

**ADAMS COUNTY COMMUNICATIONS
CENTER AUTHORITY**

BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2021

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY

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ADAMS COUNTY COMMUNICATION CENTER AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis (MD&A) is designed to provide an overview of the financial activities of the Adams County Communication Center Authority (ADCOM) for the fiscal year ending December 31, 2021. The MD&A should be read in conjunction with ADCOM's financial statements.

Financial Highlights

- Net position of ADCOM at the close of 2021 was \$6,980,948. The decrease from previous year's net position is largely due to depreciation expense.
- General Fund revenue for the year was \$8,400,799. Member assessments of \$5,539,781 accounted for 65.9% of the total revenues.
- The Capital Fund's beginning of the year fund balance was \$840,209. There were several significant Capital Fund purchases made during FY 2021, including work on a new administration building, and TDMA. After deducting all expenses and adding the member contributions and COP Bond net proceeds during FY 2021, the year-end Capital Fund balance was \$7,531,615.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis serves as an introduction to ADCOM's basic financial statements. ADCOM's basic financial statements are comprised of government-wide financial statements, fund financial statements, and notes to the financial statements.

Government-Wide Financial Statements

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

The statement of net position presents information on all of ADCOM's assets and liabilities, with differences between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of ADCOM is improving or deteriorating. The statement of net position can be found on page 2.

The statement of activities presents information showing how the net position has changed during the past 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 the cash flows. Therefore, the revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods. The statement of activities can be found on page 4.

Fund Financial Statements

A fund is a group of accounts used to maintain control over resources that have been set aside for specific activities or objectives. ADCOM, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Traditional users of government financial statements will find the fund financial statements presentation more familiar.

ADCOM has two governmental funds: General Fund and Capital Fund. Governmental funds focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance ADCOM's needs. Fund financial statements can be found on pages 20 and 21.

Notes to the Financial Statements

The notes provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 6-19.

FINANCIAL ANALYSIS

ADCOM was incorporated in 1974 to provide 911 call handling and dispatch services for Police, Fire and EMS. The majority of ADCOM's operational funding (97.75%% in 2021), is provided by assessment from its member and contracted agencies and support provided by the Adams County Emergency Telephone Service Authority. Member agencies have signed an Inter-Governmental Agreement giving them authority to hold a seat on the ADCOM Board of Directors. The IGA details how the expenses of ADCOM will be allocated to each member agency and requires the agency to provide 6 month notice before withdrawing from ADCOM. The IGA and ADCOM's solid history provide for a reliable funding basis to ADCOM.

The net position may serve over time as a useful indicator of a government's financial position. In the case of ADCOM, assets exceeded liabilities by \$6,980,948 at the close of the year.

During 2019 the ADCOM board of Directors, signed a new IGA creating the Adams County Communications Center Authority and changing the name of the Adams County Communication Center, Inc. to the ADCOM Foundation. The accompanying financial statements provide information about the combined activities of both entities.

The table below shows a comparison in the Net Position for the periods ending December 31, 2020 and 2021.

Comparison of Consolidated Net Position at December 31

<u>Assets</u>	2020	2021
Current and other assets	\$ 4,306,639	\$ 11,179,477
Capital assets	4,487,998	4,093,075
Total Assets	8,794,637	15,272,552
 <u>Liabilities</u>		
Current liabilities	373,840	591,473
Long-term liabilities	443,929	7,700,131
Total Liabilities	817,769	8,291,604
 Net Position:		
Invested in capital assets, net of related debt	4,487,998	(3,166,475)
Restricted		
Capital projects	840,209	7,531,615
Subsequent years expenses	2,648,661	2,615,808
Unrestricted	-	-
Total Net Position	\$ 7,976,868	\$ 6,980,948

Consolidated Statement of Activities

<u>Revenues</u>	2020	2021
Assessments	\$ 5,739,564	\$ 5,656,140
Other income	4,222,667	5,882,630
Total revenues	9,962,231	11,538,770
 <u>Expenditures/Expenses</u>		
Dispatch and related services	9,804,735	11,140,435
Depreciation	1,165,187	1,151,248
Total Expenses	10,969,922	12,291,683
Excess (deficiency) of revenues over expenditures	\$ (1,007,691)	\$ (995,920)

General Fund

The general fund was established and continually funded to provide for the daily activities, salaries, expenses, and operating costs of ADCOM. The primary funding source for the general fund is member assessments. Other sources of income for the general fund include leases for ADCOM tower space, and charges for radio maintenance and repairs. The year-end fund balance for the General Fund was \$3,076,436. This represents a decrease of \$16,154 versus last year's ending fund balance of \$3,092,590.

ADCOM operated within its General Fund budget in 2021. The total budget for expenses was \$8,391,182 compared with actual expenditures of \$8,366,953.

Capital Projects Fund

The Capital Projects funds are segregated for purposes of major equipment purchases and equipment upgrades. The primary funding areas include vehicle purchases, building maintenance and improvements, dispatch related hardware and software, and radio equipment. Funding sources for the Capital Projects Fund are from member assessments, support from the Adams County Emergency Telephone Service Authority, and transfers of funds from the General Fund as designated by the Board of Directors of ADCOM. Funds not expended in the budgeted fiscal year are restricted for subsequent years' capital expenses. In 2021, ADCOM issued Certificates of Participation totaling \$6,735,000. See Note 9 for more information.

The fund balance at the beginning of the year was \$840,209 with an end of year balance of \$7,531,615. Expenditures of \$3,605,967 were \$6,691,406 under revenues and transfers of \$10,297,373. The Capital Projects Fund operated within its budget for 2021.

Factors affecting ADCOM and Next Year's Budget

- As with most public agencies, ADCOM has faced significant challenges with recent budgetary constraints and the impact of COVID-19. ADCOM completely renovated the operations floor in 2017 in order to add much needed call-taker positions. ADCOM now has no more space available to expand. As demand for ADCOM's services will likely continue to increase, this poses a significant threat to ADCOM's Capital Fund balance. Should ADCOM face a significant unexpected expense to any of our facilities the Capital Fund balance poses a threat. While ADCOM is confident of its financial position and ability to maintain operations through the General Fund, its ability to implement capital projects through the Capital Fund is limited.
- Maintaining ADCOM's many IT platforms, and ensuring their availability, is a primary concern of ADCOM's IT staff.
- Hiring and retaining call-takers has proven to be challenging in the tight labor market of the Metro Denver area. As the demand for public safety services grows in Adams County, ADCOM will need to look for innovative ways to attract and retain talent in order to meet national standards.
- As ADCOM continues to add staff to handle the increasing number of number of 911 calls, space requirements becomes a key issue. The operations floor renovations carried out in 2017 left ADCOM with no further expansion options. ADCOM will be building a new building in order to ensure sufficient space is available for future growth. In this effort, ADCOM has acquired land in 2019 for future expansion. Construction will begin in 2022.

- Staffing on the technical and administrative side of our operation, is being significantly taxed by the many systems and applications ADCOM currently supports. More systems and applications are on the horizon, most notably Next Generation 911 and the new CAD to CAD system. These will only increase the burden on ADCOM's small IT team. It should also be noted that significant turnover in ADCOM's IT department in 2014 and 2015 has resulted in a lack of depth. This lack of depth combined with the increasing workload has put ADCOM at a high level of exposure not only in regards to being able to support the systems we currently host, but also from a financial perspective (i.e. paying out PTO, training new staff, paying contract employees to fill in, etc.).
- Between 2016 and 2018, ADCOM saw its turnover rise from 12% to over 20%. In 2019, ADCOM commissioned a study to explore its competitiveness with regard to compensation and benefits in the Metro Denver area. The study revealed that ADCOM was significantly below the market at nearly every position, with some positions more than 20% below the median. The ADCOM board committed to correcting these disparities and directed ADCOM staff to develop a 3 year plan for this purpose. 2022 will see continued efforts to address these disparities.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of ADCOM's finances for the ADCOM Board of Directors, taxpayers, and creditors. It is also designed to demonstrate the Center's accountability. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to:

Adams County Communication Center Authority
Attn: Executive Director
7321 Birch St.
Commerce City, CO 80022

Board of Directors and Management
Adams County Communications Center Authority

Opinions

We have audited the accompanying financial statements of the governmental activities and the major funds of Adams County Communications Center Authority as of and for the year ended December 31, 2021 and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major funds of Adams County Communications Center Authority, as of December 31, 2021 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Adams County Communications Center Authority and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Adams County Communications Center Authority's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Adams County Communications Center Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Adams County Communications Center Authority's ability to continue as a going concern for a reasonable period of time.

Other Matters

Required Supplementary Information

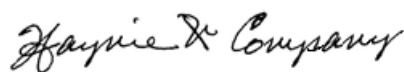
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and General Fund budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Adams County Communications Center Authority's financial statements as a whole. The supplementary information section, Summary of Assessed Valuations, is presented for purposes of additional analysis and is not a required part of the financial statements.

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

Sincerely,



Littleton, Colorado

July 21, 2022

ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
STATEMENT OF NET POSITION AND GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2021

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>	<u>Adjustments (Page 3)</u>	<u>Statement of Net Position</u>
<u>Assets</u>					
Cash and temporary investments (Note 2)	\$ 2,656,708	\$ 7,494,558	\$ 10,151,266	\$ -	\$ 10,151,266
Prepaid expenses	15,387	-	15,387	-	15,387
Accounts receivable	1,012,824	-	1,012,824	-	1,012,824
Land	-	-	-	120,532	120,532
Other capital assets, net of accumulated depreciation	-	-	-	3,972,543	3,972,543
Due from other funds	-	172,479	172,479	(172,479)	-
Total assets	\$ <u>3,684,919</u>	\$ <u>7,667,037</u>	\$ <u>11,351,956</u>	\$ <u>3,920,596</u>	\$ <u>15,272,552</u>
<u>Liabilities</u>					
Accounts payable	\$ 331,650	\$ 135,422	\$ 467,072	\$ -	\$ 467,072
Accrued salaries and wages	104,354	-	104,354	-	104,354
Accrued interest	-	-	-	20,047	20,047
Due to other funds	172,479	-	172,479	(172,479)	-
Accrued absences payable	-	-	-	440,581	440,581
Long-term liabilities:					
Due within one year	-	-	-	120,000	120,000
Due after one year	-	-	-	6,545,000	6,545,000
Unamortized bond premium	-	-	-	594,550	594,550
Total liabilities	<u>608,483</u>	<u>135,422</u>	<u>743,905</u>	<u>7,547,699</u>	<u>8,291,604</u>
<u>Fund Balances/Net Position</u>					
Fund Balances:					
Nonspendable	15,387	-	15,387	(15,387)	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	3,061,049	7,531,615	10,592,664	(10,592,664)	-
Unassigned	-	-	-	-	-
Total fund balance/ net position	<u>3,076,436</u>	<u>7,531,615</u>	<u>10,608,051</u>	<u>(10,608,051)</u>	<u>-</u>
Total liabilities and fund balance	\$ <u>3,684,919</u>	\$ <u>7,667,037</u>	\$ <u>11,351,956</u>		
Net position:					
Net investment in capital assets				(3,166,475)	(3,166,475)
Restricted for capital projects				7,531,615	7,531,615
Restricted for subsequent years expenditures				2,615,808	2,615,808
Total net position				\$ <u>6,980,948</u>	\$ <u>6,980,948</u>

See independent auditors' report.
The accompanying notes on pages 6 to 19 are an
integral part of the financial statements.

**ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2021**

Fund balance per Governmental Funds Balance Sheet	\$ 10,608,051
Capital assets used in governmental activities are not financial resources and therefore are not reported in the fund balance sheet	4,093,075
Some liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the balance sheet	<u>(7,720,178)</u>
Net position per Statement of Net Position	\$ <u>6,980,948</u>

See independent auditors' report.
The accompanying notes on pages 6 to 19 are an
integral part of the financial statements.

ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
STATEMENT OF ACTIVITIES AND GOVERNMENTAL FUNDS REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2021

	General Fund	Capital Projects Fund	Total	Adjustments (Page 5)	Statement of Activities
Revenues:					
Assessments					
Member entities	\$ 5,539,781	\$ 166,359	\$ 5,706,140	\$ (50,000)	\$ 5,656,140
Non-member agencies	-	-	-	-	-
Tower lease	145,004	-	145,004	-	145,004
Technical service	5,100	-	5,100	-	5,100
Interest income	161	935	1,096	-	1,096
E911 reimbursements	2,618,976	3,004,440	5,623,416	-	5,623,416
Other income	91,777	16,237	108,014	-	108,014
Total revenues	<u>8,400,799</u>	<u>3,187,971</u>	<u>11,588,770</u>	<u>(50,000)</u>	<u>11,538,770</u>
Expenditures/expenses:					
Dispatching:					
Current:					
Building and grounds	137,214	-	137,214	-	137,214
Equipment maintenance	139,535	-	139,535	2,634,307	2,773,842
Administrative	269,473	253	269,726	-	269,726
Communications	14,056	-	14,056	-	14,056
Professional fees	185,427	-	185,427	-	185,427
Training	62,407	-	62,407	-	62,407
Salaries	5,970,211	-	5,970,211	(3,348)	5,966,863
Employee benefits	1,588,630	-	1,588,630	-	1,588,630
Depreciation	-	-	-	1,151,248	1,151,248
Capital outlay	-	3,390,632	3,390,632	(3,390,632)	-
Debt service:					
Principal	-	70,000	70,000	(70,000)	-
Interest	-	145,082	145,082	20,047	165,129
Amortization of debt premium	-	-	-	(22,859)	(22,859)
Total expenditures/ expenses	<u>8,366,953</u>	<u>3,605,967</u>	<u>11,972,920</u>	<u>318,763</u>	<u>12,291,683</u>
Excess (deficiency) of revenues over expenditures	33,846	(417,996)	(384,150)	(368,763)	(752,913)
Other financing sources/(uses):					
Proceeds from debt issuance	-	6,735,000	6,735,000	(6,735,000)	-
Premium on debt issuance	-	617,409	617,409	(617,409)	-
Cost of debt issuance	-	(243,007)	(243,007)	-	(243,007)
Transfers-internal activities	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>	<u>50,000</u>	<u>-</u>
Excess (deficiency) of revenues and transfers in over expenditures and transfers out	(16,154)	6,691,406	6,675,252	(6,675,252)	-
Change in net position	-	-	-	(995,920)	(995,920)
Fund balance/net position, beginning of year	<u>3,092,590</u>	<u>840,209</u>	<u>3,932,799</u>	<u>4,044,069</u>	<u>7,976,868</u>
Fund balance/net position, end of year	<u>\$ 3,076,436</u>	<u>\$ 7,531,615</u>	<u>\$ 10,608,051</u>	<u>\$ (3,627,103)</u>	<u>\$ 6,980,948</u>

See independent auditors' report.
The accompanying notes on pages 6 to 19 are an
integral part of the financial statements.

**ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUE,
EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

Excess (deficiency) of revenues and transfers in over expenditures and transfers out - governmental funds and other funds	\$ 6,675,252
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Governmental funds report capital outlay 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:

Capital outlay	756,325
Depreciation	(1,151,248)

Repayment of bond principal is reported as an expenditure in governmental funds and, thus, has the effect of reducing fund balance because current financial resources have been used. The principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities.

Bond proceeds	(6,735,000)
Principal payments made	70,000
Premium on debt issuance	(617,409)
Amortization of debt premium	22,859

Interest expense in the statement of activities differs from the amount reported in governmental funds. Additional accrued interest was calculated for bonds payable.

Increase in accrued interest	(20,047)
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Salary expense in the statement of activities differs from the amount reported in governmental funds. Changes in accrued absences were added.

Decrease in accrued absences	3,348
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Change in Net Position	\$ (995,920)
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See independent auditors' report.
The accompanying notes on pages 6 to 19 are an
integral part of the financial statements.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. Summary of Significant Accounting Policies

ADCOM Foundation f/k/a Adams County Communication Center, Inc., a Colorado nonprofit corporation and public entity, was organized in 1974 to foster and promote intergovernmental cooperation by and among several political subdivisions within Adams County, Colorado, which are engaged in the governmental functions of law enforcement or fire and emergency services. ADCOM provides for and maintains a modern, shared radio communications and dispatching facility for the joint use and benefit of the members of this corporation. On October 10, 2019, Adams County Communications Center, Inc. filed Articles of Amendment with the Colorado Secretary State that, among other things, changed its name to ADCOM Foundation and created the Adams County Communications Center Authority ("ADCOM").

The accompanying financial statements have been prepared in accordance with generally accepted accounting principles applicable to governmental entities. The accounting policies of ADCOM conform to accounting principles generally accepted in the United States of America. The following is a summary of such significant policies:

A. Principles Determining Scope of Reporting Entity

1. Generally

The financial statements of ADCOM (the primary government) consist only of the funds and account groups of ADCOM. ADCOM is the primary government because it has a separately appointed governing body, it is legally separate and it is fiscally independent. ADCOM has no oversight responsibility for any of its member entities or any other governmental entity. ADCOM does not have any member entities or other governmental entities, which are financially accountable to ADCOM. Therefore, in accordance with Governmental Accounting Standards Board Statement No. 14, as amended, ADCOM is considered a stand-alone entity for financial reporting purposes.

2. Reorganization

In 1974 ADCOM was formed by an Intergovernmental Agreement among its contracting members pursuant to C.R.S. §29-1-203(1) and (4), and its predecessor statutes, which state that two or more Colorado governments may contract with one another to provide "...any function, service or facility lawfully authorized to each of the [governments]..." and that "[a]ny such contract may provide for the joint exercise of the function, service or facility, including the establishment of a separate legal entity to do so."

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. Summary of Significant Accounting Policies (Continued)

A. Principles Determining Scope of Reporting Entity (Continued)

2. Reorganization (Continued)

As a matter of convention in Colorado, separate legal entities established pursuant to C.R.S. §29-1-203 are commonly (but not exclusively) referred to as “Authorities”, particularly in the area of emergency services; however, in ADCOM’s case, the contracting members chose to organize a separate non-profit corporation called the “Adams County Communications Center, Inc.” (“Non-Profit Corporation”). The contracting members caused the appropriate Articles of Incorporation and Bylaws to be filed with the Colorado Secretary of State, and the Non-Profit Corporation applied for and obtained determination by the Internal Revenue Service that the Non-Profit Corporation was qualified as a tax-exempt organization under Section 501(c)(3) of the Tax Code. The Non-Profit Corporation has remained a qualified tax-exempt organization at all times.

ADCOM’s dual legal status as a governmental entity and a Non-Profit Corporation proved cumbersome to administer and often created confusion with third parties as to ADCOM’s governmental status. In 2015, the Colorado Legislature enacted HB15-1262, which added C.R.S. §29-1-203.5. This new section provides that a separate legal entity established pursuant to C.R.S. §29-1-203, and which complies with the requirements of C.R.S. §29-1-203.5, shall constitute a political subdivision of the State of Colorado.

Effective April 19, 2019, the contracting members of ADCOM entered into *an Intergovernmental Agreement Establishing the Adams County Communications Center Authority* (“Reorganization IGA”). The purpose of the Reorganization IGA was to form a new political subdivision of the State of Colorado pursuant to C.R.S. §§29-1-203 and 203.5 (“Authority”). The Authority would then assume all of the Non-Profit Corporation’s tangible and intangible assets and personnel and would assume responsibility for providing all services to the contracting members previously provided by the Non-Profit Corporation. In turn, the Non-Profit Corporation filed Articles of Amendment changing its name to the ADCOM Foundation and restructured its non-profit purpose to primarily lessening the burden of government (i.e., the Authority) through donations, grants and other fund raising as a section 501(c)(3) qualified tax-exempt organization. While the Authority was established on April 19, 2019, the process of transferring all tangible and intangible assets and personnel from the Non-Profit Corporation to the Authority has been an on-going project during the balance of 2019 and into 2020:

See independent auditors' report.

**ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

1. Summary of Significant Accounting Policies (Continued)

A. Principles Determining Scope of Reporting Entity (Continued)

2. Reorganization (Continued)

- a) On September 6, 2019, the Non-Profit Corporation executed a Special Warranty Deed conveying all of its real property and improvements to the Authority;
- b) On September 19, 2019, the Non-Profit Corporation and the Authority entered into an Omnibus Bill of Sale, which transferred to the Authority all facilities, fixtures, vehicles, equipment, furniture, appliances, tools, computers, communications towers, communications equipment, radios, computer-aided dispatch (CAD) equipment and systems, and all other personal property, of whatever kind or nature whatsoever, and wherever located, now owned by the Adams County Communications Center, Inc., n/k/a ADCOM Foundation, together with all parts, components, equipment, instruments, appliances, and accessories, as originally installed or installed as replacements or improvements; and,
- c) In October 2019, the Authority received its FEIN and made arrangements for all personnel to cease to be employed by the Non-Profit Corporation on December 31, 2019 and to be employed by the Authority on January 1, 2020. Appropriate financial accounts were established in January 2020 and, with the exception of the nominal funds needed to maintain the Non-Profit Corporation, all funds were transferred from the Non-Profit Corporation to the Authority.

These financial statements present the activities of the ADCOM Foundation and the Adams County Communications Center Authority as one combined entity as both entities share the same board of directors.

B. Government-Wide and Fund Financial Statements

The Government-Wide financial statements (i.e. the statement of activities) report information on all of the non-fiduciary activities of the government. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues.

See independent auditors' report.

**ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

1. Summary of Significant Accounting Policies (Continued)

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

The Government-Wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Fund Financial Statements

Fund financial statements of the reporting entity are organized into funds each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts, which constitute its assets, liabilities, fund equity, revenues and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary and fiduciary.

The following funds were used by ADCOM during 2021:

GOVERNMENTAL FUNDS

General Fund - To account for all financial resources except those required to be accounted for in another fund. This fund also includes grant transactions that are not required to be separately accounted for.

Capital Projects Reserve Fund - To account for resources used for the acquisition and/or construction of capital facilities.

C. Measurement Focus and Basis of Accounting

Measurement Focus

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period.

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. Summary of Significant Accounting Policies (Continued)

C. Measurement Focus and Basis of Accounting (Continued)

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when the payment is due.

The modified accrual basis of accounting is used for all governmental fund types. The following are modifications of the accrual basis method:

1. Expenditures other than accrued interest on general long-term debt are recognized at the same time the liabilities are incurred. Interest on long-term debt is recorded only when due.
2. Revenue is recorded when received in cash except for revenue that is not received but is measurable and available and therefore susceptible to accrual.

D. Budgeting

As required by revised Colorado Statutes, corporations formed by intergovernmental agreements, such as ADCOM, are classified as "Local government" entities and are therefore subject to the annual budget and reporting requirements of local governments as of January 1, 1990. As a political subdivision of the State, the newly formed Authority is subject to the same requirements. The 2021 annual budget was prepared under these requirements.

E. Capital Assets

Capital assets include land, buildings, equipment and furniture, and vehicles and all other assets that are used in operations and have initial useful lives extending beyond a single reporting period.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. When capital assets are purchased, they are capitalized and depreciated in the government-wide financial statements. ADCOM capitalizes all assets with a cost of \$1,000 or greater and a useful life of at least two years. Capital assets are recorded as expenditures of the current period in the government fund financial statements.

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. Summary of Significant Accounting Policies (Continued)

F. Income Taxes

The Non-Profit Corporation is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. In accordance with accounting principles generally accepted in the United States of America, a private entity (including not-for-profit entities) is required to disclose any material uncertain tax positions that management believes does not meet a “more-likely-than-not” standard of being sustained under an income tax audit and to record a liability for any such income tax, including penalties and related interest expense. Management has not identified any uncertain tax positions that require the recording of a liability mentioned above or further disclosure. Tax years ending December 31, 2018 through 2021 remain subject to examination by the Internal Revenue Service.

G. Fund Equity

In accordance with GASB Statement No. 54, “*Fund Balance Reporting and Governmental Fund Type Definitions*,” ADCOM reports fund balance using the following classifications describing the relative strength of spending constraints:

- Nonspendable fund balance—amounts that are in nonspendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed fund balance—amounts constrained to specific purposes by ADCOM itself, using its highest level of decision-making authority (i.e., Board of Directors). To be reported as committed, amounts cannot be used for any other purpose unless ADCOM takes the same highest level action to remove or change the constraint.
- Assigned fund balance—amounts ADCOM intends to use for a specific purpose. Intent can be expressed by the Board of Directors or by an official or body to which the Board delegates the authority.
- Unassigned fund balance—amounts that are available for any purpose. Positive amounts are reported only in the general fund.

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

1. Summary of Significant Accounting Policies (Continued)

G. Fund Equity (Continued)

ADCOM's Board establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. A fund balance commitment is further indicated in the budget document as a designation or commitment of the fund. Assigned fund balance is established by ADCOM's Board through adoption or amendment of the budget as intended for specific purpose (such as the purchase of fixed assets, construction, debt service, or for other purposes).

