

TOWN OF CALHAN, COLORADO

FINANCIAL STATEMENTS

December 31, 2020



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, 2020, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with 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, 2020, and the respective changes in financial position and cash flows, where applicable, for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, 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  
May 10, 2021

**TOWN OF CALHAN**  
**El Paso County, Calhan, Colorado**  
**Management's Discussion and Analysis**  
**December 31, 2020**

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, 2020. 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 \$3,815,580(net position). Of this amount \$511,651 (unrestricted net position) may be used to meet the Town's ongoing obligations.
- The Town's total net position increased by \$123,216.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$193,491, an increase of \$138,396 from the prior year.
- The Town's governmental activities debt increased by \$7,049 and the business-type activities debt decreased by \$13,853

**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 operation and maintenance of the Town's water and sewer facilities, where fees for services cover all or most of the cost of operations, including depreciation.

**TOWN OF CALHAN**  
**Calhan, Colorado**  
**Management's Discussion and Analysis**  
**December 31, 2020**

**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 \$3,815,580.

Of the Town’s net position, 13.4% 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 \$4,295,821 in assets, \$3,412,527(79.4%) 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 \$3,137,315 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, 2020**

The following table reflects the Town's Net Position:

	Government Activities		Business-type Activities		Total	
	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020
Current and other assets	249,965	383,464	413,557	499,830	663,522	883,294
Capital assets	1,656,363	1,629,085	1,866,798	1,783,442	3,523,161	3,412,527
Total Assets	1,906,328	2,012,549	2,280,355	2,283,272	4,186,683	4,295,821
Current liabilities	99,955	97,128	20,015	18,175	119,970	115,303
Long-term liabilities	33,880	40,190	221,694	207,304	255,574	247,494
Total Liabilities	133,835	137,318	241,709	225,479	375,544	362,797
Deferred Inflow of Resources						
Deferred Property Tax Revenue	118,775	117,444			118,775	117,444
Net Position						
Invested in capital assets	1,609,984	1,575,572	1,631,246	1,561,743	3,241,230	3,137,315
Restricted for bond redemption	0	0	11,460	11,460	11,460	11,460
Restricted for TABOR	23,300	23,400	0	0	23,300	23,400
Restricted - Other	93,005	131,754	0	0	93,005	131,754
Unrestricted	(72,571)	27,061	395,940	484,590	323,369	511,651
Total Net Position	1,653,718	1,757,787	2,038,646	2,057,793	3,692,364	3,815,580

**TOWN OF CALHAN**  
**Calhan, Colorado**  
**Management's Discussion and Analysis**  
**December 31, 2020**

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

	Government Activities		Business-type Activities		Total	
	12/31/2019	12/31/2020	12/31/2019	12/31/2020	12/31/2019	12/31/2020
Revenues						
Program Revenues						
Charges for service	71,039	51,878	486,635	490,926	557,674	542,804
Grants & contributions	162,628	18,214	0	0	163,628	18,214
General Revenues						
Property taxes	121,480	128,250			121,480	128,250
Sales Taxes	331,649	431,938			331,649	431,938
Other taxes	71,806	61,479			71,806	61,479
Investment interest	1,649	323	2,997	2,829	4,646	3,152
Other to include ins claim/CARES	17,976	72,236	2,728	3,189	20,704	75,425
Total Revenues	778,227	764,318	492,360	496,944	1,270,587	1,261,262
Expenses						
General Government	90,704	153,620			90,704	153,620
Judicial	14,212	12,406			14,212	12,406
Public Safety	326,577	338,273			326,577	338,273
Public Works	198,710	107,168			198,710	107,168
Culture & Recreation	49,892	46,795			49,892	46,795
Interest on Long-Term Debt	2,259	1,987	10,971	10,537	13,230	12,524
Sewer	0	0	178,217	206,787	178,217	206,787
Water	0	0	263,422	260,473	263,422	302,454
Total Expenses	682,354	660,249	452,610	477,797	1,134,964	1,138,046
Increase (decrease) in net position	95,873	104,069	39,750	19,147	135,623	123,216
Net Position - Beginning	1,557,845	1,653,718	1,998,896	2,038,646	3,556,741	3,692,364
Net Position - Ending	1,653,718	1,757,787	2,038,646	2,057,793	3,692,364	3,815,580

Business-type activities increased the Town's net position by \$19,147 for the year ended December 31, 2019. Key elements of the increase are as follows:

\* Both revenue and expenses remained basically the same as 2019

**TOWN OF CALHAN**  
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**Management's Discussion and Analysis**  
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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 increased the Town's net position by \$104,069. Key elements are as follows:

- \* Sales tax increased substantially. This is a result of the new state law regarding sales tax on internet purchases. The local businesses also increased their sales tax.
- \* The Town received over \$65,000 in CARES funding that was spent for COVID assistance both for local businesses and individuals in need. Supplies were also purchased with these funds to assist with the masking and social distancing.
- \* Expenses decreased overall.

