



FINANCIAL STATEMENTS

Year Ended December 31, 2021



TABLE OF CONTENTS

Independent Auditors' Report	1
Management's Discussion and Analysis	4
FINANCIAL STATEMENTS:	
STATEMENT OF NET POSITION.....	10
STATEMENT OF ACTIVITIES.....	11
BALANCE SHEET – GOVERNMENTAL FUNDS	13
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	15
STATEMENT OF NET POSITION – ENTERPRISE FUNDS.....	17
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION – ENTERPRISE FUNDS.....	18
STATEMENT OF CASH FLOWS – ENTERPRISE FUNDS.....	19
NOTES TO FINANCIAL STATEMENTS	20
REQUIRED SUPPLEMENTARY INFORMATION	33
ADDITIONAL INFORMATION.....	42



Independent Auditors' Report

The Mayor and Members
of the Board of Trustees
Town of Eaton
Eaton, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Eaton, Colorado as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Eaton, Colorado as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 Town of Eaton 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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 Town's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 GAAS 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 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 GAAS, 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 Town of Eaton'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 Town of Eaton's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit

Required Supplementary Information

Accounting principles generally accepted in the United States require that management discussion and analysis and major governmental funds budgetary comparisons be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statement, 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, 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 evidence sufficient to express an opinion or provide any assurance.

Supplementary Information

Our audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining statements, individual fund statements and schedules on pages 42-50 and the Local Highway Finance Report 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 relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Anderson & Whitney, P.C.

July 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the report provides readers with a narrative overview and analysis of the financial activities of The Town of Eaton (the Town) for the year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the Town's financial performance.

FINANCIAL HIGHLIGHTS

- The Town's assets exceeded liabilities and deferred inflows by \$51 million at December 31, 2021.
- The General Fund balance was \$4,675,010 as of December 31, 2021. Of this amount, \$98,696 is reserved for emergencies.
- The December 31, 2021 General Fund balance is \$1,297,069 more than the previous year-end. The total fund balance is 142% of 2021 General Fund operating expenditures.
- The Water Fund has net position of \$21 million at December 31, 2021.
- The Sewer Fund has net position of \$3.6 million at December 31, 2021.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic financial statements contain three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. In addition to the basic statements, this report also contains 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 *statement of net position* presents information on all of the Town's assets, liabilities and deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the Town's financial position is improving or deteriorating.

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

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Town maintains five individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Street Fund, Impact Fee Fund and Library Fund, each of which is considered to be a major fund.

The basic governmental fund financial statements can be found on pages 13 to 16 of this report.

Proprietary Funds. The Town maintains one type of a proprietary fund. *Enterprise 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 utility services.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for water and sewer funds which are considered to be major funds of the Town.

The basic proprietary fund financial statements can be found on pages 17 to 19 of this report.

Notes to the financial statements. The notes provide additional information that is 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 20 through 33 of this report.

Budgetary Comparisons. The Town adopts an annual appropriated budget for all funds. A budgetary comparison schedule has been provided for the General Fund on pages 35 to 38 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2021, assets exceeded liabilities by \$50,623,622.

The following table provides a summary of the Town's net position:

December 31	2021		2020	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
Assets				
Current and other assets	\$ 15,728,446	\$ 6,334,840	\$ 11,917,449	\$ 5,931,245
Capital assets	13,788,025	21,706,640	12,976,010	21,544,880
Total Assets	29,516,471	28,041,480	24,893,459	27,476,125
Liabilities				
Current and other liabilities	2,979,586	642,429	450,358	548,669
Long-term liabilities	53,074	1,663,978	205,952	2,114,537
Total Liabilities	3,032,660	2,306,407	656,310	2,663,206
Deferred Inflows				
Deferred property taxes	1,595,262	--	1,900,026	--
Net Position				
Net investment in capital assets	13,648,945	19,602,394	12,690,794	18,998,170
Restricted	6,703,757	--	6,439,745	--
Unrestricted	4,535,847	6,132,679	3,206,584	5,814,749
Total Net Position	\$ 24,888,549	\$ 25,735,073	\$ 22,337,123	\$ 24,812,919

A portion of The Town's net position represents unrestricted net position of \$10,668,526 which may be used to meet the Town's ongoing obligations to citizens and creditors.

Another significant portion of the Town's net position reflects its investment in capital assets. These assets include land, buildings, and equipment. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in 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. The only long-term debt is the bonds and leases issued for construction of Town utility systems and property acquisition.

An additional \$6,703,757 of the Town's net position represents resources that are subject to external restrictions on how they may be used. Included in this category are the TABOR emergency reserve, Shelton trust account, and the Streets, Library, Impact Fee and Cemetery Perpetual Care funds.

The following table indicates the changes in net position:

Years Ended December 31	2021		2020	
	Governmental Activities	Business-Type Activities	Governmental Activities	Business-Type Activities
Revenues:				
Program revenues:				
Charges for services	\$ 1,471,554	\$ 3,805,948	\$ 677,342	\$ 3,596,469
Operating contributions	1,879,687	--	1,642,090	--
Capital contributions	38,240	405,172	--	407,737
General revenues:				
Property taxes	392,456	--	432,355	--
Sales taxes	3,250,568	--	2,811,486	--
Other	494,744	--	702,433	--
Investment earnings	1,601	90	25,492	1,155
Transfers	64,000	(64,000)	76,000	(76,000)
Total revenues	7,592,850	4,147,210	6,367,198	3,929,361
Expenses:				
General government	913,903	--	861,664	--
Public safety	1,308,171	--	1,104,182	--
Cemetery	181,567	--	165,043	--
Parks and recreation	81,853	--	260,965	--
Public buildings	74,918	--	79,011	--
Building inspection/planning	273,617	--	269,530	--
Library	513,294	--	551,874	--
Streets	773,614	--	258,444	--
Depreciation	905,163	--	840,425	--
Interest on long-term debt	15,324	--	16,641	--
Water	--	1,626,031	--	1,786,145
Sewer	--	934,104	--	841,892
Sanitation	--	546,637	--	489,548
Irrigation	--	118,284	--	83,160
Total expenses	5,041,424	3,225,056	4,407,779	3,200,745
Increase in net position	\$ 2,551,426	\$ 922,154	\$ 1,959,419	\$ 728,616

Governmental Activities. Governmental activities increased the Town's net position by \$2,551,426 in 2021. Key elements of this increase are as follows:

- Total revenues increased approximately 19%, due to higher sales tax collections and planning revenues.
- Expenses increased approximately 14% from the previous year, from increased street maintenance costs.

Business-Type Activities. Business-type activities (i.e. utility services) increased the Town's net position by \$922,154 in 2021. This was primarily due to capital contributions from tap fees and higher water service charges.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

As of December 31, 2021, the total fund balances of the Town's governmental funds were \$11.2 million. Approximately 40% of this consists of unrestricted fund balance, which is available as working capital and for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is restricted to indicate that it is not available for new spending because it is committed for the following purposes: a state-constitution mandated emergency reserve (\$98,696); cemetery perpetual care (\$139,100); Shelton Trust purposes (\$40,467), streets (\$806,582), library (\$4,429,236) and impact fee purposes (\$1,189,676).

The Town has four major governmental funds:

1. **General Fund.** This is the primary operating fund of the Town. It accounts for the Town's core governmental services. The General Fund balance was \$4,675,010 as of December 31, 2021. The 2021 fund balance is \$1,297,069 more than the previous year.
2. **Library Fund.** The Library Fund accounts for the operation of the Town's library. The fund balance at December 31, 2021 was \$4,429,236.
3. **Impact Fee Fund.** The Impact Fee Fund accounts for monies received for impact fees. The fund balance at December 31, 2021 was \$1,189,676.
4. **Street Fund.** The Street Fund account for monies received for street maintenance. The fund balance at December 31, 2021 was \$806,582.