H. Use of Estimates

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

2. Cash Deposits and Investments- All Funds

A. Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral determined by the PDPA. The institution is allowed 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 the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure, ADCOM's deposits would not be returned to it. ADCOM does not have a deposit policy for custodial credit risk. As of year-end ADCOM's bank balance was either insured or collateralized with securities held by the pledging financial institution through PDPA.

At December 31, 2021, ADCOM had cash balances with maturities less than three months stated at cost as follows:

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

2. Cash Deposits and Investments- All Funds (Continued)

A. Cash Deposits (Continued)

Insured	\$ 750,000
Deposits Collateralized in single institution pool(s)	8,878,270
Uninsured: Required to be collateralized	<u>---</u>
Total cash deposits	9,628,270
Cash on hand	<u>---</u>
Total cash	\$ <u>9,628,270</u>

The bank balance of the deposits listed above are classified in three categories of credit risk as follows: a) Uncollateralized; b) Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name; c) Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

B. Investments

ADCOM's investments are categorized as (1) insured or registered, or for which the securities are held by ADCOM or its agent in ADCOM's name, (2) uninsured and unregistered for which the securities are held by the counterpart's trust department or agent in ADCOM's name or (3) uninsured and unregistered for which the securities are held by the counterpart or by its trust department or agent but not in ADCOM's name. As of December 31, 2021, all investments are considered category 1.

As of December 31, 2021, ADCOM has \$522,996 invested in Colorado Local Government Liquid Asset Trust (COLOTRUST). COLOTRUST is an investment vehicle established for local government entities in Colorado to pool surplus funds for investment purposes. COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to its operations and investments, which are also subject to provisions of C.R.S Title 24, Article 75, Section 6. The fair value of the investments in COLOTRUST is the same as the net asset value of the pool shares. None of these types of investments are categorized because they are not evidenced by securities that exist in physical or book entry form. COLOTRUST is rated "AAAm" from Standard and Poor's Corporation.

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

2. Cash Deposits and Investments (Continued)

B. Investments (Continued)

<u>Investments:</u>	<u>Maturity</u> <u>Year</u>	<u>Net Asset</u> <u>Value</u>	<u>Credit</u> <u>Ratings</u>
COLOTRUST	Variable	\$ <u>522,996</u>	AAAm
Total Investments		\$ <u>522,996</u>	

Colorado statutes specify in which instruments the units of local government may invest, which include:

Repurchase Agreements, obligations of the United States or obligations unconditionally guaranteed by the United States, Federally insured mortgages and student loans. Participation with other local governments in pooled investment funds (trusts), these trusts are supervised by participating governments, and must comply with the same restrictions on cash deposits and investments.

Credit Risk – State law limits investments for government agencies to U.S. treasury issues, other federally backed notes and credits, and other agency offerings (not based on derivatives) without limitation. Other investment instruments including bank obligations, general obligation bonds, and commercial paper are limited to at least one of the highest rating categories of at least one nationally recognized rating agency. State law further limits investments in money market funds that are organized according to Federal Investment Company Act of 1940, as specified in rule 2a-7, as amended, as long as such rule does not increase remaining maturities beyond a maximum of three years. Investments in these funds require that the institution have assets in excess of \$1 billion or the highest credit rating from one or more nationally recognized rating agency.

Interest Rate Risk – ADCOM does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value loss resulting from increasing interest rates. The Colorado revised statute 24-75-601 limits investment maturities to five years or less without governing board approval.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

2. Cash Deposits and Investments (Continued)

B. Investments (Continued)

Financial Statements & Footnote

Total Cash and Short-term	
Investments – Governmental Funds	\$10,151,266
Total Cash Fiduciary Funds	<u>---</u>
 Total Cash Deposits and	
Investments (Book & Footnote)	<u>\$10,151,266</u>

3. Accrued Compensated Absences

The personnel policies of ADCOM provide for the accrual of sick time and paid time off. As of December 31, 2021, the total liability for accrued absences is \$440,581.

4. Deferred Compensation Plan

In May 1999, ADCOM established an employee deferred compensation plan under Internal Revenue Code Section 401(k). The plan covers all employees and employees can elect to defer up to \$19,500 per year. ADCOM matches employee contributions based on position. Additional details of the plan are available under separate cover. ADCOM contributed \$342,591 to the plan during 2021. Employee contributions totaled \$362,330 during 2021. There are no amounts due to the plan as of December 31, 2021.

5. Assigned Fund Balance

General Fund: Fund balance amounts are assigned for subsequent year's expenditures by ADCOM's Board of Directors. The assigned amount as of December 31, 2021 is \$3,061,049.

Capital Projects Fund: As of December 31, 2021, Fund balance is assigned for capital replacement purposes by ADCOM's Board of Directors. The assigned amount as of December 31, 2021 is \$7,531,615.

6. Risk Management

ADCOM is exposed to various risks of loss related to torts, damage to and destruction of assets, errors and omissions and natural disasters for which ADCOM carries commercial insurance. There have been no significant reductions in coverage from the prior year and settlements have not exceeded coverage in the past three years.

See independent auditors' report

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

7. Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. Based on the structure of the Non-Profit Corporation as a "quasi-governmental" entity, and the Authority's status as a political subdivision that is statutorily prohibited from assessing taxes, and ADCOM's restriction of financial activities, including the lack of ability to assess and collect tax revenue, ADCOM does not believe that it is directly subject to the "TABOR" limitations.

8. Capital Assets

Capital assets are recorded at cost. Depreciation is computed on the straight-line basis over the estimated useful lives of the assets, which are as follows:

Buildings	25
Furniture and Equipment	5-10
Vehicles	7

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

8. Capital Assets (Continued)

Capital asset activity for the year ended December 31, 2021 was as follows:

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021
Land	\$ 120,532	\$ ---	\$ ---	\$ 120,532
Buildings	3,838,337	31,689	---	3,870,026
Computer Hardware/Software	4,288,171	166,831	(29,675)	4,425,327
Equipment and Furniture	5,439,018	219,034	(85,521)	5,572,531
Vehicles	89,044	---	---	89,044
RMS System	1,444,566	---	---	1,444,566
Work in Progress	55,536	338,771	---	394,307
Total at Historical Cost	15,275,204	756,325	(115,196)	15,916,333
Less Accumulated Depreciation for:				
Buildings	(2,152,121)	(179,153)	---	(2,331,274)
Computer Hardware/Software	(3,057,846)	(495,670)	29,675	(3,523,841)
Equipment and Furniture	(4,871,139)	(178,575)	85,521	(4,964,193)
Vehicles	(56,936)	(8,937)	---	(65,873)
RMS System	(649,164)	(288,913)	---	(938,077)
Total Accumulated Depreciation	(10,787,206)	(1,151,248)	115,196	(11,823,258)
Governmental Activities Capital Assets, Net of Accum. Depreciation	\$ 4,487,998	\$ (394,923)	\$ ---	\$ 4,093,075

Depreciation expense for the year ended December 31, 2021 was \$1,151,248.

See independent auditors' report.

ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

9. Long-Term Debt

On April 27, 2021, ADCOM issued \$6,735,000 in Certificates of Participation, Series 2021. The interest is payable at rates varying from 2.625% and 5.000% semi-annually on June 1 and December 1 each year, commencing December 1, 2021 through June 1, 2050. The net proceeds of \$7,109,393 (net of premium on issuance of \$617,409 and costs of issuance of \$243,016) were restricted for construction costs on a new administration building.

Long-term debt activity for the year ended December 31, 2021 was as follows:

	<u>Balance</u> <u>12/31/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/21</u>	<u>Due</u> <u>Within</u> <u>One Year</u>
Certificates of Participation (Direct Placement Debt)	\$ ---	\$6,735,000	\$ (70,000)	\$6,665,000	\$120,000
Accrued Absences	<u>443,929</u>	<u>---</u>	<u>(3,348)</u>	<u>440,581</u>	<u>440,581</u>
Totals	\$ <u>443,929</u>	\$ <u>6,735,000</u>	\$ <u>(73,348)</u>	\$ <u>7,105,581</u>	\$ <u>660,581</u>

Payments on the bonds are paid by the capital projects fund. Accrued absences are paid by the general fund.

The annual requirements to amortize the long-term debt outstanding as of December 31, 2021, including interest payments to maturity are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
December 31, 2022	\$ 120,000	\$ 240,563	\$ 360,563
2023	125,000	234,562	359,562
2024	130,000	228,313	358,313
2025	140,000	221,812	361,812
2026	145,000	214,813	359,813
2027-2031	840,000	958,063	1,798,063
2032-2036	1,040,000	757,262	1,797,262
2037-2041	1,275,000	531,062	1,806,062
2042-2046	1,500,000	297,412	1,797,412
2047-2050	<u>1,350,000</u>	<u>89,644</u>	<u>1,439,644</u>
Total	\$ <u>6,665,000</u>	\$ <u>3,773,506</u>	\$ <u>10,438,506</u>

See independent auditors' report.

**ADAMS COUNTY COMMUNICATIONS CENTER AUTHORITY
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

9. Long-term Debt (continued)

The above COP's will be considered in default if ADCOM fails to make minimum payments within five (5) business days of the due date or failure to comply with certain provisions of its occupation of the building. In the event of default, ADCOM may be required to vacate and surrender the building or pay all payments that are past due at the time. No such default occurred in 2021.

10. Reclassification

Certain prior year amounts have been reclassified to conform to the presentation of the current year financial statements.

11. Supplemental Budget

For the year ended December 31, 2021, the Authority issued a resolution to appropriate additional funds from COP Bond proceeds for the Capital Fund totaling \$243,007, to account for costs of issuance.

12. Subsequent Events

For the year ended December 31, 2021, ADCOM has evaluated subsequent events for potential recognition and disclosure through the date of the Independent Auditor's Report, the date of the financial statements issuance. Management has not identified any subsequent events that would require disclosure.

See independent auditors' report.

**REQUIRED
SUPPLEMENTAL INFORMATION**

ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
GENERAL FUND - STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021			Variance with	Actual
	Budget	Budget	Actual	Final Budget	2020
	Original	Final		favorable	Memorandum
				(unfavorable)	Only
Revenues:					
Assessments					
Member entities	\$ 5,535,565	\$ 5,535,565	\$ 5,539,781	\$ 4,216	\$ 5,522,523
Non-member agencies	-	-	-	-	-
Tower lease	144,716	144,716	145,004	288	141,145
Technical service	15,000	15,000	5,100	(9,900)	7,660
Interest income	4,000	4,000	161	(3,839)	3,799
E911 reimbursements	2,674,872	2,674,872	2,618,976	(55,896)	1,736,014
Other income	67,028	67,028	91,777	24,749	244,169
Total revenues	<u>8,441,181</u>	<u>8,441,181</u>	<u>8,400,799</u>	<u>(40,382)</u>	<u>7,655,310</u>
Expenditures:					
Building and grounds	200,212	200,212	137,214	62,998	161,648
Equipment maintenance	151,160	151,160	139,535	11,625	97,925
Administrative	209,642	209,642	269,473	(59,831)	179,427
Communications	18,745	18,745	14,056	4,689	23,899
Professional fees	144,190	144,190	185,427	(41,237)	168,702
Training	114,000	114,000	62,407	51,593	61,872
Salaries	6,000,748	6,000,748	5,970,211	30,537	5,288,884
Employee benefits	1,552,485	1,552,485	1,588,630	(36,145)	1,288,066
Capital outlay	-	-	-	-	-
Total expenditures/expenses	<u>8,391,182</u>	<u>8,391,182</u>	<u>8,366,953</u>	<u>24,229</u>	<u>7,270,423</u>
Excess (deficiency) of revenues over expenditures	<u>49,999</u>	<u>49,999</u>	<u>33,846</u>	<u>(16,153)</u>	<u>384,887</u>
Other financing sources/uses:					
Transfers-internal activities	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>
Total other sources:	<u>(50,000)</u>	<u>(50,000)</u>	<u>(50,000)</u>	<u>-</u>	<u>(50,000)</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>(1)</u>	<u>(1)</u>	<u>(16,154)</u>	<u>(16,153)</u>	<u>334,887</u>
Fund balance, beginning of year	<u>3,092,590</u>	<u>3,092,590</u>	<u>3,092,590</u>	<u>-</u>	<u>2,757,703</u>
Fund balance, end of year	<u>\$ 3,092,589</u>	<u>\$ 3,092,589</u>	<u>\$ 3,076,436</u>	<u>\$ (16,153)</u>	<u>\$ 3,092,590</u>

See independent auditors' report.
The accompanying notes on pages 6 to 19 are an
integral part of the financial statements.

**OTHER
SUPPLEMENTAL INFORMATION**

ADAMS COUNTY COMMUNICATION CENTER AUTHORITY
CAPITAL PROJECTS RESERVE FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021				Actual 2020 Memorandum Only
	Budget Original	Budget Final	Actual	Variance favorable (unfavorable)	
Revenues:					
Assessments:					
Member entities	\$ 189,990	\$ 189,990	\$ 166,359	\$ (23,631)	\$ 151,596
Non-member agencies	-	-	-	-	115,445
Interest income	300	300	935	635	7,309
E911 Reimbursements	3,591,513	3,591,513	3,004,440	(587,073)	2,082,571
Other income	-	-	16,237	16,237	-
Total revenues	<u>3,781,803</u>	<u>3,781,803</u>	<u>3,187,971</u>	<u>(593,832)</u>	<u>2,356,921</u>
Expenditures:					
Administrative	-	-	253	(253)	-
Capital outlay	3,731,503	3,516,421	3,390,632	125,789	2,649,167
Debt service:					
Principal	-	70,000	70,000	-	-
Interest	-	145,082	145,082	-	-
Total expenditures/expenses	<u>3,731,503</u>	<u>3,731,503</u>	<u>3,605,967</u>	<u>125,536</u>	<u>2,649,167</u>
Excess (deficiency) of revenues over expenditures	<u>50,300</u>	<u>50,300</u>	<u>(417,996)</u>	<u>(468,296)</u>	<u>(292,246)</u>
Other financing sources/uses:					
Proceeds from debt issuance	-	6,735,000	6,735,000	-	-
Premium on debt issuance	-	617,409	617,409	-	-
Cost of debt issuance	-	(243,007)	(243,007)	-	-
Transfers-internal activities	-	-	-	-	-
Total other sources:	<u>-</u>	<u>7,109,402</u>	<u>7,109,402</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and and other financing sources over expenditures	<u>50,300</u>	<u>7,159,702</u>	<u>6,691,406</u>	<u>(468,296)</u>	<u>(292,246)</u>
Fund balance, beginning of year	<u>840,209</u>	<u>840,209</u>	<u>840,209</u>	<u>-</u>	<u>1,132,455</u>
Fund balance, end of year	<u>\$ 890,509</u>	<u>\$ 7,999,911</u>	<u>\$ 7,531,615</u>	<u>\$ (468,296)</u>	<u>\$ 840,209</u>

See independent auditors' report.
The accompanying notes on pages 6 to 19 are an
integral part of the financial statements.