**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, 2020, the Town's governmental funds reported combined ending fund balances of \$177,297 an increase of \$138,591. This is due in large part to the increase in sales tax revenue. 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, 2020**

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 \$1,407,236 and those for the Sewer Fund amounted to \$650,557. Total increase in net position for all enterprise funds was \$19,147.

Significant factors for Water and Sewer Funds:

- \*       The sewer fund had higher than expected expenses, but the water fund had lower. The water fund decrease was able to absorb the sewer fund increase.

**General Fund Budgetary Highlights**

There was a budget amendment that added CARES funds that were provided to the town for COVID/expenses. The amendment also included a new purchase of a police car that had not been budgeted previously.

**TOWN OF CALHAN**  
**Calhan, Colorado**  
**Management's Discussion and Analysis**  
**December 31, 2020**

**Capital Asset and Debt Administration**

Capital assets

The Town's capital assets for its governmental and business type activities as of December 31, 2020 amount to \$3,412,527 (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, 2019 were as follows:

	Prior Year			As of December 31, 2020		
	Government	Business-type	Total	Government	Business-type	Total
	Activities	Activities		Activities	Activities	
Land	1,346	49,840	51,186	1,346	49,840	51,186
Infrastructure	1,452,772		1,452,772	1,452,772		1,452,772
Improvements	179,902	3,199,673	3,379,575	179,902	3,208,015	3,387,917
Buildings	547,081	210,113	757,194	547,081	210,113	757,194
Equipment and vehicles	396,092	389,405	785,497	444,886	389,405	834,291
Parks	124,082		124,082	124,082		124,082
Less accumulated depreciation	(1,044,912)	(1,982,233)	(3,027,145)	(1,120,984)	(2,073,931)	(3,194,915)
Total	1,656,363	1,866,798	3,523,161	1,629,085	1,783,442	3,412,527

Debt

At December 31, 2020, the Town had a total indebtedness of \$286,488 which is outlined below:

	Prior Year			At December 31, 2020		
	Government	Business-type	Total	Government	Business-type	Total
	Activities	Activities		Activities	Activities	
Leases payable	46,379	133,452	179,831	53,513	125,099	178,612
Accrued Compensated Absences	11,361		11,361	11,276		11,276
Loans payable	0	102,100	102,100	0	96,600	96,600
Total	57,740	235,552	293,292	64,789	221,699	286,488

**TOWN OF CALHAN**  
**Calhan, Colorado**  
**Management's Discussion and Analysis**  
**December 31, 2020**

**Economic Factors and Next Year's Budget**

The 2021 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 2021 budget:

- \* Most revenue line items were budgeted slightly higher, with sales tax having a larger percentage increase
- \* Expenditures have been budgeted close to the same for the last 3 years as the town tries to build reserves.
- \* Water and Sewer funds have budgeted improvements to the infrastructure.
- \* 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. This standard rate increase was not done in 2020 due to the COVID-19 pandemic.

It is the hope of the Board of Trustees and the employees of the Town of Calhan that 2021 will try to get back to some semblence of normal and the pandemic will run its course.

While COVID-19 was part of the 2021 budget discussions, the board is very unsure of how the pandemic and recovery will affect the town's financial outlook.

**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, 2020

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
<b>ASSETS</b>			
Cash and Investments	\$ 175,555	\$ 248,235	\$ 423,790
Receivables			
Property Taxes	117,444	-	117,444
Other Governments	78,434	-	78,434
Accounts	6,684	42,271	48,955
Grants	5,347	-	5,347
Inventory	-	29,246	29,246
Investments - Long-term	-	180,078	180,078
Capital Assets, Not Depreciated	1,346	49,840	51,186
Capital Assets, Depreciated Net of Accumulated Depreciation	<u>1,627,739</u>	<u>1,733,602</u>	<u>3,361,341</u>
<b>TOTAL ASSETS</b>	<u>2,012,549</u>	<u>2,283,272</u>	<u>4,295,821</u>
<b>LIABILITIES</b>			
Accounts Payable	60,016	-	60,016
Accrued Salaries and Benefits	12,513	-	12,513
Customer Deposits	-	3,780	3,780
Noncurrent Liabilities			
Due in One Year	24,599	14,395	38,994
Due in More Than One Year	<u>40,190</u>	<u>207,304</u>	<u>247,494</u>
<b>TOTAL LIABILITIES</b>	<u>137,318</u>	<u>225,479</u>	<u>362,797</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Property Tax Revenue	<u>117,444</u>	<u>-</u>	<u>117,444</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,575,572	1,561,743	3,137,315
Restricted for Debt Service	-	11,460	11,460
Restricted for Emergencies	23,400	-	23,400
Restricted for Parks and Recreation	16,194	-	16,194
Restricted for Street Improvements	115,560	-	115,560
Unrestricted, Unreserved	<u>27,061</u>	<u>484,590</u>	<u>511,651</u>
<b>TOTAL NET POSITION</b>	<u>\$ 1,757,787</u>	<u>\$ 2,057,793</u>	<u>\$ 3,815,580</u>