The Town has two major enterprise funds, the Water and Sewer Funds:

1. **Water Fund.** The Water Fund accounts for service charges and expenses of operating the Town's water system. The Water Fund net position at December 31, 2021 is \$20.9 million. Net position increased by \$996,000 during the year due to increased water use and tap fees.
2. **Sewer Fund.** The Sewer Fund accounts for service charges and expenses of operating the Town's sanitary sewer system. The Sewer Fund net position at December 31, 2021 is \$3.6 million. Net position decreased by \$49,373.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

	Final Budget	Actual
Beginning Fund Balance	\$ 3,377,941	\$ 3,377,941
Revenue and transfers in	2,936,364	4,586,936
Expenditures	(3,632,296)	(3,289,867)
Ending Fund Balance	\$ 2,682,009	\$ 4,675,010

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2021 totals approximately \$35 million (net of accumulated depreciation). This investment includes all land, water rights, buildings, and equipment and infrastructure. The total net increase in investment in capital assets for the current year was \$973,775 or 3%, due to capital additions being more than depreciation expenses.

Major capital asset events during 2021 included purchases of \$474,500 in water rights through the NISP project.

The Town implemented the straight-line depreciation method for its capital assets, except for land and water rights which are not depreciated.

Additional information on the Town's capital assets can be found in Note 6 of this report.

Long-term Debt. At December 31, 2021, the Town had approximately \$2 million of water and sewer loans and bonds payable, funded by service charges. The Town also has capital leases payable of \$139,080 from property acquisition, funded from impact fees and use taxes on building materials.

Additional information on the Town's debt can be found in Notes 3 and 4.

OTHER MATTERS

The following factors are expected to have a significant effect on the Town's financial position and results of operations and were taken into account in developing the 2022 budget:

- * The Town had a water utility rate study in 2019 and ongoing rate increases for residential customers were recommended.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town of Eaton finances for all those with an interest in the Town's finances. Questions concerning any of the information provided or for additional financial information should be addressed to the Town, 223 First Street, Eaton, Colorado 80615.

TOWN OF EATON, COLORADO

STATEMENT OF NET POSITION

December 31, 2021	Governmental Activities	Business- Type Activities	Total
<u>ASSETS</u>			
Total Cash and Investments	\$ 14,059,298	\$ 5,954,673	\$ 20,013,971
Shelton Trust Account	40,467	-	40,467
Receivables:			
Property taxes	1,621,799	-	1,621,799
Utility accounts	-	336,325	336,325
Inventory of Supplies	6,882	43,842	50,724
Capital Assets:			
Land and water rights	2,972,003	12,756,663	15,728,666
Depreciable	10,816,022	8,949,977	19,765,999
Total Assets	29,516,471	28,041,480	57,557,951
<u>LIABILITIES</u>			
Accounts Payable	2,893,580	202,161	3,095,741
Long-Term Debt:			
Due within one year	86,006	440,268	526,274
Due in more than one year	53,074	1,663,978	1,717,052
Total Liabilities	3,032,660	2,306,407	5,339,067
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Property Taxes	1,595,262	-	1,595,262
<u>NET POSITION</u>			
Net Investment in Capital Assets	13,648,945	19,602,394	33,251,339
Restricted for:			
TABOR emergencies	98,696	-	98,696
Shelton Trust	40,467	-	40,467
Library	4,429,236	-	4,429,236
Streets/impact fees	1,996,258	-	1,996,258
Cemetery perpetual care	139,100	-	139,100
Unrestricted	4,535,847	6,132,679	10,668,526
TOTAL NET POSITION	\$ 24,888,549	\$ 25,735,073	\$ 50,623,622

See Accompanying Notes to Financial Statements.

TOWN OF EATON, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2021	Expenses	Charges for Services
Functions/Programs:		
Governmental Activities:		
General government	\$ 913,903	\$ 5,383
Public safety	1,308,171	365,196
Cemetery	181,567	104,028
Parks and recreation	81,853	-
Public buildings	74,918	-
Building inspection/ planning	273,617	996,404
Library	513,294	543
Streets	773,614	-
Unallocated depreciation	905,163	-
Interest on long-term debt	15,324	-
Total Governmental Activities	5,041,424	1,471,554
Business-Type Activities:		
Water	1,626,031	2,323,721
Sewer	934,104	829,785
Sanitation	546,637	520,806
Irrigation	118,284	131,636
Total Business-Type Activities	3,225,056	3,805,948
TOTAL	\$ 8,266,480	\$5,277,502

General Revenue:

Property taxes
 Sales taxes
 Franchise and other taxes
 Use taxes - building materials
 Impact fees
 Road and bridge taxes
 Investment earnings
 Transfers

Total General Revenue

Change in Net Position

Net Position - Beginning

NET POSITION - Ending

See Accompanying Notes to Financial Statements.

Program Revenues		Net (Expense) Revenue and Changes in Net Position		
Operating Grants and Contributions	Capital Contributions	Governmental Activities	Business- Type Activities	Total
\$ 139,814	\$ -	\$ (768,706)	\$ -	\$ (768,706)
-	-	(942,975)	-	(942,975)
-	-	(77,539)	-	(77,539)
34,657	-	(47,196)	-	(47,196)
-	-	(74,918)	-	(74,918)
-	-	722,787	-	722,787
1,505,959	1,611	994,819	-	994,819
199,257	36,629	(537,728)	-	(537,728)
-	-	(905,163)	-	(905,163)
-	-	(15,324)	-	(15,324)
1,879,687	38,240	(1,651,943)	-	(1,651,943)
-	324,300	-	1,021,990	1,021,990
-	80,872	-	(23,447)	(23,447)
-	-	-	(25,831)	(25,831)
-	-	-	13,352	13,352
-	405,172	-	986,064	986,064
\$1,879,687	\$ 443,412	(1,651,943)	986,064	(665,879)
		392,456	-	392,456
		3,250,568	-	3,250,568
		249,753	-	249,753
		124,985	-	124,985
		21,195	-	21,195
		98,811	-	98,811
		1,601	90	1,691
		64,000	(64,000)	-
		4,203,369	(63,910)	4,139,459
		2,551,426	922,154	3,473,580
		22,337,123	24,812,919	47,150,042
		\$ 24,888,549	\$ 25,735,073	\$ 50,623,622

**TOWN OF EATON, COLORADO
GOVERNMENTAL FUNDS**

BALANCE SHEET

December 31, 2021	General Fund	Library Fund	Impact Fee Fund
<u>ASSETS</u>			
Pooled Cash and Investments	\$ 4,826,761	\$ 4,433,917	\$ 1,190,797
Cash	78,176	-	-
Shelton Trust account	40,467	-	-
Taxes Receivable	468,918	1,147,754	-
Inventory of Supplies	-	-	-
Total Assets	\$ 5,414,322	\$ 5,581,671	\$ 1,190,797
<u>LIABILITIES</u>			
Accounts Payable	\$ 289,729	\$ 6,756	\$ 1,121
Total Liabilities	289,729	6,756	1,121
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Deferred Property Taxes	449,583	1,145,679	-
<u>FUND BALANCES</u>			
Nonspendable	-	-	-
Restricted for:			
TABOR emergencies	98,696	-	-
Shelton Trust	40,467	-	-
Library/Streets/Impact	-	4,429,236	1,189,676
Unassigned	4,535,847	-	-
Total Fund Balances	4,675,010	4,429,236	1,189,676
TOTAL LIABILITIES, DEFERRALS AND FUND BALANCES	\$ 5,414,322	\$ 5,581,671	\$ 1,190,797

Amounts reported for governmental activities in the statement of net position are different because:
 Capital assets used in governmental activities are not financial resources and are not reported in the funds
 Long-term leases are not due and payable in the current period and therefore are not reported in the funds

Net Position of Governmental Activities

See Accompanying Notes to Financial Statements.

Street Fund	Cemetery Perpetual Care Fund	Total Governmental Funds
\$ 3,395,674	\$ 133,973	\$ 13,981,122
-	-	78,176
-	-	40,467
-	5,127	1,621,799
6,882	-	6,882
<u>\$ 3,402,556</u>	<u>\$ 139,100</u>	<u>\$ 15,728,446</u>
\$ 2,595,974	\$ -	\$ 2,893,580
2,595,974	-	2,893,580
-	-	1,595,262
-	139,100	139,100
-	-	98,696
-	-	40,467
806,582	-	6,425,494
-	-	4,535,847
<u>806,582</u>	<u>139,100</u>	<u>11,239,604</u>
<u>\$ 3,402,556</u>	<u>\$ 139,100</u>	<u>\$ 15,728,446</u>
		13,788,025
		(139,080)
		<u>\$ 24,888,549</u>

**TOWN OF EATON, COLORADO
GOVERNMENTAL FUNDS**

**STATEMENT OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCES**

Year Ended December 31, 2021	General Fund	Library Fund	Impact Fee Fund
Revenue:			
Taxes	\$2,870,585	\$1,505,959	\$ 124,985
Intergovernmental	45,052	-	-
Fines and forfeitures	365,196	543	-
Impact fees	-	-	21,195
Service charges	1,099,938	-	-
Miscellaneous	141,415	1,611	-
Total Revenue	4,522,186	1,508,113	146,180
Expenditures:			
General government	3,050,224	-	-
Debt service	-	-	161,460
Library	-	513,294	-
Streets	-	-	-
Capital outlay	239,643	444,962	42,754
Total Expenditures	3,289,867	958,256	204,214
Revenue Over (Under) Expenditures	1,232,319	549,857	(58,034)
Other Financing Sources (Uses):			
Operating transfers in (out)	64,750	-	-
Net Change in Fund Balances	1,297,069	549,857	(58,034)
Fund Balance, January 1	3,377,941	3,879,379	1,247,710
Fund Balance, December 31	\$4,675,010	\$4,429,236	\$ 1,189,676

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

Net change in fund balances - total governmental funds

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital additions in the year.

The issuance of long-term debt and obligations provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. This amount is the net effect of these differences.

Change in Net Position of Governmental Activities

See Accompanying Notes to Financial Statements.

Street Fund	Cemetery Perpetual Care Fund	Total Governmental Funds
\$ 975,168	\$ -	\$ 5,476,697
378,231	-	423,283
-	-	365,739
-	-	21,195
-	5,877	1,105,815
-	14	143,040
<u>1,353,399</u>	<u>5,891</u>	<u>7,535,769</u>
-	-	3,050,224
-	-	161,460
-	-	513,294
1,554,157	-	1,554,157
-	-	727,359
<u>1,554,157</u>	<u>-</u>	<u>6,006,494</u>
(200,758)	5,891	1,529,275
-	(750)	64,000
<u>(200,758)</u>	<u>5,141</u>	<u>1,593,275</u>
1,007,340	133,959	9,646,329
<u>\$ 806,582</u>	<u>\$ 139,100</u>	<u>\$11,239,604</u>

\$ 1,593,275

812,015

146,136

\$ 2,551,426

TOWN OF EATON, COLORADO
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

STATEMENT OF NET POSITION

December 31, 2021	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total
ASSETS				
Current Assets:				
Pooled Cash and Investments	\$ 3,627,996	\$ 1,769,291	\$ 557,386	\$ 5,954,673
Accounts receivable	292,358	49,363	(5,396)	336,325
Inventory of supplies	43,842	-		43,842
Total Current Assets	3,964,196	1,818,654	551,990	6,334,840
Capital Assets:				
Land	330,340	44,211	-	374,551
Water rights	12,382,112	-	-	12,382,112
Buildings and plant	132,776	5,641,780	-	5,774,556
Distribution/collection system	8,469,232	3,902,641	1,159,952	13,531,825
Equipment	326,972	201,886	67,870	596,728
Vehicles	-	260,445	28,340	288,785
	21,641,432	10,050,963	1,256,162	32,948,557
Accumulated depreciation	(4,314,119)	(6,465,049)	(462,749)	(11,241,917)
Total Capital Assets	17,327,313	3,585,914	793,413	21,706,640
Total Assets	21,291,509	5,404,568	1,345,403	28,041,480
LIABILITIES				
Current Liabilities:				
Accounts payable	72,435	24,601	105,125	202,161
Current portion of long-term liabilities	178,308	261,960	-	440,268
Total Current Liabilities	250,743	286,561	105,125	642,429
Long-Term Liabilities:				
Long-term loans	153,478	1,462,611	-	1,616,089
Loan premium	-	47,889	-	47,889
Total Long-Term Liabilities	153,478	1,510,500	-	1,663,978
Total Liabilities	404,221	1,797,061	105,125	2,306,407
NET POSITION				
Net Investment in Capital Assets	16,995,527	1,813,454	793,413	19,602,394
Unrestricted	3,891,761	1,794,053	446,865	6,132,679
TOTAL NET POSITION	\$ 20,887,288	\$ 3,607,507	\$ 1,240,278	\$ 25,735,073

See Accompanying Notes to Financial Statements.

TOWN OF EATON, COLORADO
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION

Year Ended December 31, 2021	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total
Operating Revenue - charges for services	\$ 2,242,622	\$ 829,785	\$ 652,442	\$ 3,724,849
Operating Expenses:				
Personnel	102,328	95,250	-	197,578
Supplies	23,165	34,559	5,425	63,149
Contractual services	103,420	119,966	533,573	756,959
Utilities	18,025	81,346	24,059	123,430
Repairs and maintenance	120,567	119,835	27,686	268,088
Insurance	20,439	29,478	1,850	51,767
Water purchases and assessments	944,868	-	-	944,868
NISP expenses	7,257	-	-	7,257
Other	59,168	3,258	25,149	87,575
Depreciation	211,711	404,808	47,179	663,698
Total Operating Expenses	1,610,948	888,500	664,921	3,164,369
Operating Income	631,674	(58,715)	(12,479)	560,480
Nonoperating Revenue (Expenses):				
Investment earnings	16	74	-	90
Interest expense	(10,636)	(55,896)	-	(66,532)
Loan premium costs	(4,447)	10,292	-	5,845
Miscellaneous	81,099	-	-	81,099
Net Nonoperating Expense	66,032	(45,530)	-	20,502
Income Before Contributions and Operating Transfers	697,706	(104,245)	(12,479)	580,982
Capital Contributions and Tap Fees	324,300	80,872	-	405,172
Operating Transfers Out - General Fund	(26,000)	(26,000)	(12,000)	(64,000)
Change in Net Position	996,006	(49,373)	(24,479)	922,154
Fund Net Position, January 1	19,891,282	3,656,880	1,264,757	24,812,919
Fund Net Position, December 31	\$ 20,887,288	\$ 3,607,507	\$ 1,240,278	\$ 25,735,073

See Accompanying Notes to Financial Statements.

