

TOWN OF CALHAN, COLORADO

FINANCIAL STATEMENTS

December 31, 2018



Logan and Associates, LLC
CERTIFIED PUBLIC ACCOUNTANTS

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Honorable Mayor and Members of
the Board of Trustees
Town of Calhan
Calhan, Colorado

INDEPENDENT AUDITOR'S REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calhan (the "Town") as of and for the year ended December 31, 2018, 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 the 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 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 Town's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Calhan as of December 31, 2018, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison schedule on pages i – viii and on pages 25 - 26 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB 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.

Supplementary Information and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements as a whole. The accompanying supplementary information and other information are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

The supplementary information and other information have 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 supplementary information and other information are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Logan and Associates, LLC

Aurora, Colorado
April 30, 2019

TOWN OF CALHAN
El Paso County, Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

Management of the Town of Calhan offers readers of the basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2018. The focus of the information contained herein is on the primary government.

Financial Highlights

- The Town's assets exceeded liabilities at the close of the fiscal year by \$3,556,741 (net position). Of this amount \$328,340 (unrestricted net position) may be used to meet the Town's ongoing obligations.
- The Town's total net position increased by \$47,050.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$107,278, an increase of \$17,656 from the prior year.
- The Town's governmental activities debt increased by \$9,559 and the business-type activities debt decreased by \$19,972.

Overview of the Financial Statements

This discussion and analysis is intended as an introduction to the Town's basic financial statements. The basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. In addition to the basic financial statements, also provided is other supplementary information.

Government-wide financial statements

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

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the Town and its governmental and business-type activities. This statement reports all of the governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

The governmental activities reflect the Town's basic services, including police, judicial, administrative, parks and recreation, streets, building division, cemetery and public works. Sales and property taxes finance the majority of these services.

The business-type activities reflect private sector type operations, which include the operation and maintenance of the Town's water and sewer facilities, where fees for services typically cover all or most of the cost of operations, including depreciation.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for the same functions as governmental activities in the government-wide financial statements. Governmental fund financial statements focus on financial position and change in financial position, not on income determination, and use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (when they are “measurable and available”). The Town considers all revenues available if they are collected within sixty days following the year end. Expenditures are recorded when the related fund liability is incurred.

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

The Town maintains two *proprietary funds*. These funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and sewer operations.

The *notes to the basic financial statements* provide additional information that is essential to a full understanding of the data provided in the government-wide fund financial statements.

Other information, in addition to the basic financial statements and accompanying notes, is presented in the form of certain required supplementary information.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government’s financial position. In the case of the Town of Calhan, assets exceeded liabilities by \$3,556,741

Of the Town’s net position, 9.2% is unrestricted and may be used to meet the Town’s ongoing financial obligations. These are net assets that are not restricted by external requirements nor invested in capital assets.

Of the Town’s \$4,055,739 in assets, \$3,415,409 (84.21%) reflects investment in capital assets (e.g. land, buildings, infrastructure, machinery and equipment) less any related debt used to acquire those assets that is still outstanding which \$3,106,535 is reported as net investment in capital assets in the net position. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town’s investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

The following table reflects the Town's Net Position:

	<u>Government Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2018</u>
Current and other assets	231,679	278,967	357,626	361,363	589,305	640,330
Capital assets	<u>1,564,923</u>	<u>1,522,811</u>	<u>1,834,072</u>	<u>1,892,598</u>	<u>3,398,995</u>	<u>3,415,409</u>
Total Assets	1,796,602	1,801,778	2,191,698	2,253,961	3,988,300	4,055,739
Current liabilities	58,490	88,324	23,682	19,513	82,172	107,837
Long-term liabilities	<u>46,318</u>	<u>46,379</u>	<u>250,185</u>	<u>235,552</u>	<u>296,503</u>	<u>281,931</u>
Total Liabilities	104,808	134,703	273,867	255,065	378,675	389,768
Deferred Inflow of Resources						
Deferred Property Tax Revenue	99,934	109,230			99,934	109,230
Net Position						
Invested in capital assets	1,508,752	1,464,015	1,564,022	1,642,520	3,072,774	3,106,535
Restricted for bond redemption	0	0	11,460	11,460	11,460	11,460
Restricted for TABOR	15,700	16,600	0	0	15,700	16,600
Restricted - Other	94,139	93,806	0	0	94,139	93,806
Unrestricted	<u>(26,731)</u>	<u>(16,576)</u>	<u>342,349</u>	<u>344,916</u>	<u>315,618</u>	<u>328,340</u>
Total Net Position	<u>1,591,860</u>	<u>1,557,845</u>	<u>1,917,831</u>	<u>1,998,896</u>	<u>3,509,691</u>	<u>3,556,741</u>

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

The following reflects the Town's Changes in Net Position:

	<u>Government Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2018</u>	<u>12/31/2017</u>	<u>12/31/2018</u>
Revenues						
Program Revenues						
Charges for service	60,504	68,876	471,970	503,378	532,474	572,254
Grants & contributions	118,651	24,116	3,000	16,000	121,651	40,116
General Revenues						
Property taxes	108,352	112,322			108,352	112,322
Sales Taxes	232,141	244,132			232,141	244,132
Other taxes	57,615	71,444			57,615	71,444
Investment interest	1,018	1,184	506	1,582	1,524	1,184
Other to include ins claim/sale of assets	<u>41,633</u>	<u>31,382</u>	<u>5,014</u>	<u>9,728</u>	<u>46,647</u>	<u>41,110</u>
Total Revenues	619,914	553,456	480,490	530,688	1,100,404	1,084,144
Expenses						
General Government	81,765	78,981			81,765	78,981
Judicial	11,528	15,408			11,528	15,408
Public Safety	281,401	320,493			281,401	320,493
Public Works	109,965	122,003			109,965	122,003
Culture & Recreation	47,426	48,590			47,426	48,590
Interest on Long-Term Debt	2,044	1,996	10,578	11,838	12,622	13,834
Sewer	0	0	176,759	181,298	176,759	181,298
Water	<u>0</u>	<u>0</u>	<u>241,471</u>	<u>256,487</u>	<u>241,471</u>	<u>256,487</u>
Total Expenses	<u>534,129</u>	<u>587,471</u>	<u>428,808</u>	<u>449,623</u>	<u>962,937</u>	<u>1,037,094</u>
Increase (decrease) in net position	85,785	(34,015)	51,682	81,065	137,467	47,050
Net Position - Beginning	<u>1,506,075</u>	<u>1,591,860</u>	<u>1,866,149</u>	<u>1,917,831</u>	<u>3,372,224</u>	<u>3,509,691</u>
Net Position - Ending	<u>1,591,860</u>	<u>1,557,845</u>	<u>1,917,831</u>	<u>1,998,896</u>	<u>3,509,691</u>	<u>3,556,741</u>

Business-type activities increased the Town's net position by \$81,065 for the year ended December 31, 2018. Key elements of the increase are as follows:

- * Water and Sewer revenues increased
- * Expenses increased slightly, but revenue exceeded this increase

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

Intergovernmental revenues are grants and other revenues received from the county, state and federal government. Licenses and permits include amounts collected from the issuance of licenses and permits required by the Town for various purposes. Revenues from fees collected by the Town for a variety of services provided to the public are recorded as miscellaneous revenues, which include cemetery revenues, park and recreation fees, court and traffic fines. Interest income reflects revenues from property taxes and investment activity.

Governmental activities decreased the Town's net position by \$34,015. Key elements are as follows:

- * Grant revenue decreased substantially due to extension of current grants
- * Street and public safety expenditures increased more than anticipated

Financial Analysis of the Government's Funds

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

Governmental funds

The focus of the Town's governmental funds is to provide information on current year revenue, expenditures and balances of spendable resources. Such information is useful in assessing the Town's financial requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the year ended December 31, 2018, the Town's governmental funds reported combined ending fund balances of \$107,278 an increase of \$17,656. The Town does not have any unassigned fund balance due to restrictions and commitments.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

Proprietary Funds The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Total net position of the Water Fund amounted to \$1,339,186 and those for the Sewer Fund amounted to \$659,710. Total increase in net position for all enterprise funds was \$81,065

Significant factors for Water and Sewer Funds:

- * The Town Board instituted a \$10.00 rate increase spread between the Water and Sewer Funds effective January 1, 2015 and an additional \$7.00 increase effective January 1, 2016. This increase has helped build the reserves for both funds.

- * While there were additional expenses in the sewer fund, the reserves were adequate to cover and still increase the town's net position.

General Fund Budgetary Highlights

The 2018 budget was amended due to unanticipated expenses and revenue. Ordinance 2018-12 was passed in December, 2018. This was due to an insurance claim and subsequent lease/purchase of a vehicle.

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

Capital Asset and Debt Administration

Capital assets

The Town's capital assets for its governmental and business type activities as of December 31, 2018 amount to \$3,415,409 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment and other, park facilities, infrastructure (including streets, alleys, signs and bridges), water system infrastructure, and wastewater infrastructure. The Town's capital assets by activity at December 31, 2018 were as follows:

	<u>Prior Year</u>			<u>As of December 31, 2018</u>		
	Government	Business-type	<u>Total</u>	Government	Business-type	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Land	1,346	49,840	51,186	1,346	49,840	51,186
Infrastructure	1,242,600		1,242,600	1,242,600		1,242,600
Improvements	179,902	3,106,385	3,286,287	179,902	3,143,773	3,323,678
Buildings	547,081	210,113	757,194	547,081	210,113	757,194
Equipment and vehicles	371,405	300,313	671,718	390,753	378,836	769,589
Parks	124,082		124,082	124,082		124,082
Less accumulated depreciation	<u>(901,493)</u>	<u>(1,832,579)</u>	<u>(2,734,072)</u>	<u>(962,953)</u>	<u>(1,889,964)</u>	<u>(2,852,917)</u>
Total	<u>1,564,923</u>	<u>1,834,072</u>	<u>3,398,995</u>	<u>1,522,811</u>	<u>1,892,598</u>	<u>3,415,409</u>

Debt

At December 31, 2018, the Town had a total indebtedness of \$322,322 which is outlined below:

	<u>Prior Year</u>			<u>At December 31, 2018</u>		
	Government	Business-type	<u>Total</u>	Government	Business-type	<u>Total</u>
	<u>Activities</u>	<u>Activities</u>		<u>Activities</u>	<u>Activities</u>	
Leases payable	51,733	157,950	209,683	58,796	142,878	201,674
Accrued Compensated Absences	10,952		10,952	13,448		13,448
Loans payable	<u>0</u>	<u>112,100</u>	<u>112,100</u>	<u>0</u>	<u>107,200</u>	<u>107,200</u>
Total	62,685	270,950	332,735	72,244	250,078	322,322

TOWN OF CALHAN
Calhan, Colorado
Management's Discussion and Analysis
December 31, 2018

Economic Factors and Next Year's Budget

The 2019 budget represents an attempt to maintain both core services and a sufficient fund balance. Increasing reserves is a large priority for the foreseeable future as the current reserves are not sufficient for our needs. The following factors were considered in compiling the 2018 budget:

- * Most revenue line items were budgeted slightly higher, including sales tax.
- * Expenditures have been budgeted close to the same for the last 3 years as the town tries to build reserves.
- * There additional money added to Public Safety as an additional officer was hired
- * Water and Sewer funds have budgeted improvements to the infrastructure.
- * More street projects have also been budgeted with the restricted street revenue from the 1% sales tax.
- * Grant funds have been budgeted for grants awarded but not yet expended in both the general fund and the sewer fund.
- * Salaries will be increased minimally.
- * Water and sewer revenue will be increased due to a rate increase. The priority of the board is to build reserves for both the water and sewer funds.

It is the hope of the Board of Trustees and the employees of the Town of Calhan that 2019 will keep improving as 2018 did.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning the information provided in this report or requests for additional financial information should be addressed to the Town Treasurer, Town of Calhan, P.O. Box 236, Calhan, CO 80808.

BASIC FINANCIAL STATEMENTS

TOWN OF CALHAN, COLORADO

STATEMENT OF NET POSITION
December 31, 2018

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS			
Cash and Investments	\$ 111,682	\$ 211,003	\$ 322,685
Receivables			
Property Taxes	109,230	-	109,230
Other Governments	38,485	-	38,485
Accounts	14,583	46,075	60,658
Grants	4,987	-	4,987
Inventory	-	21,303	21,303
Investments - Long-term	-	82,982	82,982
Capital Assets, Not Depreciated	1,346	49,840	51,186
Capital Assets, Depreciated Net of Accumulated Depreciation	1,521,465	1,842,758	3,364,223
TOTAL ASSETS	1,801,778	2,253,961	4,055,739
LIABILITIES			
Accounts Payable	47,773	-	47,773
Accrued Salaries and Benefits	14,686	-	14,686
Customer Deposits	-	4,987	4,987
Noncurrent Liabilities			
Due in One Year	25,865	14,526	40,391
Due in More Than One Year	46,379	235,552	281,931
TOTAL LIABILITIES	134,703	255,065	389,768
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	109,230	-	109,230
NET POSITION			
Net Investment in Capital Assets	1,464,015	1,642,520	3,106,535
Restricted for Debt Service	-	11,460	11,460
Restricted for Emergencies	16,600	-	16,600
Restricted for Parks and Recreation	13,630	-	13,630
Restricted for Street Improvements	80,176	-	80,176
Unrestricted, Unreserved	(16,576)	344,916	328,340
TOTAL NET POSITION	\$ 1,557,845	\$ 1,998,896	\$ 3,556,741

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

TOWN OF CALHAN, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	PROGRAM REVENUES	
			OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 78,981	\$ 4,857	\$ -	\$ -
Judicial	15,408	-	-	-
Public Safety	320,493	48,118	5,626	-
Public Works	122,003	15,651	-	9,985
Parks and Recreation	48,590	250	8,505	-
Interest on Long-Term Debt	1,996	-	-	-
Total Governmental Activities	587,471	68,876	14,131	9,985
Business-Type Activities				
Water	256,487	309,650	-	6,000
Sewer	181,298	193,728	-	-
Interest on Long-Term Debt	11,838	-	-	-
Total Business-Type Activities	449,623	503,378	-	6,000
Total Primary Government	\$ 1,037,094	\$ 572,254	\$ 14,131	\$ 15,985

GENERAL REVENUES

Property Taxes
Sales Taxes
Franchise Taxes
Other Taxes
Grant Revenue
Interest
Miscellaneous

SPECIAL ITEMS

Insurance Claim Proceeds

TOTAL GENERAL REVENUES
AND SPECIAL ITEMS

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
\$ (74,124)	\$ -	\$ (74,124)
(15,408)	-	(15,408)
(266,749)	-	(266,749)
(96,367)	-	(96,367)
(39,835)	-	(39,835)
(1,996)	-	(1,996)
<u>(494,479)</u>	<u>-</u>	<u>(494,479)</u>
-	59,163	59,163
-	12,430	12,430
-	(11,838)	(11,838)
<u>-</u>	<u>59,755</u>	<u>59,755</u>
(494,479)	59,755	(434,724)
112,322	-	112,322
244,132	-	244,132
26,023	-	26,023
45,421	-	45,421
-	10,000	10,000
1,184	1,582	2,766
15,334	9,728	25,062
<u>16,048</u>	<u>-</u>	<u>16,048</u>
<u>460,464</u>	<u>21,310</u>	<u>481,774</u>
(34,015)	81,065	47,050
<u>1,591,860</u>	<u>1,917,831</u>	<u>3,509,691</u>
<u>\$ 1,557,845</u>	<u>\$ 1,998,896</u>	<u>\$ 3,556,741</u>

TOWN OF CALHAN, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
ASSETS			
Cash and Investments	\$ 98,052	\$ 13,630	\$ 111,682
Property Taxes Receivable	109,230	-	109,230
Due from Other Governments	38,485	-	38,485
Accounts Receivable	14,583	-	14,583
Grants Receivable	4,987	-	4,987
TOTAL ASSETS	265,337	13,630	278,967
LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY			
LIABILITIES			
Accounts Payable	47,773	-	47,773
Accrued Salaries and Benefits	14,686	-	14,686
TOTAL LIABILITIES	62,459	-	62,459
DEFERRED INFLOW OF RESOURCES			
Deferred Property Tax Revenue	109,230	-	109,230
FUND EQUITY			
Fund Balance (Deficit)			
Restricted for Emergencies	16,600	-	16,600
Restricted for Parks and Recreation	-	13,630	13,630
Restricted for Street Improvements	80,176	-	80,176
Committed for Cemetery Improvements	14,761	-	14,761
Unassigned	(17,889)	-	(17,889)
TOTAL FUND EQUITY	93,648	13,630	107,278
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY	\$ 265,337	\$ 13,630	\$ 278,967

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

Total Fund Balances of Governmental Funds	107,278
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	1,522,811
Long-term liabilities and related items are not due and payable in the current period and are not reported in the funds. These include capital leases (\$58,796) and accrued compensated absences (\$13,448).	(72,244)
Net position of governmental activities	\$ 1,557,845

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

TOWN OF CALHAN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2018

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
REVENUES			
Taxes	\$ 382,477	\$ -	\$ 382,477
Licenses and Permits	12,473	-	12,473
Fines and Forfeitures	50,033	-	50,033
Charges for Services	6,370	-	6,370
Intergovernmental	61,032	8,505	69,537
Interest	1,125	59	1,184
Miscellaneous	31,382	-	31,382
TOTAL REVENUES	<u>544,892</u>	<u>8,564</u>	<u>553,456</u>
EXPENDITURES			
Current			
General Government	74,564	-	74,564
Judicial	15,408	-	15,408
Public Safety	300,958	-	300,958
Public Works	90,685	-	90,685
Parks and Recreation	13,028	8,897	21,925
Capital Outlay	37,327	-	37,327
Debt Service			
Principal	24,437	-	24,437
Interest	1,996	-	1,996
TOTAL EXPENDITURES	<u>558,403</u>	<u>8,897</u>	<u>567,300</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(13,511)	(333)	(13,844)
OTHER FINANCING SOURCES			
Capital Lease Proceeds	31,500	-	31,500
	<u>31,500</u>	<u>-</u>	<u>31,500</u>
NET CHANGE IN FUND BALANCES	17,989	(333)	17,656
FUND BALANCES, Beginning	<u>75,659</u>	<u>13,963</u>	<u>89,622</u>
FUND BALANCES, Ending	<u>\$ 93,648</u>	<u>\$ 13,630</u>	<u>\$ 107,278</u>

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

TOWN OF CALHAN, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 17,656
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$77,356) and loss disposal of assets (\$2,083) exceeded capital outlay \$37,327, in the current period.	(42,112)
Capital lease proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not affect the statement of activities.	(31,500)
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 position. This includes payments of capital leases.	24,437
Some expense reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. This includes the change in accrued compensated absences.	<u>(2,496)</u>
Change in Net Position of Governmental Activities	<u>\$ (34,015)</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 December 31, 2018

	WATER FUND	SEWER FUND	TOTALS
ASSETS			
Current Assets			
Cash and Investments	\$ 211,003	\$ -	\$ 211,003
Accounts Receivable, Net	22,706	23,369	46,075
Inventory	20,990	313	21,303
Total Current Assets	<u>254,699</u>	<u>23,682</u>	<u>278,381</u>
Noncurrent Assets			
Investments - Long-term	31,533	51,449	82,982
Capital Assets, Not Being Depreciated	-	49,840	49,840
Capital Assets, Net of Accumulated Depreciation	<u>1,236,580</u>	<u>606,178</u>	<u>1,842,758</u>
Total Noncurrent Assets	<u>1,268,113</u>	<u>707,467</u>	<u>1,975,580</u>
TOTAL ASSETS	<u>1,522,812</u>	<u>731,149</u>	<u>2,253,961</u>
LIABILITIES			
Current Liabilities			
Customer Deposits	4,987	-	4,987
Bonds Payable - Current Portion	5,100	-	5,100
Leases Payable - Current Portion	<u>4,713</u>	<u>4,713</u>	<u>9,426</u>
Total Current Liabilities	<u>14,800</u>	<u>4,713</u>	<u>19,513</u>
Noncurrent Liabilities			
Bonds Payable	102,100	-	102,100
Leases Payable	<u>66,726</u>	<u>66,726</u>	<u>133,452</u>
Total Noncurrent Liabilities	<u>168,826</u>	<u>66,726</u>	<u>235,552</u>
TOTAL LIABILITIES	<u>183,626</u>	<u>71,439</u>	<u>255,065</u>
NET POSITION			
Net Investment in Capital Assets	1,057,941	584,579	1,642,520
Restricted for Debt Service	11,460	-	11,460
Unreserved	<u>269,785</u>	<u>75,131</u>	<u>344,916</u>
TOTAL NET POSITION	<u>\$ 1,339,186</u>	<u>\$ 659,710</u>	<u>\$ 1,998,896</u>

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

TOWN OF CALHAN, COLORADO
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES
Year Ended December 31, 2018

	WATER FUND	SEWER FUND	TOTALS
OPERATING REVENUES			
Charges for Services	\$ 299,517	\$ 193,728	\$ 493,245
Connection and Late Fees	10,133	-	10,133
Miscellaneous	6,728	3,000	9,728
TOTAL OPERATING REVENUES	316,378	196,728	513,106
OPERATING EXPENSES			
Operations and Maintenance	177,250	142,095	319,345
Administrative and General	19,281	14,581	33,862
Depreciation	59,956	24,622	84,578
TOTAL OPERATING EXPENSES	256,487	181,298	437,785
OPERATING INCOME	59,891	15,430	75,321
NON-OPERATING REVENUES (EXPENSES)			
Grant Revenue	10,000	-	10,000
Interest Income	1,045	537	1,582
Interest Expense	(8,968)	(2,870)	(11,838)
TOTAL NON-OPERATING REVENUES (EXPENSES)	2,077	(2,333)	(256)
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	61,968	13,097	75,065
Capital Contributions			
Tap Fees	4,400	-	4,400
System Development Fees	1,600	-	1,600
TOTAL CAPITAL CONTRIBUTIONS	6,000	-	6,000
NET INCOME	67,968	13,097	81,065
NET POSITION, Beginning	1,271,218	646,613	1,917,831
NET POSITION, Ending	<u>\$ 1,339,186</u>	<u>\$ 659,710</u>	<u>\$ 1,998,896</u>

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

TOWN OF CALHAN, COLORADO

STATEMENT OF CASH FLOWS
 PROPRIETARY FUND TYPES
 Year Ended December 31, 2018
 Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	SEWER FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	\$ 310,094	\$ 192,040	\$ 502,134
Cash Received from Others	6,728	3,000	9,728
Cash Paid to Suppliers	(99,576)	(68,255)	(167,831)
Cash Paid to Employees	(102,806)	(88,415)	(191,221)
Net Cash Provided by Operating Activities	<u>114,440</u>	<u>38,370</u>	<u>152,810</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(98,309)	(44,895)	(143,204)
Loan Payments	(12,437)	(7,535)	(19,972)
Interest Payments	(8,877)	(2,861)	(11,738)
Grant Revenue	10,000	-	10,000
Capital Contributions			
Tap Fees	4,400	-	4,400
System Development Fees	1,600	-	1,600
Net Cash (Used) by Capital and Related Financing Activities	<u>(103,623)</u>	<u>(55,291)</u>	<u>(158,914)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	1,045	537	1,582
Sale (Purchase) of Investments	4,359	(25,915)	(21,556)
Net Cash Provided (Used) by Investing Activities	<u>5,404</u>	<u>(25,378)</u>	<u>(19,974)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	16,221	(42,299)	(26,078)
CASH AND CASH EQUIVALENTS, Beginning	<u>194,782</u>	<u>42,299</u>	<u>237,081</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 211,003</u>	<u>\$ -</u>	<u>\$ 211,003</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income	\$ 59,891	\$ 15,430	\$ 75,321
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation and Amortization	59,956	24,622	84,578
Changes in Assets and Liabilities			
Accounts Receivable	(726)	(1,688)	(2,414)
Inventory	(5,851)	6	(5,845)
Customer Deposits	1,170	-	1,170
Total Adjustments	<u>54,549</u>	<u>22,940</u>	<u>77,489</u>
Net Cash Provided by Operating Activities	<u>\$ 114,440</u>	<u>\$ 38,370</u>	<u>\$ 152,810</u>

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Town of Calhan (the "Town") is a Colorado statutory town (a municipal corporation), incorporated in 1919 and is governed by a Mayor and six member Board of Trustees elected by the residents. The Town provides public safety, public works, municipal court, parks and recreation, water, sewer, and general administrative services to its residents.

The accounting policies of the Town conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the Town's more significant accounting policies follows.

Reporting Entity

In accordance with governmental accounting standards, the Town has considered the possibility of including additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is 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 Town. The Town may also be financially accountable for organizations that are fiscally dependent upon it. Based on the application of the criteria, the Town does not include additional organizations in its report entity.

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 nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of net position reports all financial, capital and debt resources of the Town. The difference between assets plus deferred outflows, and liabilities plus deferred inflows of the Town is reported as net position.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both "measurable and available". Revenues are considered to be "available" when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year, except for expenditure driven grants as defined in the following paragraph.

Taxes, intergovernmental revenue and interest associated with the current fiscal year are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. Grant and similar revenues are recorded as revenues when all eligibility requirements are met, including any time requirements. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenues are considered to be measurable and available only when cash is received by the Town.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

The Town reports the following major governmental fund in the fund financial statements:

General Fund – The General Fund is used to account for the general operations and specific programs of the Town.

The Town reports the following major proprietary funds:

Water Fund – The Water Fund accounts for the financial activities associated with providing water services.

Sewer Fund – The Sewer Fund accounts for the financial activities associated with providing sewer services.

Assets, Liabilities, Fund Balance/Net Assets

Cash and Investments – For the purposes of reporting in the statement of cash flows, cash equivalents include certificates of deposit and investments with original maturities of three months or less. Investments are reported at fair value.

Receivables – Due from other governments and accounts receivable are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Inventory – Inventory is valued at cost using the first-in, first-out method in the proprietary funds. The cost of inventory is recorded as expense when consumed rather than when purchased.

Capital Assets – Capital assets, which include property, plant, buildings and related improvements, equipment, vehicles, and all infrastructure owned by the Town, are reported in the applicable government-wide or business-type activities columns of the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$2,500 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market 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 asset lives are not capitalized.

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

Land Improvements	10 – 20 years
Buildings	20 – 50 years
Infrastructure	40 years
Park Equipment and Improvements	10 – 20 years
Collection and Distribution Systems	10 – 50 years
Equipment, Machinery, and Vehicles	5 – 20 years

General infrastructure assets acquired prior to January 1, 2002 are not being reported in the basic financial statements. General infrastructure assets include all roads, bridges, and other infrastructure acquired subsequent to January 1, 2002.

Compensated Absences – Full-time employees of the Town are allowed to accumulate unused vacation and sick time. Vacation accumulates based on years of service. Sick time is accrued at a rate of twelve (12) days per year, up to a maximum of 36 days accumulation. Employees who accumulate in excess of 36 days are paid 50% of the days in excess at their current rate at the end of each year. Employees will be paid for all accrued vacation time, but not accumulated sick time, upon separation of employment. Therefore, no liability for accumulated sick time is reported in the financial statements. Accrued vacation time is recognized as current salary costs when earned in the proprietary funds and when due in the governmental funds. A long-term liability is reported in the government-wide financial statements for accrued compensated absences.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Long-Term Debt - In the government-wide financial statements, and the proprietary funds financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Debt premiums and discounts are reported as other financing sources and uses, respectively. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. In the government-wide and proprietary funds, debt premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

Net Position - In the government-wide and proprietary fund financial statements, net position is restricted when constraints placed on the net position are externally imposed.

- Net Investment in Capital Assets - this classification is intended to report the portion of net position which is associated with non-liquid, capital assets less outstanding debt related to those capital assets.
- Restricted Net Position - this classification includes liquid assets which have third party limitations on their use.
- Unrestricted Net Position - this classification includes assets that do not have any third party limitation on their use.

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

- Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form (such as prepaid items) or (b) are legally or contractually required to be maintained intact.
- Restricted - This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town’s highest level of decision-making authority, the Town Board of Trustees. The constraint may be removed or changed only through formal action of the Town Board of Trustees.
- Assigned – This classification includes amounts that are constrained by the Town’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Town Board of Trustees to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or changed than those imposed on committed amounts.
- Unassigned – This classification includes the residual fund balance for the General Fund. The unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of assigned fund balance amounts.

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

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer’s Office collects property taxes and remits to the Town on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred inflow of resources are reported at December 31.

Use of Estimates

The preparation of the basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

The Town has evaluated events subsequent to the year ended December 31, 2018 through April 30, 2019, the date of these financial statements were issued, and has incorporated any required recognition into these financial statements.

NOTE 2: CASH AND INVESTMENTS

A summary of cash and investments at December 31, 2018, follows:

Cash Deposits	\$ 383,436
Investments	<u>22,231</u>
Total	<u>\$ 405,667</u>

Cash is reported in the financial statements as follows:

Cash and Investments	\$ 322,685
Investments – Long-term	<u>82,982</u>
Total	<u>\$ 405,667</u>

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all local government entities deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of Federal Deposit Insurance Corporation (FDIC) levels must be collateralized by eligible collateral as determined by the PDPA. The FDIC insures depositors up to \$250,000 for each financial institution. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2018, the Town had bank deposits totaling \$388,935 of which \$250,000 were insured by FDIC, and \$138,935 were collateralized with securities held by the financial institution's agent but not in their name.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments

The Town has not adopted a formal investment policy; however, the Town follows State statutes regarding investments. The Town generally limits its concentration of investments to Local Government Investment Pools, obligations of the United States and certain U.S. government agency securities, which are believed to have a minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Town Board of Trustees, such actions are generally associated with debt service reserve or sinking fund requirements.

State statutes specify investment instruments meeting defined rating, maturity and concentration risk criteria in which local governments may invest which include the following:

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

The Town measures and records its investments using fair market value measurement guidelines established by generally accepted accounting principles, except for local government investment pools, which are recorded using the net asset value method. These guidelines recognize a three-tiered fair value hierarchy, as follows:

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

The Town had \$20,419 invested through a secondary market in a liquid insured deposit that is FDIC insured. The investment in the liquid insured deposit is categorized as a Level 1 investment.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 2: CASH AND INVESTMENTS (Continued)

Investments (Continued)

At December 31, 2018, the Town had \$1,813 invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the "Trust"), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers share in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as the safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAA by Standard and Poor's. COLOTRUST records its investments at fair value and the Town records its investments in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2018, is summarized below:

	Balances 12/31/2017	Additions	Deletions	Balances 12/31/2018
Governmental Activities:				
Capital Assets, not being depreciated				
Land	\$ 1,346	\$ -	\$ -	\$ 1,346
Capital Assets, being depreciated				
Land Improvements	179,902	-	-	179,902
Buildings	547,081	-	-	547,081
Infrastructure	1,242,600	-	-	1,242,600
Park Equipment and Improvements	124,082	-	-	124,082
Equipment and Vehicles	371,405	37,327	17,979	390,753
Total Capital Assets, being depreciated	<u>2,465,070</u>	<u>37,327</u>	<u>17,979</u>	<u>2,484,418</u>
Less accumulated depreciation				
Land Improvements	(73,387)	(8,545)	-	(81,932)
Buildings	(326,624)	(8,617)	-	(335,241)
Infrastructure	(166,656)	(30,193)	-	(196,849)
Park Equipment and Improvements	(73,205)	(6,444)	-	(79,649)
Equipment and Vehicles	(261,621)	(23,557)	(15,896)	(269,282)
Total accumulated depreciation	<u>(901,493)</u>	<u>(77,356)</u>	<u>(15,896)</u>	<u>(962,953)</u>
Total Capital Assets, being depreciated, net	<u>1,563,577</u>	<u>(40,029)</u>	<u>2,083</u>	<u>1,521,465</u>
Governmental Activities Capital Assets, net	<u>\$ 1,564,923</u>	<u>\$ (40,029)</u>	<u>\$ 2,083</u>	<u>\$ 1,522,811</u>

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

General Government	\$ 4,417
Public Safety	14,956
Public Works	31,318
Parks and Recreation	<u>26,665</u>
Total	<u>\$ 77,356</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 3: CAPITAL ASSETS (Continued)

	Balances 12/31/2017	Additions	Deletions	Balances 12/31/2018
Business-type Activities:				
Capital Assets, not being depreciated				
Land	\$ 49,840	\$ -	\$ -	\$ 49,840
Capital Assets, being depreciated				
Collection and Distribution Systems	3,106,385	37,388		3,143,773
Buildings	210,113	-	-	210,113
Machinery and Equipment	300,313	105,814	27,291	378,836
Total Capital Assets, being depreciated	<u>3,616,811</u>	<u>143,202</u>	<u>27,291</u>	<u>3,732,722</u>
Less accumulated depreciation				
Collection and Distribution Systems	(1,573,117)	(65,751)		(1,638,868)
Buildings	(37,238)	(4,380)	-	(41,618)
Machinery and Equipment	(222,224)	(14,447)	(27,193)	(209,478)
Total accumulated depreciation	<u>(1,832,579)</u>	<u>(84,578)</u>	<u>(27,193)</u>	<u>(1,889,964)</u>
Total Capital Assets, being depreciated, net	<u>1,784,232</u>	<u>58,624</u>	<u>98</u>	<u>1,842,758</u>
Business-type Activities Capital Assets, net	<u><u>\$ 1,834,072</u></u>	<u><u>\$ 58,624</u></u>	<u><u>\$ 98</u></u>	<u><u>\$ 1,892,598</u></u>

Depreciation expense for the Business-type Activities was charged to the functions/programs as follows:

Water Fund	\$ 59,956
Sewer Fund	<u>24,622</u>
Total	<u><u>\$ 84,578</u></u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 4: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2018.

	Balance 12/31/2017	Additions	Deletions	Balance 12/31/2018	Due Within One Year
Governmental Activities					
Capital Leases	\$ 51,733	\$ 31,500	\$ 24,437	\$ 58,796	\$ 12,417
Accrued Compensated Absences	10,952	11,846	9,350	13,448	13,448
	<u>\$ 62,685</u>	<u>\$ 43,346</u>	<u>\$ 33,787</u>	<u>\$ 72,244</u>	<u>\$ 25,865</u>

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

Capital Leases

The Town has entered into capital lease agreements to purchase a building and police vehicles. These leases bear interest at rates ranging from 3.50% to 3.85% per annum, and mature between February 2019 and September 2032. Capital assets totaling \$86,310 less accumulated depreciation of \$11,906 are reported in the financial statements under these lease agreements. Following is a schedule of future minimum lease payments required under the outstanding capital leases at December 31, 2018.

Year Ended December 31

2019	\$ 14,455
2020	14,067
2021	9,426
2022	2,930
2023	2,930
2024 - 2028	14,650
2029 - 2032	10,718
Total Minimum Lease Payments	69,176
Less: Interest	(10,380)
Present Value of Future Minimum Lease Payments	<u>\$ 58,796</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS
December 31, 2018

NOTE 4: LONG-TERM DEBT (Continued)

Business-type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2018.

	Balance 12/31/2017	Additions	Deletions	Balance 12/31/2018	Due Within One Year
Business-type Activities					
1992 Water Revenue Bonds	\$ 112,100	\$ -	4,900	\$ 107,200	\$ 5,100
Capital Leases	157,950	-	15,072	142,878	9,426
	<u><u>\$ 270,050</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 19,972</u></u>	<u><u>\$ 250,078</u></u>	<u><u>\$ 14,526</u></u>

Water Revenue Bonds

During 1992, the Town issued Water Revenue Bonds in the principal amount of \$175,200 for the construction of certain water system improvements. Principal and interest payments are due semi-annually on February 1, and August 1, through August 1, 2032. Interest accrues at a rate of 5.5% per annum. The bonds required a reserve fund be established in the total amount of \$11,460, which is reported as restricted net position in the water fund. The bonds are payable solely from revenues of the Town's water utility system, after deducting operation and maintenance costs. During the year ended December 31, 2018, net revenues of \$119,999 were available to pay annual debt service of \$11,000. Remaining debt service at December 31, 2018 was \$155,372. Following is a summary of the water revenue bonds future debt service requirements for the business-type activities for the year ended December 31, 2018.

Year Ended December 31	Principal	Interest	Total
2019	\$ 5,100	\$ 5,827	\$ 10,927
2020	5,500	5,541	11,041
2021	5,700	5,236	10,936
2022	6,100	4,917	11,017
2023	6,500	4,576	11,076
2024 - 2028	38,600	16,995	55,595
2029 - 2032	39,700	5,080	44,780
	<u><u>\$ 107,200</u></u>	<u><u>\$ 48,172</u></u>	<u><u>\$ 155,372</u></u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 4: LONG-TERM DEBT (Continued)

Business-type Activities (Continued)

Capital Leases

The Town has entered into capital lease agreements to purchase a building and an auto-dialer system for the water and sewer systems. These leases bear interest at rates of 3.5% - 3.75% per annum, and mature February 2019 and September, 2032. Capital assets totaling \$195,806 less accumulated depreciation of \$28,466 are reported in the financial statements under these lease agreements. Following is a schedule of future minimum lease payments required under the outstanding capital leases at December 31, 2018.

Year Ended December 31

2019	\$ 14,650
2020	13,347
2021	13,347
2022	13,347
2023	13,347
2024 - 2028	66,734
2029 - 2032	<u>48,907</u>
Total Minimum Lease Payments	183,679
Less: Interest	<u>(40,801)</u>
Present Value of Future Minimum Lease Payments	<u><u>\$ 142,878</u></u>

NOTE 5: PUBLIC ENTITY RISK POOL

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 5: PUBLIC ENTITY RISK POOL (Continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA.

It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of entity.

NOTE 6: PENSION PLANS

Defined Contribution Pension Plan

The Town contributes to a single employer defined contribution money purchase pension plan on behalf of its employees. The contribution requirements of the Plan participants and the Town are established and may be amended by the Town Board of Trustees. The Plan is administered by Pershing, LLC. Employees are eligible to participate after one year of service. The Town will match up to 3% of the employee's contribution. Employees are fully vested in the Town's contributions immediately. During the year ended December 31, 2018, employee contributions totaled \$7,932 and the Town recognized pension expense of \$6,530.

NOTE 7: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the "Amendment"), which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. The Amendment requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of an expiring tax, or tax policy change directly causing a net tax revenue gain to the Town. Revenue in excess of the fiscal spending limit must be refunded in the next fiscal year unless voters approve retention of such revenue.

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

NOTE 7: COMMITMENTS AND CONTINGENCIES (Continued)

Tabor Amendment (Continued)

In April 1996, voters within the Town authorized the Town to levy a mill of 17.683 mills and to collect, retain and expend the full amount of revenues generated during 1995 and each subsequent year, and to spend such revenues for (a) snow removal, (b) street sweeping, (c) street construction, repair and maintenance, (d) capital improvements, (e) police protection, (f) storm drainage, (g) parks and recreation, and (h) other municipal services, without limiting in any year the amount of other revenues that may be collected and spent by the Town under provisions of the Amendment.

In November 2012, the voters approved collection and spending of a one (1) percent sales and use tax, commencing January 1, 2013, without any limitations of the Amendment.

The Town's management believes it is in compliance with the provisions of the Amendment. However, the Amendment is complex and subject to interpretation. Many of its provisions may require judicial interpretation.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2018, the emergency reserve of \$16,600 was reported as restricted fund balance in the General Fund.

Claims and Judgments

The Town participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. At December 31, 2018, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the Town.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018
(With Comparative Totals for December 31, 2017)

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES					
Taxes	\$ 358,934	\$ 373,934	\$ 382,477	\$ 8,543	\$ 361,149
Licenses and Permits	13,000	13,000	12,473	(527)	23,414
Fines and Forfeitures	50,860	50,860	50,033	(827)	24,193
Charges for Services	12,250	12,250	6,370	(5,880)	12,897
Intergovernmental	111,725	111,725	61,032	(50,693)	147,395
Interest	1,000	1,000	1,125	125	981
Miscellaneous	14,200	25,800	31,382	5,582	41,633
TOTAL REVENUES	561,969	588,569	544,892	(43,677)	611,662
EXPENDITURES					
Current					
General Government	77,299	77,299	74,564	2,735	78,221
Judicial	10,465	10,465	15,408	(4,943)	11,528
Public Safety	287,816	294,316	300,958	(6,642)	241,463
Public Works	289,944	294,944	90,685	204,259	78,309
Parks and Recreation	13,540	13,540	13,028	512	11,764
Capital Outlay	5,000	36,500	37,327	(827)	147,564
Debt Service					
Principal	13,160	28,160	24,437	3,723	29,188
Interest	-	-	1,996	(1,996)	2,044
TOTAL EXPENDITURES	697,224	755,224	558,403	196,821	600,081
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(135,255)	(166,655)	(13,511)	121,744	11,581
OTHER FINANCING SOURCES					
Capital Lease Proceeds	-	31,500	31,500	31,500	21,057
NET CHANGE IN FUND BALANCE	(135,255)	(135,155)	17,989	153,244	32,638
FUND BALANCE, Beginning	135,255	135,255	75,659	(59,596)	43,021
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 100</u>	<u>\$ 93,648</u>	<u>\$ 93,648</u>	<u>\$ 75,659</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2018

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the enterprise funds are presented on a non-GAAP budgetary basis. Capital outlay and long-term debt principal are budgeted as expenditures and depreciation is not budgeted.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

- In September, Management submits to the Town 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.
- Public hearings are conducted to obtain taxpayer and public comments.
- Prior to December 31, the budget is legally enacted through passage of an ordinance.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures must be approved by the Town Board of Trustees.
- All budget appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO
 CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2018
 (With Comparative Totals for December 31, 2017)

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Lottery Revenues	\$ 8,000	\$ 8,505	\$ 505	\$ 8,215
Interest	25	59	34	37
TOTAL REVENUES	<u>8,025</u>	<u>8,564</u>	<u>539</u>	<u>8,252</u>
EXPENDITURES				
Parks and Recreation	<u>20,095</u>	<u>8,897</u>	<u>11,198</u>	<u>8,373</u>
TOTAL EXPENDITURES	<u>20,095</u>	<u>8,897</u>	<u>11,198</u>	<u>8,373</u>
NET CHANGE IN FUND BALANCE	(12,070)	(333)	11,737	(121)
FUND BALANCE, Beginning	<u>12,070</u>	<u>13,963</u>	<u>1,893</u>	<u>14,084</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 13,630</u>	<u>\$ 13,630</u>	<u>\$ 13,963</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO
WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018
(With Comparative Totals for December 31, 2017)

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Charges for Services	\$ 285,000	\$ 299,517	\$ 14,517	\$ 274,991
Connection and Late Fees	7,000	10,133	3,133	8,302
Tap Fees	2,200	4,400	2,200	2,200
System Development Fees	800	1,600	800	800
Investment Income	500	1,045	545	320
Grant Revenue	-	10,000	10,000	-
Miscellaneous	-	6,728	6,728	5,014
TOTAL REVENUES	295,500	333,423	37,923	291,627
EXPENDITURES				
Operations and Maintenance	303,872	177,250	126,622	159,365
Administration and General	22,050	19,281	2,769	25,197
Capital Outlay	40,000	98,309	(58,309)	24,142
Debt Service				
Principal	15,270	12,437	2,833	37,572
Interest	6,505	8,968	(2,463)	7,284
TOTAL EXPENDITURES	387,697	316,245	71,452	253,560
NET INCOME, Budget Basis	\$ (92,197)	17,178	\$ 17,178	38,067
GAAP BASIS ADJUSTMENTS				
Capital Outlay		98,309		24,142
Depreciation		(59,956)		(56,909)
Principal Paid on Long-Term Debt		12,437		37,572
NET INCOME, GAAP Basis		67,968		42,872
NET POSITION, Beginning		1,271,218		1,228,346
NET POSITION, Ending		\$ 1,339,186		\$ 1,271,218

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO
 SEWER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2018
 (With Comparative Totals for December 31, 2017)

	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Charges for Services	\$ 190,000	\$ 193,728	\$ 3,728	\$ 188,677
Tap Fees	2,200	-	(2,200)	-
System Development Fees	800	-	(800)	-
Investment Income	150	537	387	186
Miscellaneous	-	3,000	3,000	-
TOTAL REVENUES	193,150	197,265	4,115	188,863
EXPENDITURES				
Operations and Maintenance	128,625	142,095	(13,470)	141,155
Administration and General	18,750	14,581	4,169	10,530
Capital Outlay	20,000	44,895	(24,895)	38,804
Debt Service				
Principal	10,820	7,535	3,285	14,386
Interest	-	2,870	(2,870)	3,294
Contingency Reserve	59,290	-	59,290	-
TOTAL EXPENDITURES	237,485	211,976	25,509	208,169
NET INCOME, Budget Basis	\$ (44,335)	(14,711)	\$ 29,624	(19,306)
GAAP BASIS ADJUSTMENTS				
Capital Outlay		44,895		38,804
Depreciation		(24,622)		(25,074)
Principal Paid on Long-term Debt		7,535		14,386
NET INCOME, GAAP Basis		13,097		8,810
NET POSITION, Beginning		646,613		637,803
NET POSITION, Ending		\$ 659,710		\$ 646,613

See the accompanying Independent Auditor's Report.

OTHER INFORMATION

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Calhan
		YEAR ENDING : December 2018
This Information From The Records Of Town of Calhan:		Prepared By: Cindy Tompkins Phone: 719-347-2586

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:	24,782
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	113
2. General fund appropriations		b. Snow and ice removal	4,500
3. Other local imposts (from page 2)	132,558	c. Other - lighting	13,062
4. Miscellaneous local receipts (from page 2)	15,335	d. Total (a. through c.)	17,675
5. Transfers from toll facilities		4. General administration & miscellaneous	42,899
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	105,843
a. Bonds - Original Issues		6. Total (1 through 5)	191,199
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	147,893	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	43,306	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	191,199	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	191,199

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
		191,199	191,199		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2018	
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	29,937	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	14,435
1. Sales Taxes	90,086	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	12,535	g. Other Misc. Receipts	
6. Total (1. through 5.)	102,621	h. Other	900
c. Total (a. + b.)	132,558	i. Total (a. through h.)	15,335
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	39,490	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	3,816	d. Federal Transit Admin	
d. Other (Specify) - Road & Bridge		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	3,816	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	43,306	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		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	0
(5). Total Construction (1) + (2) + (3) + (4)		0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		0	0
			(Carry forward to page 1)
Notes and Comments:			

See the accompanying Independent Auditor's Report.