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

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TOWN OF CALHAN, COLORADO

STATEMENT OF ACTIVITIES  
Year Ended December 31, 2020

FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	PROGRAM REVENUES	
			OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
<b>PRIMARY GOVERNMENT</b>				
<b>Governmental Activities</b>				
General Government	\$ 153,620	\$ 4,913	\$ -	\$ -
Judicial	12,406	-	-	-
Public Safety	338,273	20,466	9,632	-
Public Works	107,168	26,374	-	-
Parks and Recreation	46,795	125	8,582	-
Interest on Long-Term Debt	1,987	-	-	-
Total Governmental Activities	660,249	51,878	18,214	-
<b>Business-Type Activities</b>				
Water	260,473	302,454	-	-
Sewer	206,787	188,472	-	-
Interest on Long-Term Debt	10,537	-	-	-
Total Business-Type Activities	477,797	490,926	-	-
Total Primary Government	\$ 1,138,046	\$ 542,804	\$ 18,214	\$ -

GENERAL REVENUES  
Property Taxes  
Sales Taxes  
Franchise Taxes  
Other Taxes  
Grants and Contributions not  
Restricted to Specific Programs  
Interest  
Miscellaneous

TOTAL GENERAL REVENUES

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
\$ (148,707)	\$ -	\$ (148,707)
(12,406)	-	(12,406)
(308,175)	-	(308,175)
(80,794)	-	(80,794)
(38,088)	-	(38,088)
(1,987)	-	(1,987)
(590,157)	-	(590,157)
-	41,981	41,981
-	(18,315)	(18,315)
-	(10,537)	(10,537)
-	13,129	13,129
(590,157)	13,129	(577,028)
128,250	-	128,250
431,938	-	431,938
25,529	-	25,529
35,950	-	35,950
65,800	-	65,800
323	2,829	3,152
6,436	3,189	9,625
694,226	6,018	700,244
104,069	19,147	123,216
1,653,718	2,038,646	3,692,364
\$ 1,757,787	\$ 2,057,793	\$ 3,815,580

TOWN OF CALHAN, COLORADO

BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2020

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
<b>ASSETS</b>			
Cash and Investments	\$ 159,361	\$ 16,194	\$ 175,555
Property Taxes Receivable	117,444	-	117,444
Due from Other Governments	78,434	-	78,434
Accounts Receivable	6,684	-	6,684
Prepaid Expenses	5,347	-	5,347
<b>TOTAL ASSETS</b>	<b>367,270</b>	<b>16,194</b>	<b>383,464</b>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY</b>			
<b>LIABILITIES</b>			
Accounts Payable	60,016	-	60,016
Accrued Salaries and Benefits	12,513	-	12,513
<b>TOTAL LIABILITIES</b>	<b>72,529</b>	<b>-</b>	<b>72,529</b>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred Property Tax Revenue	117,444	-	117,444
<b>FUND EQUITY</b>			
Fund Balance (Deficit)			
Nonspendable	5,347	-	5,347
Restricted for Emergencies	23,400	-	23,400
Restricted for Parks and Recreation	-	16,194	16,194
Restricted for Street Improvements	115,560	-	115,560
Committed for Cemetery Improvements	16,179	-	16,179
Unassigned	16,811	-	16,811
<b>TOTAL FUND EQUITY</b>	<b>177,297</b>	<b>16,194</b>	<b>193,491</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND EQUITY</b>	<b>\$ 367,270</b>	<b>\$ 16,194</b>	<b>\$ 383,464</b>

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

Total Fund Balances of Governmental Funds	193,491
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	1,629,085
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 (\$53,513) and accrued compensated absences (\$11,276).	(64,789)
<b>Net position of governmental activities</b>	<b>\$ 1,757,787</b>

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, 2020

	GENERAL FUND	NONMAJOR GOVERNMENTAL CONSERVATION TRUST FUND	TOTALS
REVENUES			
Taxes	\$ 585,717	\$ -	\$ 585,717
Licenses and Permits	14,967	-	14,967
Fines and Forfeitures	21,516	-	21,516
Charges for Services	15,395	-	15,395
Intergovernmental	111,382	8,582	119,964
Interest	276	47	323
Miscellaneous	20,436	-	20,436
TOTAL REVENUES	<u>769,689</u>	<u>8,629</u>	<u>778,318</u>
EXPENDITURES			
Current			
General Government	150,103	-	150,103
Judicial	12,406	-	12,406
Public Safety	321,179	-	321,179
Public Works	69,917	-	69,917
Parks and Recreation	12,146	8,824	20,970
Capital Outlay	70,494	-	70,494
Debt Service			
Principal	27,229	-	27,229
Interest	1,987	-	1,987
TOTAL EXPENDITURES	<u>665,461</u>	<u>8,824</u>	<u>674,285</u>
NET CHANGE IN FUND BALANCES	104,228	(195)	104,033
OTHER FINANCING SOURCES			
Capital Lease Proceeds	34,363	-	34,363
CHANGE IN FUND BALANCES	138,591	(195)	138,396
FUND BALANCES, Beginning	38,706	16,389	55,095
FUND BALANCES, Ending	<u>\$ 177,297</u>	<u>\$ 16,194</u>	<u>\$ 193,491</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, 2020

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

Net Changes in Fund Balances - Total Governmental Funds	\$ 138,396
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 capital outlay \$70,494 was exceeded by depreciation (\$82,582) the loss on disposal (\$1,190) and proceeds from sale of capital assets (\$14,000) in the current period.	(27,278)
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.	(34,363)
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.	27,229
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>85</u>
Change in Net Position of Governmental Activities	<u><u>\$ 104,069</u></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, 2020

	WATER FUND	SEWER FUND	TOTALS
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments	\$ 248,235	\$ -	\$ 248,235
Accounts Receivable, Net	18,605	23,666	42,271
Inventory	28,892	354	29,246
<b>Total Current Assets</b>	<b>295,732</b>	<b>24,020</b>	<b>319,752</b>
<b>Noncurrent Assets</b>			
Investments - Long-term	112,786	67,292	180,078
Capital Assets, Not Being Depreciated	-	49,840	49,840
Capital Assets, Net of Accumulated Depreciation	1,161,647	571,955	1,733,602
<b>Total Noncurrent Assets</b>	<b>1,274,433</b>	<b>689,087</b>	<b>1,963,520</b>
<b>TOTAL ASSETS</b>	<b>1,570,165</b>	<b>713,107</b>	<b>2,283,272</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Customer Deposits	3,780	-	3,780
Bonds Payable - Current Portion	5,700	-	5,700
Leases Payable - Current Portion	4,347	4,348	8,695
<b>Total Current Liabilities</b>	<b>13,827</b>	<b>4,348</b>	<b>18,175</b>
<b>Noncurrent Liabilities</b>			
Bonds Payable	90,900	-	90,900
Leases Payable	58,202	58,202	116,404
<b>Total Noncurrent Liabilities</b>	<b>149,102</b>	<b>58,202</b>	<b>207,304</b>
<b>TOTAL LIABILITIES</b>	<b>162,929</b>	<b>62,550</b>	<b>225,479</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	1,002,498	559,245	1,561,743
Restricted for Debt Service	11,460	-	11,460
Unreserved	393,278	91,312	484,590
<b>TOTAL NET POSITION</b>	<b>\$ 1,407,236</b>	<b>\$ 650,557</b>	<b>\$ 2,057,793</b>

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, 2020

	WATER FUND	SEWER FUND	TOTALS
OPERATING REVENUES			
Charges for Services	\$ 293,411	\$ 185,472	\$ 478,883
Connection and Late Fees	9,043	3,000	12,043
Miscellaneous	3,189	-	3,189
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING REVENUES	305,643	188,472	494,115
OPERATING EXPENSES			
Operations and Maintenance	178,555	167,060	345,615
Administrative and General	16,945	13,002	29,947
Depreciation	64,973	26,725	91,698
	<hr/>	<hr/>	<hr/>
TOTAL OPERATING EXPENSES	260,473	206,787	467,260
OPERATING INCOME	<hr/>	<hr/>	<hr/>
	45,170	(18,315)	26,855
NON-OPERATING REVENUES (EXPENSES)			
Interest Income	1,904	925	2,829
Interest Expense	(8,039)	(2,498)	(10,537)
	<hr/>	<hr/>	<hr/>
TOTAL NON-OPERATING REVENUES (EXPENSES)	(6,135)	(1,573)	(7,708)
CHANGE IN NET POSITION	<hr/>	<hr/>	<hr/>
	39,035	(19,888)	19,147
NET POSITION, Beginning	<hr/>	<hr/>	<hr/>
	1,368,201	670,445	2,038,646
NET POSITION, Ending	<hr/>	<hr/>	<hr/>
	\$ 1,407,236	\$ 650,557	\$ 2,057,793

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, 2020  
 Increase (Decrease) in Cash and Cash Equivalents

	WATER FUND	SEWER FUND	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Received from Customers	\$ 300,589	\$ 186,472	\$ 487,061
Cash Received from Others	3,189	-	3,189
Cash Paid to Suppliers	(81,600)	(82,044)	(163,644)
Cash Paid to Employees	(113,888)	(98,018)	(211,906)
Net Cash Provided by Operating Activities	<u>108,290</u>	<u>6,410</u>	<u>114,700</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchase of Capital Assets	(8,342)	-	(8,342)
Loan Payments	(9,677)	(4,176)	(13,853)
Interest Payments	(8,039)	(2,498)	(10,537)
Net Cash (Used) by Capital and Related Financing Activities	<u>(26,058)</u>	<u>(6,674)</u>	<u>(32,732)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	1,904	925	2,829
Sale (Purchase) of Investments	(40,604)	(661)	(41,265)
Net Cash Provided (Used) by Investing Activities	<u>(38,700)</u>	<u>264</u>	<u>(38,436)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	43,532	-	43,532
CASH AND CASH EQUIVALENTS, Beginning	<u>204,703</u>	<u>-</u>	<u>204,703</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 248,235</u>	<u>\$ -</u>	<u>\$ 248,235</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating Income	\$ 45,170	\$ (18,315)	\$ 26,855
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation and Amortization	64,973	26,725	91,698
Changes in Assets and Liabilities			
Accounts Receivable	512	(2,000)	(1,488)
Inventory	12	-	12
Customer Deposits	(2,377)	-	(2,377)
Total Adjustments	<u>63,120</u>	<u>24,725</u>	<u>87,845</u>
Net Cash Provided by Operating Activities	<u>\$ 108,290</u>	<u>\$ 6,410</u>	<u>\$ 114,700</u>

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**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, 2020

**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, 2020

**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, 2020

**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, 2020

**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, 2020

**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, 2020

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

**Subsequent Events**

The Town has evaluated events subsequent to the year ended December 31, 2020 through May 10, 2021, 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, 2020, follows:

Cash Deposits	\$ 560,916
Investments	<u>42,952</u>
Total	<u><b>\$ 603,868</b></u>

Cash is reported in the financial statements as follows:

Cash and Investments	\$ 423,790
Investments – Long-term	<u>180,078</u>
Total	<u><b>\$ 603,868</b></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, 2020, the Town had bank deposits totaling \$522,077 of which \$250,000 were insured by FDIC, and \$272,077 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, 2020

**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 \$21,073 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, 2020

**NOTE 2: CASH AND INVESTMENTS (Continued)**

**Investments** (Continued)

At December 31, 2020, the Town had the following investment:

	<u>Maturity</u>	<u>2020</u>
Colorado Liquid Asset Trust (COLOTRUST)	Weighted Average under 60 days	<u>\$ 21,879</u>

The Town 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, 2020

**NOTE 3: CAPITAL ASSETS**

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

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
<b>Governmental Activities:</b>				
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	1,452,772	-	-	1,452,772
Park Equipment and Improvements	124,082	-	-	124,082
Equipment and Vehicles	396,092	70,494	21,700	444,886
Total Capital Assets, being depreciated	<u>2,699,929</u>	<u>70,494</u>	<u>21,700</u>	<u>2,748,723</u>
Less accumulated depreciation				
Land Improvements	(90,408)	(8,248)	-	(98,656)
Buildings	(343,725)	(8,457)	-	(352,182)
Infrastructure	(232,305)	(35,456)	-	(267,761)
Park Equipment and Improvements	(85,903)	(5,762)	(6,510)	(85,155)
Equipment and Vehicles	(292,571)	(24,659)	-	(317,230)
Total accumulated depreciation	<u>(1,044,912)</u>	<u>(82,582)</u>	<u>(6,510)</u>	<u>(1,120,984)</u>
Total Capital Assets, being depreciated, net	<u>1,655,017</u>	<u>(12,088)</u>	<u>15,190</u>	<u>1,627,739</u>
Governmental Activities Capital Assets, net	<u><u>\$ 1,656,363</u></u>	<u><u>\$ (12,088)</u></u>	<u><u>\$ 15,190</u></u>	<u><u>\$ 1,629,085</u></u>

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

General Government	\$ 3,517
Public Safety	15,989
Public Works	37,251
Parks and Recreation	<u>25,825</u>
Total	<u><u>\$ 82,582</u></u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**NOTE 3: CAPITAL ASSETS (Continued)**

	Balances 12/31/2019	Additions	Deletions	Balances 12/31/2020
<b>Business-type Activities:</b>				
Capital Assets, not being depreciated				
Land	\$ 49,840	\$ -	\$ -	\$ 49,840
Capital Assets, being depreciated				
Collection and Distribution Systems	3,199,673	8,342		3,208,015
Buildings	210,113	-	-	210,113
Machinery and Equipment	389,405	-	-	389,405
Total Capital Assets, being depreciated	<u>3,799,191</u>	<u>8,342</u>	<u>-</u>	<u>3,807,533</u>
Less accumulated depreciation				
Collection and Distribution Systems	(1,705,950)	(65,443)		(1,771,393)
Buildings	(45,998)	(4,380)	-	(50,378)
Machinery and Equipment	(230,285)	(21,875)	-	(252,160)
Total accumulated depreciation	<u>(1,982,233)</u>	<u>(91,698)</u>	<u>-</u>	<u>(2,073,931)</u>
Total Capital Assets, being depreciated, net	<u>1,816,958</u>	<u>(83,356)</u>	<u>-</u>	<u>1,733,602</u>
Business-type Activities Capital Assets, net	<u>\$ 1,866,798</u>	<u>\$ (83,356)</u>	<u>\$ -</u>	<u>\$ 1,783,442</u>

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

Water Fund	\$ 64,973
Sewer Fund	<u>26,725</u>
Total	<u>\$ 91,698</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**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, 2020.

	Balance <u>12/31/2019</u>	Additions	Deletions	Balance <u>12/31/2020</u>	Due Within <u>One Year</u>
<b>Governmental Activities</b>					
Capital Leases	\$ 46,379	\$ 34,363	\$ 27,229	\$ 53,513	\$ 13,323
Accrued Compensated Absences	11,361	12,466	12,551	11,276	11,276
	<u><u>\$ 57,740</u></u>	<u><u>\$ 46,829</u></u>	<u><u>\$ 39,780</u></u>	<u><u>\$ 64,789</u></u>	<u><u>\$ 24,599</u></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 March 2023 and September 2032. Capital assets totaling \$75,747 less accumulated depreciation of \$16,900 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, 2020.

Year Ended December 31

2021	\$ 14,969
2022	14,969
2023	5,819
2024	2,930
2025	2,930
2026 - 2030	14,650
2031 - 2032	4,858
	<hr/>
Total Minimum Lease Payments	61,125
Less: Interest	(7,612)
	<hr/>
Present Value of Future Minimum Lease Payments	<u><u>\$ 53,513</u></u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS  
December 31, 2020

**NOTE 4: LONG-TERM DEBT (Continued)**

	Balance 12/31/2019	Additions	Deletions	Balance 12/31/2020	Due Within One Year
<b>Business-type Activities</b>					
1992 Water Revenue Bonds	\$ 102,100	\$ -	5,500	\$ 96,600	\$ 5,700
Capital Leases	133,452	-	8,353	125,099	8,695
	<u>\$ 235,552</u>	<u>\$ -</u>	<u>\$ 13,853</u>	<u>\$ 221,699</u>	<u>\$ 14,395</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, 2020, net revenues of \$123,899 were available to pay annual debt service of \$10,936. Remaining debt service at December 31, 2020 was \$133,404. Following is a summary of the water revenue bonds future debt service requirements for the business-type activities for the year ended December 31, 2020.

<u>Year Ended December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 5,700	\$ 5,236	\$ 10,936
2022	6,100	4,917	11,017
2023	6,500	4,576	11,076
2024	6,900	4,213	11,113
2025	7,300	3,828	11,128
2026 - 2030	43,100	12,568	55,668
2031 - 2032	21,000	1,466	22,466
	<u>\$ 96,600</u>	<u>\$ 36,804</u>	<u>\$ 133,404</u>

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**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. The building lease bears interest at rates of 3.75% per annum, and matures September, 2032. Capital assets totaling \$174,680 less accumulated depreciation of \$29,116 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, 2020.

Year Ended December 31

2021	\$ 13,347
2022	13,684
2023	13,696
2024	13,700
2025	13,734
2026 - 2030	66,734
2031 - 2032	<u>22,150</u>
Total Minimum Lease Payments	157,045
Less: Interest	<u>(31,946)</u>
Present Value of Future Minimum Lease Payments	<u><u>\$ 125,099</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, 2020

**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 4% of the employee's contribution. Employees are fully vested in the Town's contributions immediately. During the year ended December 31, 2020, employee contributions totaled \$12,548 and the Town recognized pension expense of \$12,548.

**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.

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

TOWN OF CALHAN, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2020

**NOTE 7: COMMITMENTS AND CONTINGENCIES (Continued)**

**Tabor Amendment (Continued)**

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, 2020, the emergency reserve of \$23,400 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, 2020, 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.

**Uncertainty – Coronavirus Pandemic**

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. The coronavirus and actions taken by government and public health officials to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets in many countries, including the geographical area in which the Town is located. It is unknown how long these conditions will last and what the complete financial impact will be to the Town.

## REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF CALHAN, COLORADO  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
Year Ended December 31, 2020  
(With Comparative Totals for December 31, 2019)

	2020			VARIANCE Positive (Negative)	2019
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL		ACTUAL
REVENUES					
Taxes	\$ 441,275	\$ 486,275	\$ 585,717	\$ 99,442	\$ 479,245
Licenses and Permits	12,100	12,100	14,967	2,867	15,437
Fines and Forfeitures	35,960	35,960	21,516	(14,444)	30,382
Charges for Services	11,650	11,650	15,395	3,745	25,220
Intergovernmental	298,800	364,605	111,382	(253,223)	198,821
Interest	1,500	1,500	276	(1,224)	1,592
Miscellaneous	10,600	24,600	20,436	(4,164)	17,976
<b>TOTAL REVENUES</b>	<b>811,885</b>	<b>936,690</b>	<b>769,689</b>	<b>(167,001)</b>	<b>768,673</b>
EXPENDITURES					
Current					
General Government	97,452	172,257	150,103	22,154	86,287
Judicial	13,331	13,331	12,406	925	14,212
Public Safety	321,443	321,443	321,179	264	313,976
Public Works	105,211	105,211	69,917	35,294	162,198
Parks and Recreation	14,298	14,298	12,146	2,152	16,755
Capital Outlay	275,000	359,000	70,494	288,506	215,511
Debt Service					
Principal	14,128	14,128	27,229	(13,101)	12,417
Interest	-	-	1,987	(1,987)	2,259
<b>TOTAL EXPENDITURES</b>	<b>840,863</b>	<b>999,668</b>	<b>665,461</b>	<b>334,207</b>	<b>823,615</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(28,978)</b>	<b>(62,978)</b>	<b>104,228</b>	<b>133,206</b>	<b>(54,942)</b>
OTHER FINANCING SOURCES					
Capital Lease Proceeds	-	34,000	34,363	34,363	-
<b>NET CHANGE IN FUND BALANCE</b>	<b>(28,978)</b>	<b>(28,978)</b>	<b>138,591</b>	<b>167,569</b>	<b>(54,942)</b>
FUND BALANCE, Beginning	28,978	28,978	38,706	9,728	93,648
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 177,297</u>	<u>\$ 177,297</u>	<u>\$ 38,706</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
December 31, 2020

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

**Budgets**

Budgets are legally adopted for all funds of the Town. Budgets for 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, 2020  
 (With Comparative Totals for December 31, 2019)

	2020		VARIANCE Positive (Negative)	2019
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
REVENUES				
Lottery Revenues	\$ 9,000	\$ 8,582	\$ (418)	\$ 9,497
Interest	50	47	(3)	57
TOTAL REVENUES	<u>9,050</u>	<u>8,629</u>	<u>(421)</u>	<u>9,554</u>
EXPENDITURES				
Parks and Recreation	<u>20,404</u>	<u>8,824</u>	<u>11,580</u>	<u>6,795</u>
TOTAL EXPENDITURES	<u>20,404</u>	<u>8,824</u>	<u>11,580</u>	<u>6,795</u>
NET CHANGE IN FUND BALANCE	(11,354)	(195)	11,159	2,759
FUND BALANCE, Beginning	<u>11,354</u>	<u>16,389</u>	<u>5,035</u>	<u>13,630</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 16,194</u>	<u>\$ 16,194</u>	<u>\$ 16,389</u>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO  
WATER FUND  
BUDGETARY COMPARISON SCHEDULE  
Year Ended December 31, 2020  
(With Comparative Totals for December 31, 2019)

	2020		VARIANCE Positive (Negative)	2019
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
<b>REVENUES</b>				
Charges for Services	\$ 285,000	\$ 293,411	\$ 8,411	\$ 287,814
Connection and Late Fees	8,100	3,043	(5,057)	9,757
Tap Fees	2,200	4,400	2,200	-
System Development Fees	800	1,600	800	-
Investment Income	1,000	1,904	904	1,661
Grant Revenue	-	-	-	-
Miscellaneous	-	3,189	3,189	1,604
<b>TOTAL REVENUES</b>	<b>297,100</b>	<b>307,547</b>	<b>10,447</b>	<b>300,836</b>
<b>EXPENDITURES</b>				
Operations and Maintenance	298,405	178,555	119,850	177,808
Administration and General	21,950	16,945	5,005	19,536
Capital Outlay	60,000	8,342	51,658	47,776
Debt Service				
Principal	5,100	9,677	(4,577)	9,813
Interest	12,501	8,039	4,462	8,399
<b>TOTAL EXPENDITURES</b>	<b>397,956</b>	<b>221,558</b>	<b>176,398</b>	<b>263,332</b>
<b>NET INCOME, Budget Basis</b>	<b>\$ (100,856)</b>	<b>85,989</b>	<b>\$ 85,989</b>	<b>37,504</b>
<b>GAAP BASIS ADJUSTMENTS</b>				
Capital Outlay		8,342		47,776
Depreciation		(64,973)		(66,078)
Principal Paid on Long-Term Debt		9,677		9,813
<b>NET INCOME, GAAP Basis</b>		<b>39,035</b>		<b>29,015</b>
<b>NET POSITION, Beginning</b>		<b>1,368,201</b>		<b>1,339,186</b>
<b>NET POSITION, Ending</b>		<b>\$ 1,407,236</b>		<b>\$ 1,368,201</b>

See the accompanying Independent Auditor's Report.

TOWN OF CALHAN, COLORADO  
 SEWER FUND  
 BUDGETARY COMPARISON SCHEDULE  
 Year Ended December 31, 2020  
 (With Comparative Totals for December 31, 2019)

	2020		VARIANCE Positive (Negative)	2019
	ORIGINAL AND FINAL BUDGET	ACTUAL		ACTUAL
<b>REVENUES</b>				
Charges for Services	\$ 190,000	\$ 185,472	\$ (4,528)	\$ 189,064
Tap Fees	2,200	2,200	-	-
System Development Fees	800	800	-	-
Investment Income	750	925	175	1,336
Grants	-	-	-	-
Miscellaneous	-	-	-	1,124
<b>TOTAL REVENUES</b>	<b>193,750</b>	<b>189,397</b>	<b>(4,353)</b>	<b>191,524</b>
<b>EXPENDITURES</b>				
Operations and Maintenance	167,953	167,060	893	138,831
Administration and General	17,150	13,002	4,148	13,195
Capital Outlay	20,000	-	20,000	18,699
Debt Service				
Principal	6,674	4,176	2,498	4,713
Interest	-	2,498	(2,498)	2,572
Contingency Reserve	57,663	-	57,663	-
<b>TOTAL EXPENDITURES</b>	<b>269,440</b>	<b>186,736</b>	<b>82,704</b>	<b>178,010</b>
<b>NET INCOME, Budget Basis</b>	<b>\$ (75,690)</b>	<b>2,661</b>	<b>\$ 78,351</b>	<b>13,514</b>
<b>GAAP BASIS ADJUSTMENTS</b>				
Capital Outlay		-		18,699
Depreciation		(26,725)		(26,191)
Principal Paid on Long-term Debt		4,176		4,713
<b>NET INCOME, GAAP Basis</b>		<b>(19,888)</b>		<b>10,735</b>
<b>NET POSITION, Beginning</b>		<b>670,445</b>		<b>659,710</b>
<b>NET POSITION, Ending</b>		<b>\$ 650,557</b>		<b>\$ 670,445</b>

See the accompanying Independent Auditor's Report.

## OTHER INFORMATION

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: Calhan
	YEAR ENDING : December 2019

This Information From The Records Of Town of Calhan:	Prepared By: Cindy Tompkins Phone:
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**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				

<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES</b>	<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES</b>
--	--

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	8,627
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations		b. Snow and ice removal	5,000
3. Other local imposts (from page 2)	277,963	c. Other	11,988
4. Miscellaneous local receipts (from page 2)	7,242	d. Total (a. through c.)	16,988
5. Transfers from toll facilities		4. General administration & miscellaneous	47,559
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	123,405
a. Bonds - Original Issues		6. Total (1 through 5)	196,579
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	285,205	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	33,472	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	318,677	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	196,579

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		318,677	196,579		122,098

**Notes and Comments:**

See the accompanying Independent Auditor's Report.

<b>LOCAL HIGHWAY FINANCE REPORT</b>		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2019	
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	34,556	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	6,140
1. Sales Taxes	230,345	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	13,062	g. Other Misc. Receipts	
6. Total (1. through 5.)	243,407	h. Other road and bridge	1,102
c. Total (a. + b.)	277,963	i. Total (a. through h.)	7,242
	(Carry forward to page 1)		(Carry forward to page 1)
<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL</b>			
<b>ITEM</b>	<b>AMOUNT</b>	<b>ITEM</b>	<b>AMOUNT</b>
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	29,638	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	3,834	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal - CDBG	146,916
f. Total (a. through e.)	3,834	g. Total (a. through f.)	146,916
4. Total (1. + 2. + 3.f)	33,472	3. Total (1. + 2.g)	
			(Carry forward to page 1)
		ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)
		TOTAL (c)	
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		0	0
(3). System Preservation			0
(4). System Enhancement & Operation			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)
<b>Notes and Comments:</b>			

See the accompanying Independent Auditor's Report.