TOWN OF EATON, COLORADO
ENTERPRISE FUNDS

STATEMENT OF CASH FLOWS

Year Ended December 31, 2021	Water Fund	Sewer Fund	Nonmajor Enterprise Funds	Total
Cash Flows from Operating Activities:				
Cash received from customers	\$ 2,169,094	\$ 848,894	\$ 668,772	\$ 3,686,760
Cash payments:				
To suppliers for goods and services	(1,284,952)	(369,802)	(605,783)	(2,260,537)
To employees for services	(104,285)	(97,418)	-	(201,703)
Net Cash Provided by Operating Activities	779,857	381,674	62,989	1,224,520
Cash Flows from Noncapital Financing Activities:				
Operating Transfer Out - General Fund	(26,000)	(26,000)	(12,000)	(64,000)
Cash Flows from Capital and Related Financing Activities:				
Acquisition of equipment and plant	(569,274)	(212,977)	-	(782,251)
Debt principal reduction	(175,670)	(256,503)	-	(432,173)
Interest paid on debt	(10,636)	(55,896)	-	(66,532)
Service tap fees	324,300	80,872	-	405,172
Other	81,099	-	-	81,099
Net Cash Provided (Used) by Capital and Related Financing Activities	(350,181)	(444,504)	-	(794,685)
Cash Flows from Investing Activities:				
Interest	16	74	-	90
Net Cash Provided by Investing Activities	16	74	-	90
Net Increase (Decrease) in Cash	403,692	(88,756)	50,989	365,925
Cash and Cash Equivalents, January 1	3,224,304	1,858,047	506,397	5,588,748
Cash and Cash Equivalents, December 31	\$ 3,627,996	\$ 1,769,291	\$ 557,386	\$ 5,954,673
Reconciliation of Operating Income to Net Cash From Operating Activities:				
Operating income (loss)	\$ 631,674	\$ (58,715)	\$ (12,479)	\$ 560,480
Depreciation and amortization	216,158	404,808	47,179	668,145
Change in assets and liabilities:				
(Increase) decrease in:				
Accounts receivable	(73,528)	19,109	16,330	(38,089)
Inventories	419	-	-	419
Increase (decrease) in:				
Accounts payable	5,134	16,472	11,959	33,565
Net Cash Provided by Operating Activities	\$ 779,857	\$ 381,674	\$ 62,989	\$ 1,224,520
Disclosure of Noncash Investing Activities:				
Contributed water rights	\$ -	\$ -	\$ -	\$ -

See Accompanying Notes to Financial Statements.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies:

The accounting and reporting policies of the Town of Eaton, Colorado conform to accounting principles generally accepted in the United States. The following summary of significant accounting policies is presented to assist the reader in evaluating the Town's financial statements.

Reporting Entity:

The financial report of the Town includes all of the integral parts of the Town's operations. The Town has determined that it has no financial accountability for any other agency which would require it to be in the reporting entity.

The Mayor appoints members of the Eaton Housing Authority. Otherwise, the Town has no role in the designation of management and no ability to influence operations. The Town does not have financial accountability for the Eaton Housing Authority, as the Authority is fiscally independent.

Proceeds from the seizure of contraband, if any, are included in the reporting 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 of the nonfiduciary activities of the town. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct 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 enterprise funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Government-wide and Fund Financial Statements – Continued:

The Town reports the following major governmental funds:

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 *Library Fund* accounts for taxes received from the High Plains Library District and other revenue restricted for library services.

The *Impact Fee Fund* accounts for impact fees and other revenues restricted for various facilities and expenses.

The *Street Fund* accounts for taxes and inter-governmental revenue restricted for street maintenance and improvements.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for user charges and expenses for operating, financing, and maintaining the Town's sanitary sewer system.

The *Water Fund* accounts for user charges and the expenses for operating, financing, and maintaining the Town's water system.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

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

Proprietary funds distinguish *operating* revenues from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the sewer fund, water fund, and the other enterprise funds are charges to customers for sales and services. 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.

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

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

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 funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Cigarette taxes, sales taxes, use taxes, taxpayer-assessed taxes, interest revenue, and charges for services are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Capital Assets:

Capital assets, which include property, plant, equipment, and infrastructure assets (i.e., streets and roads, bridges, stormwater drainage, traffic signals, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 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 on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities.

Estimated useful lives for asset types are as follows:

Buildings and Improvements	10 – 50 years
Equipment and Vehicles	3 – 10 years
Infrastructure	10 – 30 years

Long-Term Obligations:

In the government-wide financial statements, and proprietary fund types in the fund 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 type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Fund Equity:

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose.

Restrictions for the Town are recorded up to the maximum equity available in the fund balance and consist of:

Restricted for Shelton Trust Fund:

These restrictions are established for amounts set aside for the purposes established by the Shelton Trust fund. Recorded restrictions at December 31, 2021 are \$40,467.

Restricted for Emergencies:

These restrictions are established to comply with TABOR. Recorded TABOR restrictions at December 31, 2021 are \$98,696.

Assigned fund balances, if any, are amounts the Town intends to use for a specific purpose. Intent can be expressed by the Board of Trustees or by an official to which the Board delegates authority. Restricted funds are considered to be spent first, followed by assigned and unassigned, for an expenditure for which any could be used.

Property Taxes:

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable in two installments on March 1 and June 15, or in full on April 30. The Town uses the Weld County Treasurer to bill and collect its property taxes. Taxes levied in December 2021 are recorded as taxes receivable and deferred revenue as of December 31, 2021. The original January 1, 2021 levy for the General Fund of the Town was 4.837 mills or approximately \$394,000.

Budget:

An annual budget and appropriation ordinance is adopted by the Town Board in accordance with the Local Government Budget Law. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States for all funds, except for modifications in the enterprise funds which are discussed below. The fund level of classification is the level at which expenditures may not legally exceed appropriations. All annual appropriations lapse at year end.

The Town Administrator is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for each department must be approved by the Town Board through a supplemental appropriation ordinance. The 2021 budget was amended.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Budget - Continued:

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (GAAP), except for the enterprise funds:

- a. Depreciation and amortization expense is not budgeted in the enterprise funds.
- b. Principal reduction of bonds is budgeted as expenses.
- c. Property and equipment purchases are budgeted as expenses.

Budgetary comparisons presented in the enterprise funds are on this non-GAAP budget basis.

Inventories:

Inventories of governmental funds, which consist of expendable materials held for consumption, are stated at cost, determined by the first-in, first-out (FIFO) method. These funds follow the consumption method of accounting whereby expenditures are recorded at the time the inventory items are used.

Inventories of proprietary funds are recorded at the lower of cost or market. Cost is determined by the FIFO method.

Transfers In/Out:

Transfers to the General Fund were made from the Water, Sewer, and Sanitation Funds to reimburse the General Fund for various office expenses. The interest earned in the Cemetery Perpetual Care Fund is transferred to the General Fund to offset cemetery expenses.

Pooled Cash:

Most cash resources of the Town are combined and deposited in an interest bearing bank account. Interest income earned on the pooled account is allocated to the General Fund. If a fund's share of the pooled cash is a deficit, a Due to Other Funds account is established.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 1 - Summary of Significant Accounting Policies - Continued:

Employee Vacation and Sick Leave:

All full-time Town employees accumulate sick leave for subsequent use. These accumulations do not vest and therefore are not recognized as expenditures by the Town until used.

Employees also receive noncumulative vacation leave. No accrual of liability is made as vacation leave is generally taken and the amount outstanding at year end is immaterial.

Statement of Cash Flows:

For purposes of the statement of cash flows, the Town considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents.

Shelton Trust Account:

The Town was the beneficiary of 35% of the Juanita Shelton Trust. The proceeds are limited to the Town's library, museum, and senior citizens programs.

NOTE 2 – Cash and Investments:

The Town's bank accounts and certificates of deposit at year-end were entirely covered by federal depository insurance or by collateral held by the Town's custodial banks under provisions of the Colorado Public Deposit Protection Act.

The Colorado Public Deposit Protection Act requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance. Eligible collateral includes municipal bonds, U.S. government securities, mortgages and deeds of trust.

State statutes authorize the Town to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of the State of Colorado or of any county, school district, and certain towns and cities therein, notes or bonds secured by insured mortgages or trust deeds, obligations of national mortgage associations, and certain repurchase agreements.

At December 31, 2021, the Town had \$2,155,820 invested in the Colorado Liquid Asset Trust (COLOTRUST), an SEC Rule 2a7-like investment pool. Investments are valued at the net asset value (NAV) of \$1.00 per share. The investment pools are routinely monitored by the Colorado Division of Securities with regard to operations and investments. COLOTRUST is rated AAAM by Standard & Poor's. The Town's investment is measured at NAV.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 2 – Cash and Investments – Continued:

Investments held as of December 31, 2021 are as follows:

	Cost	Fair Value
U.S. Government Sponsored Agency Bonds, primarily FHLMC, FFCB, and FHLB, maturing in 2022-2025, rated AA+ by Standard & Poor's	\$ 750,000	\$ 750,845
Total	\$ 750,000	\$ 750,845

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value:

- Level 1 Quoted prices in active markets for identical assets or liabilities
- Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3 Unobservable inputs supported by little or no market activity and are significant to the fair value of the assets or liabilities

The following table presents the fair value measurements of assets and liabilities recognized in the accompanying statement of net position measured at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall at December 31:

Description	Fair Value Measurements at Reporting Date Using		
	Quoted Prices In Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
<u>December 31, 2021</u>			
U.S. Government Sponsored Agency Bonds	\$ 750,845	\$ --	--

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - Water and Sewer Debt:

December 31	2021
\$5,000,000, Series 2005, loan from Colorado Water Resource and Power Development Authority, due in varying monthly installments through 2027, average interest rate at 3.38%. (This debt will be serviced by the Sewer Fund, an Enterprise Fund.)	\$ 1,724,570
Series 2005, CWRPDA loan premium	47,889
\$1,578,625, Series 2014, Water Revenue Refunding bonds, due in varying monthly installments through 2023, average interest at 2.49%. (This debt will be serviced by the Water Fund, an Enterprise Fund.)	331,786
Total Water and Sewer Debt	\$ 2,104,245

The annual requirements to amortize these loans as of December 31, 2021 are as follows:

Year Ending December 31	Principal	Interest	Total
2022	\$ 261,960	\$ 79,892	\$ 341,852
2023	267,419	74,128	341,547
2024	278,333	38,107	316,440
2025	283,790	24,872	308,662
2026	305,620	15,380	321,000
2027	327,448	9,757	337,205
	\$ 1,724,570	\$ 242,136	\$ 1,966,706

Year Ending December 31	Principal	Interest	Total
2022	\$ 178,308	\$ 7,973	\$ 186,281
2023	153,478	1,757	155,235
	\$ 331,786	\$ 9,730	\$ 341,516

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 3 - Water and Sewer Debt – Continued:

Changes in Enterprise Fund long-term debt during the year were as follows:

	Balance, 1/1/21	Additions	Retirements	Balance, 12/31/21	Due Within One Year
Water Refunding Bonds	\$ 507,456	\$ --	\$ 175,670	\$ 331,786	\$ 178,308
CWRPDA Loan – Sewer	1,981,073	--	256,503	1,724,570	261,960
Series 2005 Loan Premium	58,181	--	10,292	47,889	--
	\$2,546,710	\$ --	\$ 442,465	\$ 2,104,245	\$ 440,268

The Town has pledged future customer revenues, net of operating expenses, to repay the water and sewer loans above. Proceeds from the loans provided financing for various improvements. The loans are payable solely from water and sewer net revenues and are payable through 2023 and 2027. Annual principal and interest payments on the bonds are expected to require approximately 10% of water revenues and 40% of sewer revenues. The total principal and interest remaining to be paid on the bonds is on page 27. Principal and interest paid for the current year and total customer revenues were \$186,282 and \$2,242,622, respectively for water, and \$343,214 and \$829,785, respectively for sewer.

NOTE 4 – Governmental Long-Term Debt:

The Town has entered into three capital leases for several lots to be developed as a town square. Annual payments of \$86,006 are required until 2023 including interest at 3.25%. The land secures the capital lease and is carried at \$1,847,560 at December 31, 2021. Lease payments will be made by the Impact Fee Fund.

The following is a schedule of the future minimum lease payments under these capital leases, and the present value of the net minimum lease payments at December 31, 2021.

Year Ending December 31	Amount
2022	\$ 86,006
2023	55,727
Total minimum lease payments	141,733
Less: Amount representing interest	(2,653)
Present value of future minimum lease payments	\$ 139,080

Changes in long-term debt during the year were as follows:

	Balance, 1/1/21	Additions	Retirements	Balance, 12/31/21	Due Within One Year
Land Leases	\$ 285,216	\$ --	\$ 146,136	\$ 139,080	\$ 86,006

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 5 - Defined Contribution Plan:

The Town provides pension benefits through a defined contribution plan for all of its employees who have elected to participate. The plan is administered by One America and can be amended only by the governing body. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate in the plan after 1,000 hours of service.

In order to participate in the plan, employees must contribute a minimum of three percent of compensation, which was amended in 2019 from five percent, with the Town making a five percent contribution on their behalf. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested after seven years continuous service. Town contributions (including interest) forfeited by employees who leave employment before seven years of service are used to reduce the Town's current-period contribution requirement.

Employees contributed approximately \$58,500 and the Town and made the required 5% contribution for participating employees, amounting to \$58,500. Forfeitures were not material to the financial statements.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – Capital Assets:

Governmental Activities	Balance, 1/1/21	Additions	Deletions	Balance, 12/31/21
Not Depreciable:				
Land	\$ 2,972,003	\$ --	\$ --	\$ 2,972,003
Depreciable:				
Buildings and improvements	1,872,121	39,858	--	1,911,979
Library	2,836,683	447,426	--	3,284,109
Streets and improvements	10,894,726	780,543	--	11,675,269
Park and cemetery improvements	2,485,014	235,912	--	2,720,926
Museum	288,246	--	--	288,246
Equipment	913,977	173,178	--	1,087,155
Vehicles	1,031,632	40,261	78,831	993,062
Total Cost	23,294,402	1,717,178	78,831	24,932,749
Less Accumulated Depreciation:				
Buildings and improvements	1,358,252	129,409	--	1,487,661
Library	716,252	8,226	--	724,478
Streets and improvements	5,599,392	463,425	--	6,062,817
Park and cemetery improvements	1,055,049	112,408	--	1,167,457
Museum	137,351	--	--	137,351
Equipment	801,352	75,397	--	876,749
Vehicles	650,744	116,297	78,831	688,211
Total Accumulated Depreciation	10,318,392	905,163	78,831	11,144,724
Capital Assets, Net	\$12,976,010	\$ 812,015	\$ --	\$ 13,788,025

Depreciation expense is allocated as follows:

Governmental activities	\$ 318,243
Streets	506,789
Library	80,131
	\$905,163

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 6 – Capital Assets – Continued:

Business-Type Activities	Balance, 1/1/21	Additions	Deletions	Balance, 12/31/21
Not Depreciable:				
Land and improvements	\$ 374,551	\$ --	\$ --	\$ 374,551
Water rights	11,907,612	474,500	--	12,382,112
Depreciable:				
Buildings and plant	5,591,221	194,029	--	5,785,250
Distribution/collection system	13,526,130	--	--	13,526,130
Equipment	463,136	156,931	--	620,067
Vehicles	260,445	--	--	260,445
Total Cost	32,123,097	825,460	--	32,948,557
Less Accumulated Depreciation:				
Buildings and plant	3,613,300	301,582	--	3,914,882
Distribution/collection system	6,296,375	312,963	--	6,609,340
Equipment	408,363	44,153	--	452,516
Vehicles	260,179	5,000	--	265,179
Total Accumulated Depreciation	10,578,217	663,698	--	11,241,917
Capital Assets, Net	\$ 21,544,880	\$ 161,760	\$ --	\$ 21,706,640

NOTE 7 - Colorado Intergovernmental Risk Sharing Agency (CIRSA):

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution. In February, 1986, the Town Board authorized participation in the agency. The Town has participated each year since then.

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

The Town recognizes an expenditure for the amount paid to CIRSA annually for these coverages. The Town paid \$133,625 to CIRSA in 2021, including \$35,160 for workers compensation coverage. Settled claims have not exceeded this coverage in any of the past three fiscal years.

TOWN OF EATON, COLORADO

NOTES TO FINANCIAL STATEMENTS

NOTE 8 - Weld 911 Emergency Telephone Service Authority:

The Town is a member of the Weld 911 Emergency Telephone Service Authority, a separate legal entity established by Weld County, member municipalities, and special districts for the purpose of providing 911 emergency telephone service.

Authority Board members are selected by the Weld County commissioners and by the larger municipalities in Weld County. The Town does not have the ability to significantly affect the operations of the Authority.

The Town has no obligation to the Authority beyond the service charges paid by Town residents to their telephone service supplier. In the event of the Authority disbanding without a successor, the net position, if any, shall be returned to the participants. The Town of Eaton's share of the net position is estimated to be less than 5%.

NOTE 9 - Contingencies:

In 1992, Colorado voters approved "Amendment One", or the Taxpayer's Bill of Rights (TABOR). TABOR requires voter approval for any new tax, tax rate increase, mill levy increase, or new debt. Voter approval is also required to increase annual property taxes, revenue, or spending by more than inflation plus a local growth factor. Spending not subject to TABOR includes that from enterprise activities, gifts, federal funds, reserve expenditures, damage awards, or property sales.

In November 1994, the electors of the Town of Eaton voted to supersede TABOR and to collect, retain, and expend the full proceeds of all taxes, fees, and other revenue without increasing or adding taxes of any kind.

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the applicable requirements of the Amendment. Included in the accompanying financial statements are emergency reserves required by TABOR, of at least 3% of fiscal year spending, recorded in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF EATON, COLORADO
GENERAL FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Taxes:			
General property	\$ 392,456	\$ 394,041	\$ (1,585)
Franchise - utility companies	202,729	172,000	30,729
Sales	2,275,400	1,400,000	875,400
Penalties and interest	-	400	(400)
Total Taxes	2,870,585	1,966,441	904,144
Licenses and Permits:			
Building permits	230,578	200,000	30,578
Liquor licenses	1,403	900	503
Dog licenses	65	520	(455)
Business licenses	3,915	1,300	2,615
Total Licenses and Permits	235,961	202,720	33,241
Intergovernmental:			
Cigarette tax	10,395	5,200	5,195
Lottery proceeds	34,657	26,000	8,657
Mineral and severance taxes	-	30,000	(30,000)
Total Intergovernmental	45,052	61,200	(16,148)
Charges for Services:			
Grave openings	31,500	22,000	9,500
Sale of cemetery plots	66,651	30,000	36,651
Planning revenue	765,826	100,000	665,826
Total Charges for Services	863,977	152,000	711,977
Fines and Forfeitures:			
Fines - traffic	365,196	445,000	(79,804)
Total Fines and Forfeitures	365,196	445,000	(79,804)
Miscellaneous:			
Interest	1,601	35,000	(33,399)
Contributions and grants	139,814	10,000	129,814
Other, primarily oil and gas lease	-	-	-
Total Miscellaneous	141,415	45,000	96,415
Total Revenue	\$ 4,522,186	\$ 2,872,361	\$ 1,649,825

**TOWN OF EATON, COLORADO
GENERAL FUND**

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance From Final Budget
Administration:				
Current operating:				
Mayor and Board of Trustees	\$ 13,800	\$ 13,800	\$ 13,800	\$ -
Administrator and staff	320,808	282,430	327,391	6,583
Municipal judge	14,300	17,000	17,000	2,700
Court clerk	6,720	-	-	(6,720)
Employee benefits	93,289	67,500	67,500	(25,789)
Elections	-	-	-	-
Office supplies	12,239	15,965	15,965	3,726
Telephone	10,961	7,571	7,571	(3,390)
Office expenses	17,892	12,000	12,000	(5,892)
Staff training and education	10,143	7,210	7,210	(2,933)
Dues	2,266	2,575	2,575	309
Publications	6,591	8,000	8,000	1,409
Insurance	74,078	66,400	66,400	(7,678)
Professional services	78,446	55,000	100,000	21,554
Legal fees	70,519	70,000	70,000	(519)
Building inspections	159,185	150,000	150,000	(9,185)
Office equipment	18,450	8,000	8,000	(10,450)
Emergencies	71,499	-	-	(71,499)
Capital outlay	-	47,500	47,500	47,500
Total Administration	981,186	830,951	920,912	(60,274)
Public Safety:				
Current operating:				
Police chief and officers	892,162	895,938	895,938	3,776
Employee benefits	193,090	229,344	229,344	36,254
Office supplies	9,490	15,000	15,000	5,510
Operating supplies	86,161	62,000	62,000	(24,161)
Communications	86,096	103,500	103,500	17,404
Automotive services	25,509	18,000	18,000	(7,509)
Jail services	-	500	500	500
Training and education	9,969	7,600	7,600	(2,369)
Animal shelter	174	2,500	2,500	2,326
Office equipment	5,520	5,800	5,800	280
Capital outlay	108,172	50,700	100,000	(8,172)
Total Public Safety	1,416,343	1,390,882	1,440,182	23,839

Continued on next page.

TOWN OF EATON, COLORADO
GENERAL FUND

Schedule of Expenditures Compared with Budget - Continued

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance From Final Budget
Cemetery:				
Current operating:				
Maintenance labor	\$ 95,027	\$ 96,350	\$ 96,350	\$ 1,323
Employee benefits	24,374	24,088	24,088	(286)
Operating supplies	41,243	25,550	25,550	(15,693)
Utilities	7,605	8,910	8,910	1,305
Repairs and maintenance	9,318	8,755	8,755	(563)
Forestry and nursery	4,000	20,000	20,000	16,000
Capital outlay	36,487	108,745	108,745	72,258
Total Cemetery	218,054	292,398	292,398	74,344
Parks and Recreation:				
Current operating:				
Maintenance labor	157,102	150,910	150,910	(6,192)
Employee benefits	26,571	39,237	39,237	12,666
Operating supplies	76,602	82,850	82,850	6,248
Utilities	22,756	24,675	24,675	1,919
Forestry and nursery	180	7,000	7,000	6,820
Capital outlay	89,464	384,700	384,700	295,236
Total Parks and Recreation	372,675	689,372	689,372	316,697
Public Buildings:				
Current operating:				
Custodial salary	10,979	16,000	16,000	5,021
Operating supplies	13,684	12,618	12,618	(1,066)
Utilities	19,968	19,570	19,570	(398)
Repairs and maintenance	30,287	20,000	20,000	(10,287)
Building improvements	1,907	10,150	10,150	8,243
Total Public Buildings	76,825	78,338	78,338	1,513
Planning and Development:				
Planner	54,495	75,000	75,000	20,505
Legal fees	9,121	7,000	7,000	(2,121)
Engineering	26,569	15,000	15,000	(11,569)
Professional services	24,247	46,000	46,000	21,753
Total Planning and Development	114,432	143,000	143,000	28,568
Miscellaneous:				
Treasurer's fees	4,254	3,914	3,914	(340)
Other	2,028	6,180	6,180	4,152
Economic development	50,070	53,000	53,000	2,930
Shelton Trust Fund grants	54,000	5,000	5,000	(49,000)
Total Miscellaneous	110,352	68,094	68,094	(42,258)
Total Expenditures	\$3,289,867	\$3,493,035	\$3,632,296	\$ 342,429

**TOWN OF EATON, COLORADO
GENERAL FUND**

Schedule of Other Financing Sources Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Operating Transfers In:			
Water Fund	\$26,000	\$ 26,000	\$ -
Sewer Fund	26,000	26,000	-
Sanitation Fund	12,000	12,000	-
Cemetery Perpetual Care Fund	750	-	750
Total Other Financing Sources	\$64,750	\$ 64,000	\$ 750

TOWN OF EATON, COLORADO
SPECIAL REVENUE FUNDS
LIBRARY FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Property Taxes (High Plains Library District)	\$ 1,505,959	\$ 1,506,538	\$ (579)
Library Fines	543	3,000	(2,457)
Contributions	1,611	-	1,611
Total Revenue	\$ 1,508,113	\$ 1,509,538	\$ (3,036)

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance from Final Budget
Library:				
Current operating:				
Librarians	\$ 331,023	\$ 524,602	\$ 524,602	\$ 193,579
Employee benefits	52,151	131,151	131,151	79,000
Operating supplies	7,880	18,500	18,500	10,620
Mileage reimbursements	-	2,800	2,800	2,800
Public relations	2,996	10,000	10,000	7,004
Insurance	14,959	14,000	14,000	(959)
Contract services	29,566	36,000	36,000	6,434
Utilities	13,366	20,250	20,250	6,884
Training	2,576	11,500	11,500	8,924
Repairs and maintenance	6,341	20,000	20,000	13,659
Circulation	2,536	4,900	4,900	2,364
Print	12,540	32,000	32,000	19,460
Programs	14,105	30,000	30,000	15,895
Reference	4,091	-	-	(4,091)
Miscellaneous	19,164	51,000	51,000	31,836
Capital outlay	444,962	772,769	772,769	327,807
Total Expenditures - Library	\$ 958,256	\$ 1,679,472	\$ 1,679,472	\$ 721,216

**TOWN OF EATON, COLORADO
SPECIAL REVENUE FUNDS
IMPACT FEE FUND**

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Use Tax - building materials	\$ 124,985	\$ 187,500	\$ (62,515)
Impact Fees:			
Police facilities	7,074	6,550	524
Municipal facilities and equipment	6,660	37,000	(30,340)
Community park and equipment	2,286	12,700	(10,414)
Neighborhood park facilities and equipment	5,175	28,750	(23,575)
Total Revenue and Transfers In	\$ 146,180	\$ 272,500	\$(126,320)

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2021	Actual	Original and Final Budget	Variance From Final Budget
Expenditures:			
Police facilities and equipment expenses	\$ 15,915	\$ 40,000	\$ 24,085
Municipal and equipment	-	-	-
Neighborhood park expenses	23,969	60,000	36,031
Community park expenses	2,870	25,000	22,130
Debt Service:			
Lease interest	15,324	-	(15,324)
Lease principal	146,136	205,000	58,864
Total Expenditures	\$ 204,214	\$ 330,000	\$ 125,786

TOWN OF EATON, COLORADO
SPECIAL REVENUE FUNDS
STREET FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Sales Taxes	\$ 975,168	\$ 600,000	\$ 375,168
B and D Taxes	19,769	30,000	(10,231)
Highway Users Tax	199,257	166,000	33,257
Motor Vehicle Fees	24,620	25,000	(380)
County Road and Bridge	54,422	54,000	422
Severance tax and other	43,534	110,000	(66,466)
Grants	36,629	-	36,629
Total Revenue	\$1,353,399	\$ 985,000	\$ 368,399

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2021	Actual	Original Budget	Final Budget	Variance from Final Budget
Streets:				
Current operating:				
Salaries	\$ 92,059	\$ 119,560	\$ 119,560	\$ 27,501
Employee benefits	14,329	31,086	31,086	16,757
Operating supplies	39,229	23,400	23,400	(15,829)
Insurance	8,683	8,000	8,000	(683)
Professional services	67,510	70,000	70,000	2,490
Construction engineering	280,623	300,000	300,000	19,377
Snow removal	4,485	2,500	2,500	(1,985)
Street lighting	105,926	95,790	95,790	(10,136)
Equipment maintenance	11,362	20,000	20,000	8,638
Street signs	35,091	25,750	25,750	(9,341)
Equipment acquisition	5,859	65,700	65,700	59,841
Capital outlay, patching, seal coating	889,001	975,000	975,000	85,999
Total Expenditures - Streets	\$1,554,157	\$1,736,786	\$1,736,786	\$ 182,629

ADDITIONAL INFORMATION

TOWN OF EATON, COLORADO
PERMANENT FUNDS
CEMETERY PERPETUAL CARE FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Lot Sales	\$ -	\$ -	\$ -
Interest	14	-	14
Total Revenue	\$ 14	\$ -	\$ 14

Schedule of Expenditures Compared with Budget

Year Ended December 31, 2021	Actual	Original and Final Budget	Variance From Final Budget
Expenditures:			
Cemetery	\$ -	\$ -	\$ -
Total Expenditures	\$ -	\$ -	\$ -

**TOWN OF EATON, COLORADO
NONMAJOR ENTERPRISE FUNDS**

COMBINING STATEMENT OF NET POSITION

December 31, 2021	Sanitation Fund	Irrigation Fund	Total Nonmajor Enterprise Funds
ASSETS			
Current Assets:			
Equity in pooled cash and investments	\$ 190,009	\$ 367,377	\$ 557,386
Accounts receivable	17,442	(22,838)	(5,396)
Total Current Assets	207,451	344,539	551,990
Property, Plant, and Equipment:			
Distribution/collection system	-	1,159,952	1,159,952
Vehicles	-	28,340	28,340
Equipment	26,731	41,139	67,870
	26,731	1,229,431	1,256,162
Accumulated depreciation	(23,131)	(439,618)	(462,749)
Total Property, Plant, and Equipment	3,600	789,813	793,413
Total Assets	211,051	1,134,352	1,345,403
LIABILITIES			
Current Liabilities:			
Accounts payable	47,215	57,910	105,125
Total Current Liabilities	47,215	57,910	105,125
NET POSITION			
Net Investment in Capital Assets	3,600	789,813	793,413
Unrestricted	160,236	286,629	446,865
TOTAL NET POSITION	\$ 163,836	\$ 1,076,442	\$ 1,240,278

**TOWN OF EATON, COLORADO
NONMAJOR ENTERPRISE FUNDS**

**COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION**

Year Ended December 31, 2021	Sanitation Fund	Irrigation Fund	Total Nonmajor Enterprise Funds
Operating Revenue - charges for services	\$ 520,806	\$ 131,636	\$ 652,442
Operating Expenses:			
Supplies	4,706	719	5,425
Contractual services	515,482	18,091	533,573
Utilities	-	24,059	24,059
Repairs and maintenance	-	27,686	27,686
Insurance	600	1,250	1,850
Other	25,149	-	25,149
Depreciation	700	46,479	47,179
Total Operating Expenses	546,637	118,284	664,921
Income (Loss) Before Operating Transfers and Contributions	(25,831)	13,352	(12,479)
Capital contributions	-	-	-
Operating Transfers Out - General Fund	(12,000)	-	(12,000)
Net Income (Loss)	(37,831)	13,352	(24,479)
Net Position, January 1	201,667	1,063,090	1,264,757
Net Position, December 31	\$ 163,836	\$1,076,442	\$1,240,278

TOWN OF EATON, COLORADO
NONMAJOR ENTERPRISE FUNDS

COMBINED STATEMENT OF CASH FLOWS

Year Ended December 31, 2021	Sanitation Fund	Irrigation Fund	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities:			
Cash received from customers	\$ 526,944	\$ 141,828	\$ 668,772
Cash payments:			
To suppliers for goods and services	(538,838)	(66,945)	(605,783)
Net Cash Provided by Operating Activities	(11,894)	74,883	62,989
Cash Flows from Noncapital Financing Activities:			
Operating transfers out - General Fund	(12,000)	-	(12,000)
Cash Flows from Capital and Related Financing Activities:			
Acquisition of equipment	-	-	-
Net Increase (Decrease) in Cash	(23,894)	74,883	50,989
Cash and Cash Equivalents, January 1	213,903	292,494	506,397
Cash and Cash Equivalents, December 31	\$ 190,009	\$ 367,377	\$ 557,386
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (25,831)	\$ 13,352	\$ (12,479)
Depreciation	700	46,479	47,179
Change in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	6,138	10,192	16,330
Increase (decrease) in:			
Accounts payable	7,099	4,860	11,959
Net Cash Provided by Operating Activities	\$ (11,894)	\$ 74,883	\$ 62,989
Disclosure of Noncash Investing Activities:			
Contributed Infrastructure	\$ -	\$ -	\$ -

TOWN OF EATON, COLORADO
ENTERPRISE FUNDS - WATER FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Operating Revenue:			
Water service fees	\$2,242,622	\$2,200,000	\$ 42,622
Miscellaneous	81,099	400	80,699
Nonoperating Revenue:			
Interest	16	125	(109)
Tap fees	324,300	510,000	(185,700)
Total Revenue	\$2,648,037	\$2,710,525	\$ (62,488)

Schedule of Expenses and Transfers Compared with Budget
(Non-GAAP Budget Basis)

Year Ended December 31, 2021	Actual	Budget	Variance
Operating Expenses:			
Personnel:			
Salaries	\$ 85,524	\$ 107,579	\$ 22,055
Employee benefits	16,804	27,970	11,166
Supplies	23,165	22,250	(915)
Contractual services	103,420	73,000	(30,420)
Utilities	18,025	16,000	(2,025)
Repairs and maintenance	120,567	169,000	48,433
Insurance	20,439	20,000	(439)
Water assessments	84,668	107,520	22,852
NISP expenses	7,257	-	(7,257)
NWCWD purchases	860,200	935,000	74,800
Miscellaneous	59,168	5,500	(53,668)
Total Operating Expenses	1,399,237	1,483,819	84,582
Nonoperating Expenses:			
Capital outlay	474,500	789,500	315,000
Loan payments	186,282	186,306	24
Total Nonoperating Expenses	660,782	975,806	315,024
Operating Transfers Out - General Fund	26,000	26,000	-
Total Expenses and Transfers	\$2,086,019	\$2,485,625	\$ 399,606

TOWN OF EATON, COLORADO
ENTERPRISE FUNDS - SEWER FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Operating Revenue:			
Sewer service charges	\$ 829,785	\$ 809,750	\$ 20,035
Miscellaneous	-	-	-
Nonoperating Revenue:			
Sewer tap fees	80,872	150,000	(69,128)
Interest revenue	74	300	(226)
Total Revenue	\$ 910,731	\$ 960,050	\$ (49,319)

Schedule of Expenses and Transfers Compared with Budget
(Non-GAAP Budget Basis)

Year Ended December 31, 2021	Actual	Budget	Variance
Operating Expenses:			
Personnel:			
Salaries	\$ 81,526	\$ 85,557	\$ 4,031
Employee benefits	13,724	22,245	8,521
Supplies	34,559	52,930	18,371
Contractual services	119,966	123,450	3,484
Utilities	81,346	88,200	6,854
Repairs and maintenance	119,835	103,000	(16,835)
Insurance	29,478	35,000	5,522
Miscellaneous	3,258	4,850	1,592
Total Operating Expenses	483,692	515,232	31,540
Nonoperating Expenses:			
Loan payments	343,214	312,398	(30,816)
Capital outlay	212,977	350,500	137,523
Total Nonoperating Expenses	556,191	662,898	106,707
Operating Transfers Out - General Fund	26,000	26,000	-
Total Expenses and Transfers	\$1,065,883	\$1,204,130	\$ 138,247

TOWN OF EATON, COLORADO
ENTERPRISE FUNDS - SANITATION FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Operating Revenue - Trash collection fees	\$ 520,806	\$ 511,428	\$ 9,378
Total Revenue	\$ 520,806	\$ 511,428	\$ 9,378

Schedule of Expenses and Transfers Compared with Budget
(Non-GAAP Budget Basis)

Year Ended December 31, 2021	Actual	Budget	Variance
Operating Expenses:			
Supplies	\$ 4,706	\$ 1,575	\$ (3,131)
Miscellaneous	25,149	3,000	(22,149)
Contractual services	515,482	541,000	25,518
Insurance	600	600	-
Total Operating Expenses	545,937	546,175	238
Nonoperating Expenses:			
Capital outlay	-	1,000	1,000
Operating Transfers Out - General Fund	12,000	12,000	-
Total Expenses and Transfers	\$ 557,937	\$ 559,175	\$ 1,238

TOWN OF EATON, COLORADO
ENTERPRISE FUNDS - IRRIGATION FUND

Schedule of Revenue Compared with Estimate

Year Ended December 31, 2021	Actual	Estimate	Variance
Operating Revenue - Irrigation	\$ 131,636	\$ 124,055	\$ 7,581
Total Revenue	\$ 131,636	\$ 124,055	\$ 7,581

Schedule of Expenses Compared with Budget
(Non-GAAP Budget Basis)

Year Ended December 31, 2021	Actual	Estimate	Variance
Operating Expenses:			
Supplies	\$ 719	\$ 1,004	\$ 285
Insurance	1,250	1,250	-
Professional services	18,091	17,510	(581)
Utilities	24,059	26,000	1,941
Miscellaneous	-	-	-
Repairs and maintenance	27,686	35,000	7,314
Total Operating Expenses	71,805	80,764	8,959
Nonoperating Expenses:			
Capital outlay	52,101	60,000	7,899
Total Expenses	\$ 123,906	\$ 140,764	\$ 16,858

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2021

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	975,168	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	30,000	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	54,422	f. Charges for Services	
5. Specific Ownership &/or Other	19,769	g. Other Misc. Receipts	
6. Total (1. through 5.)	1,079,359	h. Other - Grant	
c. Total (a. + b.)	1,079,359		0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	199,257	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	24,620	d. Federal Transit Admin	
d. Other (Specify) - Severance Tax	50,163	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	74,783	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	274,040	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		280,623	280,623
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		775,782	775,782
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	775,782	775,782
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,056,405	1,056,405
			(Carry forward to page 1)

Notes and Comments:

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Weld
		YEAR ENDING : December 2021
This Information From The Records Of (example - City of _ or County of Town of Eaton	Prepared By: Faith Smith	Phone: 970-454-3338

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,056,405
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	285,000
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	35,091
2. General fund appropriations		b. Snow and ice removal	4,225
3. Other local imposts (from page 2)	1,079,359	c. Other	173,436
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	212,752
5. Transfers from toll facilities		4. General administration & miscellaneous	0
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	1,554,157
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,079,359	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	274,040	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,353,399	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,554,157

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

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,007,340	1,353,399	1,554,157	806,582	0

Notes and Comments: