other | <u>-</u> | <u>-</u> |
| <u>LIABILITIES</u> | | |
| <u>Current Liabilities</u> | | |
| Accounts Payable | 4,849 | 4,849 |
| Accrued Salaries | 2,280 | 2,280 |
| Customer Deposits | 4,380 | 4,380 |
| Accrued Interest Payable | 2,933 | 2,933 |
| Notes Payable - Current | <u>3,400</u> | <u>3,400</u> |
| <u>Total Current Liabilities</u> | <u>17,842</u> | <u>17,842</u> |
| <u>Noncurrent Liabilities</u> | | |
| Note Payable | <u>120,100</u> | <u>120,100</u> |
| <u>Total Long-Term Liabilities</u> | <u>120,100</u> | <u>120,100</u> |
| <u>TOTAL LIABILITIES</u> | <u>137,942</u> | <u>137,942</u> |
| <u>DEFERRED INFLOW OF RESOURCES</u> | | |
| Other | <u>-</u> | <u>-</u> |
| <u>NET POSITION</u> | | |
| Net Investment in Capital Assets | 1,187,583 | 1,187,583 |
| Restricted for Debt Service | 10,000 | 10,000 |
| Unrestricted | <u>5,714</u> | <u>5,714</u> |
| <u>TOTAL NET POSITION</u> | <u>1,203,297</u> | <u>1,203,297</u> |

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

TOWN OF CAMPO, COLORADO
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2017

| | Business Type Activities | |
|---|--------------------------|------------------|
| | Enterprise Fund | |
| | Water & Sewer Fund | Total |
| <u>Operating Revenues</u> | | |
| Charges for Services | 72,237 | 72,237 |
| Other | - | - |
| <u>Total Operating Revenues</u> | <u>72,237</u> | <u>72,237</u> |
| <u>Operating Expenses</u> | | |
| Salaries | 28,573 | 28,573 |
| Professional Fees | 4,604 | 4,604 |
| Fuel and Oil | 117 | 117 |
| Other | 1,407 | 1,407 |
| Repairs and Maintenance | 488 | 488 |
| Operating Supplies | 2,271 | 2,271 |
| Utilities | 23,367 | 23,367 |
| Depreciation | 46,843 | 46,843 |
| <u>Total Operating Expenses</u> | <u>107,670</u> | <u>107,670</u> |
| <u>Operating Income (Loss)</u> | <u>(35,433)</u> | <u>(35,433)</u> |
| <u>Non-Operating Revenues (Expenses)</u> | | |
| Interest Revenue | - | - |
| Interest Expense | (5,895) | (5,895) |
| <u>Total Non-Operating Revenues (Expenses)</u> | <u>(5,895)</u> | <u>(5,895)</u> |
| <u>INCOME (LOSS) BEFORE OPERATING TRANSFERS</u> | <u>(41,328)</u> | <u>(41,328)</u> |
| <u>OPERATING TRANSFERS IN (OUT)</u> | <u>-</u> | <u>-</u> |
| <u>CHANGE IN NET POSITION</u> | <u>(41,328)</u> | <u>(41,328)</u> |
| <u>TOTAL NET POSITION, Beginning</u> | <u>1,244,625</u> | <u>1,244,625</u> |
| <u>TOTAL NET POSITION, Ending</u> | <u>1,203,297</u> | <u>1,203,297</u> |

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

TOWN OF CAMPO, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2017

| | Business Type Activities | |
|--|--------------------------|----------------|
| | Enterprise Fund | Total |
| | Water & Sewer Fund | |
| <u>CASH FLOWS FROM OPERATING ACTIVITIES</u> | | |
| Receipts from Customers & Users | 73,043 | 73,043 |
| Payments to Employees | (27,528) | (27,528) |
| Payments to Vendors – Supplies and Services | (36,178) | (36,178) |
| <u>NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES</u> | <u>9,337</u> | <u>9,337</u> |
| <u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u> | | |
| Other Revenue | — | — |
| <u>NET CASH PROVIDED (USED BY) – NON CAPITAL FINANCING ACTIVITIES</u> | <u>—</u> | <u>—</u> |
| <u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u> | | |
| Interest Paid on Debt | (5,985) | (5,985) |
| Principal Paid on Debt | (3,300) | (3,300) |
| <u>NET CASH PROVIDED (USED FOR) – CAPITAL AND RELATED FINANCING ACTIVITIES</u> | <u>(9,285)</u> | <u>(9,285)</u> |
| <u>CASH FLOWS FROM INVESTING ACTIVITIES</u> | | |
| Investments (Purchased) | — | — |
| Investments (Matured) | — | — |
| Interest Received | — | — |
| <u>NET CASH PROVIDED (USED) – INVESTING ACTIVITIES</u> | <u>—</u> | <u>—</u> |
| <u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u> | 52 | 52 |
| <u>CASH AND CASH EQUIVALENTS – Beginning</u> | <u>19,581</u> | <u>19,581</u> |
| <u>CASH AND CASH EQUIVALENTS – Ending</u> | <u>19,633</u> | <u>19,633</u> |
| <u>RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES</u> | | |
| Operating Income (Loss) | (35,433) | (35,433) |
| Non Cash Items in Operations: | | |
| Depreciation Expense | 46,843 | 46,843 |
| (Increase) Decrease in Receivables/Accruals | (1,926) | (1,926) |
| Increase (Decrease) in Payables/Accruals | (147) | (147) |
| <u>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</u> | <u>9,337</u> | <u>9,337</u> |
| <u>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</u> | | |
| Cash Paid for Debt | (3,300) | (3,300) |
| Cash Paid for Interest Expense | (5,985) | (5,985) |
| <u>TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</u> | <u>(9,285)</u> | <u>(9,285)</u> |

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

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Campo (the Town) operates under a Mayor-Board of Trustees form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, sanitation, health and social services, culture-recreation, public improvements, planning and zoning and general administrative services.

A Reporting Entity

Governmental Accounting Standards Board (GASB) Statement No. 14 (as amended by Statement No. 34, No. 39 and No.61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This Town is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the Town (the primary government) and its component units.

B. Government – Wide and Fund Financial Statements

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

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Government – Wide and Fund Financial Statements (Continued)

Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The Town reports the following major governmental fund:

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

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The Town reports the following major proprietary fund:

The *Water and Sewer Fund* accounts for the activities of the Town's water distribution, sewage disposal and treatment systems.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the Town's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges 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 utility enterprise funds are charges to customers for sales and services. The enterprise funds also recognize as operating revenues the portion of tap fees intended to recover the cost of connecting new customers to the system. 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.

D. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

D. Capital Assets (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

Capital assets of the primary government are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|-----------------------|--------------|
| Buildings | 40 |
| Distribution Assets | 40 |
| Building Improvements | 20 |
| Vehicles | 5 |
| Equipment | 5 |

E. Budgets and Budgetary Accounting

The Town has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, the Town Clerk submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.
4. The Town Clerk is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
5. Budgets for the General Fund are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets for Enterprise Funds are on a non GAAP basis.

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded, is not used by the Town of Campo.

G. Inventory

The costs of inventories are recorded as expenditures at the time of purchase in governmental fund types.

H. Compensated Absences

Accumulated unpaid vacation, sick pay, and other employee benefit amounts should be accrued when incurred in proprietary funds (using the accrual basis of accounting). Such amounts would not be accrued in governmental funds (using the modified accrual basis of accounting). Accrued vacation and sick leave payable has not been reflected in the statement of net position for all governmental funds as it does not exceed normal accumulations and is not material in relation to the financial statements.

I. Property Taxes

Property taxes represent ad valorem taxes levied by the Town, which are payable to the County Treasurer, and are recognized as revenue by the Town in the year for which they are levied.

Property taxes are levied in December for collection in the subsequent year.

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid without penalty in either of two ways: (a) Full payment by April 30, or (b) First half must be paid by last day of February, and second half must be paid by June 15.

J. Contraband

There were no contraband proceeds for the year ended December 31, 2017.

K. Use of Estimates

The preparation of financial statements in conformity with 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 amounts of revenues and expense during the reporting period. Actual results could differ from those estimates.

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

L. Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the Town to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers acceptances, and mutual funds composed of otherwise legal investments.

M. Due To/From Funds

Outstanding balances between funds created by lending/borrowing or cash allocation in common purchasing activities are reported as due to/from funds.

N. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as charges when incurred.

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

O. GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O. GASB Statement No. 54 (Continued)

2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Trustees (the Town's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The Town's Committed Fund Balance is fund balance reporting required by the Board of Trustees, either because of a Board of Trustees Policy in the Board of Trustees Policy Manual, or because of motions that passed at Board of Trustees meetings.

Assigned Fund Balance Policy:

The Town's Assigned Fund Balance is fund balance reporting occurring by Board of Trustees Administration authority, under the direction of the Town manager.

Order of Fund Balance Spending Policy

The Town's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

TOWN OF CAMPO, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2017

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

O. GASB Statement No. 54 (Continued)

Fund Balance Classification Policies and Procedures (Continued)

Fund Balance Classification by Fund:

| | <u>General Fund</u> | <u>Total Governmental Funds</u> |
|----------------------------|-------------------------|---|
| <u>Nonspendable:</u> | | |
| Prepays | 947 | 947 |
| <u>Restricted:</u> | | |
| Emergencies | 2,600 | 2,600 |
| Culture and Recreation | 26,379 | 26,379 |
| <u>Committed</u> | - | - |
| <u>Assigned:</u> | | |
| Health and Welfare | - | - |
| <u>Unassigned</u> | <u>46,398</u> | <u>46,398</u> |
| <u>Total Fund Balances</u> | <u>76,324</u> | <u>76,324</u> |

P. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position and the balance sheet 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.

In addition to liabilities, the statement of financial position and the balance sheet 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(s) and so will not be recognized as an inflow of resources (revenue) until that time.

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2 CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2017 was as follows:

| <u>Governmental Activities</u> | <u>Beginning Balance</u> | <u>Increases</u> | <u>Decreases</u> | <u>Ending Balance</u> |
|--|------------------------------|------------------|------------------|---------------------------|
| Capital Assets Not Being Depreciated: | | | | |
| Land | <u>28,915</u> | - | - | <u>28,915</u> |
| Capital Assets Being Depreciated: | | | | |
| Building and Improvements | 35,400 | - | - | 35,400 |
| Machinery and Equipment | <u>75,856</u> | - | <u>17,000</u> | <u>58,856</u> |
| Total Capital Assets Being Depreciated | <u>111,256</u> | - | <u>17,000</u> | <u>94,256</u> |
| Less Accumulated Depreciation | <u>59,616</u> | <u>12,170</u> | <u>17,000</u> | <u>54,786</u> |
| Total Capital Assets Being Depreciated | <u>51,640</u> | <u>(12,170)</u> | - | <u>39,470</u> |
| <u>Governmental-Type Activities</u> | | | | |
| Capital Assets, Net | <u>80,555</u> | <u>(12,170)</u> | - | <u>68,385</u> |
| <u>Business-Type Activities</u> | | | | |
| Capital Assets Not Being Depreciated: | | | | |
| Land | - | - | - | - |
| Capital Assets Being Depreciated: | | | | |
| Equipment | 155,443 | - | - | 155,443 |
| Distribution System | <u>1,873,721</u> | - | - | <u>1,873,721</u> |
| Total Capital Assets Being Depreciated | <u>2,029,164</u> | - | - | <u>2,029,164</u> |
| Less Accumulated Depreciation | <u>671,238</u> | <u>46,843</u> | - | <u>718,081</u> |
| <u>Business-Type Activities</u> | | | | |
| Capital Assets, Net | <u>1,357,926</u> | <u>(46,843)</u> | - | <u>1,311,083</u> |

Depreciation expense was charged to the following functions:

| | |
|---|---------------|
| <u>Governmental Activities:</u> | |
| General Government | 1,770 |
| Public Safety | 10,400 |
| Public Works | - |
| Total Depreciation Expense – Governmental Activities | <u>12,170</u> |
| <u>Business-Type Activities:</u> | |
| Water and Sewer Fund | 46,843 |
| Total Depreciation Expense – Business Type Activities | <u>46,843</u> |

TOWN OF CAMPO, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2017

NOTE 3 CHANGES IN LONG-TERM DEBT

Changes in Long-Term Debt for the year ended December 31, 2017, was as follows:

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Payments</u> | <u>Ending Balance</u> | <u>Current Portion</u> |
|-----------------------------------|------------------------------|------------------|-----------------|---------------------------|----------------------------|
| <u>Business – Type Activities</u> | | | | | |
| Note Payable | | | | | |
| USDA | | | | | |
| Water Revenue Bonds | <u>126,800</u> | - | <u>3,300</u> | <u>123,500</u> | <u>3,400</u> |
| <u>Total</u> | <u>126,800</u> | <u>-</u> | <u>3,300</u> | <u>123,500</u> | <u>3,400</u> |

Business-Type Activities

The Town issued Water Revenue Bonds on March 25, 1999, with the United States Department of Agriculture – Rural Development, for the purpose of constructing a new water distribution system. The bonds bear a 4.75% interest rate, with a term of 40 years. The collateral is the net revenue of the Water and Sewer Enterprise Fund. The bonds were initially issued in the amount of \$165,000.

| <u>Year</u> | <u>Principal</u> | <u>Interest</u> | <u>Total Payment</u> |
|--------------|------------------|-----------------|--------------------------|
| 2018 | 3,400 | 5,571 | 8,971 |
| 2019 | 3,600 | 5,415 | 9,015 |
| 2020 | 3,800 | 5,249 | 9,049 |
| 2021 | 4,000 | 5,074 | 9,074 |
| 2022 | 4,100 | 4,892 | 8,992 |
| 2023-2027 | 23,900 | 21,422 | 45,322 |
| 2028-2032 | 30,100 | 15,383 | 45,483 |
| 2033-2037 | 38,000 | 7,770 | 45,770 |
| 2038-2039 | <u>12,600</u> | <u>563</u> | <u>13,163</u> |
| <u>Total</u> | <u>123,500</u> | <u>71,339</u> | <u>194,839</u> |

TOWN OF CAMPO, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 4 SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The Town provides water, sewer and sanitation services for the Town Residents. Segment information on separate water and sewer activities is not disclosed because net revenues of the water and sewer fund were pledged as collateral for combined purpose bonds. The revenue streams of the water and sewer activities are not individually pledged in support of debt.

NOTE 5 CONTINGENCIES

The Town is not involved in any claims or actions which will result in costs or losses to the Town that are uninsured or of a material nature.

NOTE 6 CASH

The Town's cash at year-end consisted of deposits in financial institutions and was entirely covered by federal depository insurance or by collateral held by the financial institutions as their agent in the Town's name. Collateral is held under provisions of the Public Deposit Protection Act of 1975. This act requires pledged collateral to be clearly identified as security for public deposits and it requires that the pledging financial institution certify to the secured governmental unit that it is secured and indicate the location of the collateral. In the event of default or insolvency on the part of the pledging financial institution, the custodian will surrender the collateral to the state bank commissioner. A breakdown of cash and certificates of deposit follows:

| | <u>Carrying Amount</u> | <u>Bank Balance</u> |
|--|----------------------------|-------------------------|
| Insured (FDIC) | 99,667 | 99,667 |
| Uninsured, Collateralized under the Public Deposit Protection Act of the State of Colorado | - | - |
| Cash with County Treasurer | 611 | - |
| Cash on Hand | <u>350</u> | <u>-</u> |
| <u>Total Cash and Deposits</u> | <u>100,628</u> | <u>99,667</u> |

As presented above, deposits with a bank balance of \$0 and a carrying balance of \$0 as of December 31, 2017 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

Reserves

Article X, Section 20 of the Constitution of the State of Colorado requires the Town to establish Emergency Reserves (see Note 7). \$2,600 of fund balance has been reserved in compliance with this requirement.

TOWN OF CAMPO, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 7 CONTINGENCIES - TAX, SPENDING AND DEBT LIMITATIONS

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

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 1% of Fiscal Year Spending (excluding bonded debt service) in 1993, 2% in 1994 and 3% thereafter. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR requires, with certain exceptions, voters approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments.

The authorized voters of the Town of Campo, Colorado voted to authorize the Town to collect, retain and expend all revenues and other funds collected, from any source, notwithstanding the limitations of Article X, Section 20 of the Colorado constitution, provided that no local tax rate or mill levy shall be increase without further voter approval.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits (and qualification as an Enterprise) will require judicial interpretation.

TOWN OF CAMPO, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2017

NOTE 8 RISK MANAGEMENT

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

The Town maintains commercial insurance all risks of loss. Settled claims have not exceeded these coverages in any of the past three fiscal years.

NOTE 9 ALLOWANCE FOR ESTIMATED UNCOLLECTIBLE ACCOUNTS

The Town writes off bad debts when accounts are deemed uncollectible. Receivables are reviewed annually to determine accounts that should be written off. As of December 31, 2017, the allowance for estimated uncollectible accounts was \$0.

NOTE 10 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements. No adjustments were required for the year ending December 31, 2017.

NOTE 11 INTERFUND TRANSACTIONS

| | <u>Due From</u> <u>Other Funds</u> | <u>Due To</u> <u>Other Funds</u> |
|-----------------|---------------------------------------|-------------------------------------|
| General Fund | - | 4,871 |
| Enterprise Fund | <u>4,871</u> | <u>-</u> |
| Total | <u>4,871</u> | <u>4,871</u> |

Interfund balances are created when water and sewer operation expenses are paid out of the general fund, or when cash flows from water and sewer operations are used to pay general fund expenses, in the normal course of business. They are expected to be repaid within the subsequent year.

REQUIRED SUPPLEMENTARY INFORMATION

General Fund – Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

TOWN OF CAMPO, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended December 31, 2017

| | <u>Budgeted Amounts</u> <u>Original & Final</u> | <u>Actual</u> | Variance- Favorable (Unfavorable) |
|--|--|-------------------|---|
| <u>REVENUES</u> | | | |
| <u>Taxes</u> | | | |
| General Property Taxes | 6,140 | 5,357 | (783) |
| Delinquent Property Tax | 25 | 58 | 33 |
| Specific Ownership Tax | <u>600</u> | <u>526</u> | <u>(74)</u> |
| <u>Total Tax</u> | <u>6,765</u> | <u>5,941</u> | <u>(824)</u> |
| <u>Licenses and Permits</u> | | | |
| Licenses | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>Total Licenses and Permits</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>Intergovernmental Revenue</u> | | | |
| Highway Users Tax | 10,000 | 9,794 | (206) |
| Other | <u>8,100</u> | <u>7,500</u> | <u>(600)</u> |
| <u>Total Intergovernmental Revenue</u> | <u>18,100</u> | <u>17,294</u> | <u>(806)</u> |
| <u>Fines and Forfeits</u> | | | |
| Fines and Fees | <u>213,000</u> | <u>36,497</u> | <u>(176,503)</u> |
| <u>Total Fines and Forfeits</u> | <u>213,000</u> | <u>36,497</u> | <u>(176,503)</u> |
| <u>Other Revenue</u> | | | |
| Interest Revenue | 120 | 116 | (4) |
| Grants | - | 15,000 | 15,000 |
| Miscellaneous | <u>14,591</u> | <u>5,554</u> | <u>(9,037)</u> |
| <u>Total Other Revenue</u> | <u>14,711</u> | <u>20,670</u> | <u>5,959</u> |
| <u>TOTAL REVENUES</u> | <u>252,576</u> | <u>80,402</u> | <u>(172,174)</u> |
| <u>EXPENDITURES</u> | | | |
| <u>General Government</u> | | | |
| Salaries & Benefits | 26,066 | 22,579 | 3,487 |
| Utilities | 8,125 | 7,322 | 803 |
| Supplies | 5,000 | 2,262 | 2,738 |
| Professional Services | 10,500 | 693 | 9,807 |
| Dues and Subscriptions | - | 545 | (545) |
| Insurance | 15,000 | 14,924 | 76 |
| Equipment | - | 70 | (70) |
| Repairs and Maintenance | 10,237 | 3,273 | 6,964 |
| Other | <u>14,290</u> | <u>994</u> | <u>13,296</u> |
| <u>Total General Government</u> | <u>89,218</u> | <u>52,662</u> | <u>36,556</u> |

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

TOWN OF CAMPO, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended December 31, 2017

| | <u>Budgeted Amounts</u> | <u>Actual</u> | <u>Variance- Favorable (Unfavorable)</u> |
|---|-----------------------------|---------------|--|
| <u>EXPENDITURES (Continued)</u> | <u>Original & Final</u> | | |
| <u>Public Safety</u> | | | |
| Salaries & Benefits | 104,824 | 14,110 | 90,714 |
| Purchased Services | 1,532 | 260 | 1,272 |
| Insurance | - | 1,727 | (1,727) |
| Utilities | 4,850 | 2,594 | 2,256 |
| Operating Supplies | 1,410 | 2,400 | (990) |
| Vehicle Fuel and Maintenance | 4,930 | 4,021 | 909 |
| Other Police Costs | 9,630 | 143 | 9,487 |
| Other Fire Costs | <u>4,637</u> | <u>3,562</u> | <u>1,075</u> |
| <u>Total Public Safety</u> | <u>131,813</u> | <u>28,817</u> | <u>102,996</u> |
| <u>Culture and Recreation</u> | | | |
| Salaries & Benefits | 13,162 | 100 | 13,062 |
| Utilities | 6,390 | 2,745 | 3,645 |
| Operating Supplies | 2,320 | 502 | 1,818 |
| Repairs and Maintenance | <u>26,000</u> | <u>431</u> | <u>25,569</u> |
| <u>Total Culture and Recreation</u> | <u>47,872</u> | <u>3,778</u> | <u>44,094</u> |
| <u>TOTAL EXPENDITURES</u> | <u>268,903</u> | <u>85,257</u> | <u>183,646</u> |
| <u>OTHER FINANCING SOURCES (USES)</u> | | | |
| Transfers In | 20,000 | - | (20,000) |
| Gain on Sale of Assets | <u>-</u> | <u>6,051</u> | <u>6,051</u> |
| <u>TOTAL OTHER FINANCING SOURCES (USES)</u> | <u>20,000</u> | <u>6,051</u> | <u>(13,949)</u> |
| <u>NET CHANGE IN FUND BALANCE</u> | <u>3,673</u> | <u>1,196</u> | |
| <u>FUND BALANCE, Beginning</u> | <u>91,616</u> | <u>75,128</u> | |
| <u>FUND BALANCE, Ending</u> | <u>95,289</u> | <u>76,324</u> | |

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

INDIVIDUAL FUND SCHEDULES AND OTHER SCHEDULES

ENTERPRISE FUND – BUDGET SCHEDULE

TOWN OF CAMPO, COLORADO
WATER AND SEWER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
BUDGET (NON-GAAP) AND ACTUAL
For the Year Ended December 31, 2017

| | <u>Budgeted Amounts</u> | <u>Actual</u> | <u>Variance- Favorable (Unfavorable)</u> |
|---------------------------------------|-----------------------------|------------------|--|
| | <u>Original & Final</u> | | |
| <u>REVENUES</u> | | | |
| Charges for Services | 82,500 | 72,237 | (10,263) |
| Interest | - | - | - |
| Gain on Sale of Assets | - | - | - |
| <u>Total Revenues</u> | <u>82,500</u> | <u>72,237</u> | <u>(10,263)</u> |
| <u>EXPENSES</u> | | | |
| Salaries & Benefits | 28,818 | 28,573 | 245 |
| Professional Fees | 12,285 | 4,604 | 7,681 |
| Fuel and Oil | 1,350 | 117 | 1,233 |
| Other | 7,000 | 1,407 | 5,593 |
| Repairs and Maintenance | 2,100 | 488 | 1,612 |
| Operating Supplies | - | 2,271 | (2,271) |
| Utilities | 25,120 | 23,367 | 1,753 |
| Debt Service | 9,500 | 9,195 | 305 |
| <u>Total Expenses</u> | <u>86,173</u> | <u>70,022</u> | <u>16,151</u> |
| <u>NET INCOME (LOSS)</u> | (3,673) | 2,215 | |
| <u>NET POSITION, Beginning</u> | <u>3,673</u> | <u>1,244,625</u> | |
| <u>BUDGETARY BASIS – NET POSITION</u> | <u>-</u> | <u>1,246,840</u> | |
| <u>BUDGETARY ITEMS AFFECTING</u> | | | |
| <u>NET POSITION</u> | | | |
| Principal on Debt | | 3,300 | |
| Capital Outlay | | - | |
| Depreciation | | <u>(46,843)</u> | |
| <u>NET POSITION, Ending</u> | | <u>1,203,297</u> | |

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

OTHER SCHEDULES

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

| | |
|-------------------------------------|--|
| LOCAL HIGHWAY FINANCE REPORT | City or County: Campo YEAR ENDING : December 2017 |
|-------------------------------------|--|

| | | |
|---|------------------------|-------------------------------|
| This Information From The Records Of (example - City of _ or County of _ Town of Campo | Prepared By: Phone: | 719-787-2416 Irene Jenkins |
|---|------------------------|-------------------------------|

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT | ITEM | AMOUNT |
|--|--------|---|--------|
| A. Receipts from local sources: | | A. Local highway disbursements: | |
| 1. Local highway-user taxes | | 1. Capital outlay (from page 2) | 0 |
| a. Motor Fuel (from Item I.A.5.) | | 2. Maintenance: | 7,410 |
| b. Motor Vehicle (from Item I.B.5.) | | 3. Road and street services: | |
| c. Total (a.+b.) | | a. Traffic control operations | 1,354 |
| 2. General fund appropriations | 8,000 | b. Snow and ice removal | 7,826 |
| 3. Other local imposts (from page 2) | 4,560 | c. Other | 9,180 |
| 4. Miscellaneous local receipts (from page 2) | 0 | d. Total (a. through c.) | 3,600 |
| 5. Transfers from toll facilities | 0 | 4. General administration & miscellaneous | 0 |
| 6. Proceeds of sale of bonds and notes: | | 5. Highway law enforcement and safety | 20,190 |
| a. Bonds - Original Issues | 0 | 6. Total (1 through 5) | |
| b. Bonds - Refunding Issues | 0 | B. Debt service on local obligations: | |
| c. Notes | 0 | 1. Bonds: | |
| d. Total (a. + b. + c.) | 0 | a. Interest | 0 |
| 7. Total (1 through 6) | 12,560 | b. Redemption | 0 |
| B. Private Contributions | 0 | c. Total (a. + b.) | 0 |
| C. Receipts from State government (from page 2) | 9,745 | 2. Notes: | |
| D. Receipts from Federal Government (from page 2) | 0 | a. Interest | 0 |
| E. Total receipts (A.7 + B + C + D) | 22,305 | 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) | 20,190 |

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

| | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
|--|----------------------|-------------------|------------------------|-------------------|-------------------|
| | 3,771 | 22,305 | 20,190 | 5,886 | 0 |

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2017

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 | 4,560 | a. Interest on investments | |
| b. Other local imposts: | | b. Traffic Fines & Penalties | |
| 1. Sales Taxes | | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | | d. Parking Meter Fees | |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | | f. Charges for Services | |
| 5. Specific Ownership &/or Other | | g. Other Misc. Receipts | |
| 6. Total (1. through 5.) | 0 | h. Other | |
| c. Total (a. + b.) | 4,560 | i. Total (a. through h.) | 0 |
| | (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 | 9,745 | 1. FHWA (from Item I.D.5.) | |
| 2. State general funds | | 2. Other Federal agencies: | |
| 3. Other State funds: | | a. Forest Service | |
| a. State bond proceeds | | b. FEMA | |
| b. Project Match | | c. HUD | |
| c. Motor Vehicle Registrations | | d. Federal Transit Admin | |
| d. Other (Specify) - DOLA Grant | | e. U.S. Corps of Engineers | |
| e. Other (Specify) | | f. Other Federal | |
| f. Total (a. through e.) | 0 | g. Total (a. through f.) | 0 |
| 4. Total (1. + 2. + 3.f) | 9,745 | 3. Total (1. + 2.g) | |
| | | | (Carry forward to page 1) |

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: