

TOWN OF BUENA VISTA, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2014

**TOWN OF BUENA VISTA, COLORADO
DIRECTORY OF OFFICIALS
December 31, 2014**

Joel Benson, Mayor
Duff Lacy, Mayor Pro Tem

Keith Baker, Trustee
Carrie Carey, Trustee
Eric Gibb, Trustee
Phillip Puckett, Trustee
David Volpe, Trustee

Key Employees

Brandy Reitter, Town Administrator
Mary Jo Bennetts, Town Clerk
Michael J. Hickman, Town Treasurer/Finance Director
Jeff Parker, Town Attorney

TOWN OF BUENA VISTA, COLORADO
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December 31, 2014

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FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis (MD&A) provides highlights of the financial activities of the Town of Buena Vista (the Town) and an overview of the financial statements included in this report. We encourage readers to consider this information in conjunction with the basic financial statements and information contained in the notes to the financial statements.

Financial Highlights

- The Town's net position increased by \$80,769 during 2014 compared to 2013 due to a combination of factors including the increase in capital assets, an increase in sales tax revenue and charges for services combined with reduced spending due to position vacancies and delays in some capital projects.
- Total assets on the Statement of Net Position were \$20,377,515, a \$173,079 (.89%) decrease due to a increase in capital assets, an decrease in receivables, and a decrease in cash in addition to the factors that caused the positive change in net position. Total assets exceeded liabilities and deferred inflows of resources by \$16,479,294.
- Unrestricted net position of \$1,925,604 as of December 31, 2014 was available to meet the Town's future obligations to citizens, employees and creditors:
 - For governmental activities - \$29,886, a decrease of \$1,744,734 (-59.38%)
 - For business-type activities - \$1,895,718, an increase of \$230,684 (14.21%)
 - The unrestricted fund balances were 112.68% and 67.26% of the 2014 operating expenditures for governmental and business-type activities, respectively.
- At December 31, 2014, total fund equity for governmental activities was \$3,740,268, of which \$42,511 was cash held in the Conservation Trust Fund. The total decrease in the governmental fund balance during 2014 was \$1,822,682 (-18.89%). The governmental fund balance sheet excludes the value of capital assets, causing a different financial result when compared to the Statement of Net Position (as discussed above).
- The total cash and investments balance at December 31, 2014 was \$5,182,512 of which \$3,359,042 was unrestricted. Of the unrestricted amount, \$67,181 was available for general governmental activities, and \$3,291,861 was held in funds for business-type activities. Cash held with a fiscal agent totaled \$3,007. Funds designated by the trustees for specific uses are included in unrestricted cash and investments.
- Cash and investments decreased \$1,697,375 primarily due to expenditures on capital projects. During 2014, debt service required \$269,573 of which \$161,723 was repayment of principal. The Town's business-type activities generated an increase of \$169,059 in cash.
- Within the business-type activities of the Town, unrestricted funds available for water operations were increased in 2014 by \$260,463 which can be used for future water obligations, and unrestricted funds for the airport operations were decreased in 2014 by \$29,779 due mainly to an decrease in flight testing, and expense increases in professional services.

Overview of the Financial Statements

The MD&A serves as an introduction to the Town's basic financial statements, which are comprised of three components:

- 1) Government-wide financial statements
- 2) Fund financial statements
 - a. Governmental Funds
 - b. Proprietary Funds
- 3) Notes to the financial statements
- 4) Supplementary information

Financial analysis and commentary on both types of financial statement views is included in the MD&A for more information and perspective than the numbers alone provide readers. In addition, the report contains supplementary information to the basic financial statements for more detailed information on some areas of expenditures.

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. Government-wide financial statements combine information for all of the Town's funds that reflect the entire financial picture. The government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*.

The *Statement of Net Position* presents all of the Town's assets, liabilities and deferred inflows of resources, with the difference between assets and the liabilities plus deferred inflows of resources being 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 Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future periods (e.g. tax revenues earned but not collected and unused vacation leave).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The Town's governmental activities include general government; public safety; public works; and culture, parks and recreation. Business-type activities include the operations of water and airport.

The government-wide financial statements can be found on pages 3-4 of this report.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The Town of Buena Vista, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the Town's funds can be divided into two categories: governmental funds and proprietary funds. The fund financial statements consist of the *Balance Sheet* and the *Statement of Revenues, Expenditures and Changes in Fund Balances* for each type of fund.

- **Governmental funds** are used to account for the same functions reported as *governmental activities* in the government-wide financial statements. However, 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. This information may be useful in evaluating a government's near-term financing requirements.

The focus of governmental funds is narrower than that of the government-wide financial statements; therefore, it is useful to compare the information presented for government 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 *Balance Sheet* and the *Statement of Revenues, Expenditures, and Changes in Fund Balances* provide a reconciliation to facilitate this comparison between governmental funds and governmental activities as presented in the government-wide financial statements.

The Town maintains three governmental funds, the General Fund, Capital Improvement Fund and the Conservation Trust Fund, for which information is presented separately.

The basic governmental fund financial statements can be found on pages 5-6.

- **Proprietary funds** can be *enterprise funds*, to report the same functions presented as *business-type activities* in the government-wide financial statements, or *internal service funds*, used as an accounting device to accumulate and allocate costs internally among the Town's various functions. The Town maintains one enterprise fund to account for the water enterprise and one for the airport.

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

The basic proprietary fund financial statements can be found on pages 8-10 of the 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 11-32 of this report.

Supplementary information. In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information. Included in this report is a budgetary comparison statement for all funds to demonstrate compliance with the budget. Buena Vista's Town council adopts an annual appropriated budget for all its funds.

The budgetary comparison schedules are on pages 33-38 of this report, and the Local Highway Finance Report is included on page 39.

Financial Analysis – Government-wide Financial Statements

This discussion of government-wide financial statements focuses primarily on the key indicator, net position, and activity that generated increases or decreases in this measurement. The Town's assets exceeded liabilities and deferred outflows of resources by \$16,479,294 at December 31, 2014 which is an increase of \$80,775 over the prior year close.

Statement of Net Position. At December 31, 2014, 51.10% of the Town's total net position is held in the governmental activities and 48.90% are held in the business-type activities, which includes the Water Enterprise and the Airport Enterprise funds. The largest portion of the Town's net position (85.34%) reflects the investment of \$14,063,259 in capital assets (for example, land, buildings, transportation infrastructure, water infrastructure, and machinery and equipment), net of any related outstanding debt used to acquire those assets. The Town uses these assets to provide services to the public; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

	CONDENSED STATEMENT OF NET POSITION					
	Governmental			Business-type		
	Activities	Activities	Total	Activities	Activities	Total
	2014	2014	2014	2013	2013	2013
ASSETS						
Current Assets	\$ 3,740,268	\$ 2,573,988	\$ 6,314,256	\$ 5,562,951	\$ 2,309,710	\$ 7,872,661
Capital Assets	8,168,665	5,894,594	14,063,259	6,677,036	6,000,897	12,677,933
Total Assets	<u>11,908,933</u>	<u>8,468,582</u>	<u>20,377,515</u>	<u>12,239,987</u>	<u>8,310,607</u>	<u>20,550,594</u>
LIABILITIES						
Current Liabilities	3,127,613	162,566	3,290,179	3,324,571	154,392	3,478,963
Noncurrent Liabilities	-	248,273	248,273	-	325,513	325,513
Total Liabilities	<u>3,127,613</u>	<u>410,839</u>	<u>3,538,452</u>	<u>3,324,571</u>	<u>479,905</u>	<u>3,804,476</u>
DEFERRED INFLOWS OF RESOURCES						
	<u>359,769</u>	-	<u>359,769</u>	<u>347,599</u>	-	<u>347,599</u>
NET POSITION						
Net Invested in Capital Assets	8,168,665	5,569,081	13,737,746	6,677,036	5,603,661	12,280,697
Restricted	223,000	592,944	815,944	116,161	562,007	678,168
Unrestricted	<u>29,886</u>	<u>1,895,718</u>	<u>1,925,604</u>	<u>1,774,620</u>	<u>1,665,034</u>	<u>3,439,654</u>
Total Net Position	\$ 8,421,551	\$ 8,057,743	\$ 16,479,294	\$ 8,567,817	\$ 7,830,702	\$ 16,398,519

An additional 4.95% portion (\$815,944) of the Town's net position are restricted; \$133,000 is restricted for emergencies (TABOR Reserve), and \$592,944 for improvements to parks, open space and trails within the Town and other special purposes. The remaining \$1,925,604 (11.69%) is unrestricted net position available to meet the Town's on-going obligations to the public and creditors. Of the unrestricted net position, \$29,886 (2%) were held for Governmental Activities and \$1,895,718 (98%) were held for Business-Type Activities.

Statement of Activities. As the following table illustrates, the Town's total net position increased \$80,769 (.01%) during 2014. By fund type, governmental activities decreased net position by \$146,266 (.01%) and business-type activities generated a \$227,035 (2.90%) increase in net position.

	CONDENSED STATEMENT OF ACTIVITIES					
	Governmental		Business-type		Total	
	Activities		Activities			
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for services	\$ 176,318	\$ 138,330	\$ 1,109,267	\$ 1,119,290	\$ 1,285,585	\$ 1,257,620
Operating grants & contributions	54,851	44,182	278,207	127,331	333,058	171,513
Capital grants & contributions	17,000	124,132	-	-	17,000	124,132
General revenues:						
Property taxes	347,324	323,862	-	-	347,324	323,862
Sales taxes	2,446,856	2,248,825	-	-	2,446,856	2,248,825
Other taxes	273,961	256,626	2,111	2,691	276,072	259,317
Investment and other revenue	14,853	18,768	2,514	2,633	17,367	21,401
Total Revenue	3,331,163	3,154,725	1,392,099	1,251,945	4,723,262	4,406,670
Expenses						
General government	551,906	558,836	-	-	551,906	558,836
Public safety	732,054	622,392	-	-	732,054	622,392
Community services	152,011	148,081	-	-	152,011	148,081
Public works	1,656,018	1,214,908	-	-	1,656,018	1,214,908
Culture and recreation	275,440	248,358	-	-	275,440	248,358
Water	-	-	671,280	632,192	671,280	632,192
Airport	-	-	603,784	627,698	603,784	627,698
Total Expenses	3,367,429	2,792,575	1,275,064	1,259,890	4,642,493	4,052,465
Changes in net position-						
normal operations	(36,266)	362,150	117,035	(7,945)	80,769	354,205
One-Time Changes						
Transfers from General Fund	(110,000)	(110,000)	110,000	110,000	-	-
Change in Net Position	(146,266)	252,150	227,035	102,055	80,769	354,205
Net Position, Beginning	8,567,817	8,315,667	7,830,708	7,728,653	16,398,525	16,044,320
Net Position, Ending	\$ 8,421,551	\$ 8,567,817	\$ 8,057,743	\$ 7,830,708	\$ 16,479,294	\$ 16,398,525

Governmental activities. Financing for governmental activities was primarily from Town and county sales tax revenues, which provided 73.45% of general fund revenue in 2014. No other income source provided 10% of total government revenue except for property taxes which constituted 10.43% of general fund revenue.

Key elements of the \$80,769 increase in net position for governmental activities during 2014 and a comparison to 2013 follows:

- Total sales tax receipts increased \$198,031 (8.09%) over the prior year. However, Town sales tax totaled \$1,308,488 and the Town's allocation of the Chaffee County tax totaled \$836,116, which represented increases of 9.25% and 6.80%, respectively, compared to 2013. Sales taxes are an indicator of the level of general economic activity in the community which is

dependent upon the influx of visitors throughout the year, but especially during the summer months.

- Charges for services (licenses, fees, permits and leases) decreased \$19,998 (1.60%) compared to 2013.
- The Town collects franchise taxes from utility companies, including the providers of gas, electric and cable services. Franchise tax receipts increased \$9,088 (8.78%) due to fluctuations in the utility revenue of the franchisees upon which most of the taxes are based.

Business-Type Activities. The money to pay for business-type activities is generated primarily from fees charged for services. Revenue derived from operations is supplemented by grants and capital contributions (including water and system development fees), which provided only 7.41% of all funding in 2014 compared to 6.71% in 2013.

Key elements of the \$227,035 increase in net position for business-type activities during 2014 compared to 2013 follows:

- Charges for Water services increased \$18,370 (2.37%).
- Charges for services at the Airport increased \$28,393 (9.18%) due to fuel and related sales.
- Capital revenue decreased \$46,142 (34.72%) due to an decrease in the capital contributions of water infrastructure from developers.
- Excluding transfers between funds, total expenses of \$1,262,547 increased by \$26,018 (2.21%) primarily due to higher costs to operate the water and airport in addition to the higher costs associated with higher fuel sales.

Financial Analysis – Fund Financial Statements

As noted earlier, the Town of Buena Vista uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. This section of the report provides a narrative of the fund financial statements.

Governmental funds. The focus of the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town of Buena Vista's financial requirements.

The Town of Buena Vista Governmental Funds consists of the General Fund, the Conservation Trust Fund, and the Capital Improvement Fund.

As of December 31, 2014, the Town of Buena Vista's governmental fund reported combined ending fund equity of \$3,164,926, a decrease of \$1,743,009 compared to December 31, 2013. The unassigned fund equity, which is available for spending at the Town's discretion, represented .01% or \$29,886 of the fund equity. The balance sheet reflects the categorization of fund balance in accordance with GASB 54.

The General Fund is the Town's primary operating fund. All activities that are not required to be accounted for in separate funds either by state or local ordinance or by a desire to maintain a matching of revenues and expenses are accounted for in this fund. The Statement of Revenues, Expenditures and Changes in Fund Balances shows General Fund revenues exceeded revenues by \$320,593 in 2014. This was the result of personnel vacancies during the year combined with a delay in some capital spending and higher than expected sales tax collections.

The Conservation Trust Fund (CTF) increased fund balance by \$6,343. The CTF receives money from lottery proceeds that are distributed by the state to local governments based on population. In

2013, the Town's Conservation Trust Fund funded 25% of the park supervisor's wages. The Fund Balance as of December 31, 2014 was \$42,511.

Proprietary funds. The Statement of Net Positions and Statement of Revenues, Expenditures and Changes in Net Fund Position – Proprietary Funds provides the same type of information found in the government-wide financial statements but in more detail.

Total unrestricted net position as of December 31, 2014 were \$1,895,718, an increase of \$230,684 (13.85%) from December 31, 2013.

The investment in capital assets net of debt decreased by \$34,580 (.06%) in 2014 primarily due to depreciation of the water system improvements and airport assets. The capital investments help to ensure service for residents and will generate future revenues for the water and airport funds.

Budgetary Highlights

The final budget and actual expenditures for each fund are shown on pages 33 through 38. This section of the report primarily focuses on areas that were different from expectations set in the budget and changes from the prior year.

General Fund. Actual financial results differed from the original budget primarily due to greater sales tax revenue than was expected for the year. Compared to 2013, sales tax collections were positive for ten of twelve months during 2014. Revenue from sales tax was originally budgeted to be 1% more than 2013 revenue as of the date the budget was prepared. The collections of the town sales tax grew by 9.00% in 2014.

Buena Vista's share of the county-wide sales tax was \$779,239 in 2013 and the 2014 revenue grew by 7.2%.

Capital Improvement Fund. Vehicles, equipment, street improvements, Buildings, Land, Infrastructures and park improvements totaled \$12,296,474

Water Enterprise Fund. During 2014 revenue was realized in the amount of \$928,100 which was \$40,799 better than budgeted due mostly to increased water sales and system development fees.

Airport Enterprise Fund. In 2014 the airport had capital outlay of \$143,048 which is capitalized and depreciated over its useful life.

Removing the grant revenue that in large part paid for the capital expenditures, the transfers from the general fund the operating deficit for 2014 would be \$(131,519) and the operating deficit for 2013 was \$(135,399).

Capital Assets. On page 5, the Town's investment in governmental activities capital assets as of December 31, 2014 amounted to \$8,168,665 net of accumulated depreciation.

Long-term Debt

In the business-type activities, the long-term debt was \$248,273 at December 31, 2014 payable to the Colorado Water Resources and Power Development Authority (CWRPDA). Also in 2012 a bond was obtained at a premium in the amount of \$3,029,955. In the governmental activities the long-term Debt was \$2,730,000 at December 31, 2014 payable to Wells Fargo.

Economic Factors and Financial Outlook

2016 Budget. The economic outlook had improved compared to the past couple of years but remained somewhat uncertain as the Town prepares its 2016 budget.

Some of the key budget assumptions are outlined below:

- Staffing – A slight increase in headcount compared to 2014; 2% budgeted COLA increase and a 2% merit increase;
- Employee health insurance – 8% increase from 2015 plan year or 3% budget effect;
- Sales tax revenue – 2% growth in taxable sales as of mid-year 2015;
- Water rates – A possible increase in service / usage fees.

Total fund equity is projected to increase during 2015 by generating more operating revenue.

The Town has debt in the general fund. Debt service obligations will be \$90,000 in 2016.

2016 budget appropriations will probably be slightly greater than 2015.

Fiscal Sustainability Issues. The economy of Buena Vista has had three major components over the past approximately ten years. They are housing construction, the state prison and summer tourism. All three of these components play a role in the generation of sales tax which is the Town's main revenue source.

The 2008 credit meltdown has continued to reduce credit available for housing and business loans in 2013 and 2014. However new businesses have continued to open throughout 2014 and into 2015 with the expectation that retirees and young professionals will continue to relocate to Buena Vista to enjoy the recreational amenities and temperate weather. The summer tourism season generates a significant portion of the Town's sales Tax and business profits. The level of Tourism depends upon gas prices, consumer confidence, and weather and snow runoff from the Continental Divide that provides water for the Arkansas River. Tourism levels were high for the summer of 2014 as people in the suburbs of the Colorado Front Range communities continued to discover the affordable, and fire free land surrounding Buena Vista which provide inexpensive vacation amenities for those who love the outdoors. The cooler temperatures of Colorado are also a dream for Texans who frequent Buena Vista each year.

Beyond the next calendar year, major fiscal sustainability concerns are expected cost inflation for employee healthcare, fuel, asphalt, natural gas and electricity. Town leaders are focused on defining the role of local government in our community, balancing limited resources with requests for additional services. In addition, risks to government funding are concentrated on the local economy and retail sales due to the fact that three-quarters of the Town's general fund revenue is derived from sales tax. The Town will continue an increased level of capital spending for roads and public infrastructure as compared to historic levels.

Requests for information

This financial report is designed to provide a general overview of the Town of Buena Vista's financial position for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Buena Vista, Colorado, P.O. Box 2002, Buena Vista, CO 81211.

Hamblin and Associates, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants

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Evergreen, CO 80439
(303) 694-2727

Independent Auditors' Report

Town Council
Town of Buena Vista
Buena Vista, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Buena Vista, Colorado as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the Town of Buena Vista, Colorado, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other-Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages I-VIII and the budgetary comparison information of the General Fund and Conservation Trust Fund 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 opinions on the financial statements that collectively comprise the Town of Buena Vista, Colorado's financial statements as a whole. The Capital Improvement Fund, Water Fund and Airport fund budgetary comparison schedules and the Local Highway Finance Report are supplementary information for purposes of additional analysis and are not a required part of the financial statements.

The Capital Improvement Fund, Water Fund and Airport fund budgetary comparison schedules and the Local Highway Finance Report are the responsibility of management and were derived from and relate 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 of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Hamblin and Associates

Evergreen, Colorado
October 5, 2015

BASIC FINANCIAL STATEMENTS

TOWN OF BUENA VISTA, COLORADO

STATEMENT OF NET POSITION

December 31, 2014

	Governmental Activities	Business - Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,939,502	\$ 1,642,540	\$ 3,582,042
Cash and cash equivalents - restricted	-	592,944	592,944
Investments - restricted	995,456	12,070	1,007,526
Accounts receivable	30,075	224,856	254,931
Intergovernmental receivable	375,108	-	375,108
Property taxes receivable	359,769	-	359,769
Prepaid expenses	40,358	-	40,358
Inventories, net	-	101,578	101,578
Capital assets, net	8,168,665	5,894,594	14,063,259
Total Assets	11,908,933	8,468,582	20,377,515
LIABILITIES			
Accounts payable	129,128	54,684	183,812
Accrued payroll liabilities	36,244	9,486	45,730
Accrued interest payable	-	4,611	4,611
Accrued compensated absences	64,483	10,846	75,329
Deposits/escrow accounts	50,201	-	50,201
Unearned revenue	-	5,699	5,699
Premium on bond payable	27,557	-	27,557
Notes payable - due within one year	90,000	77,240	167,240
Notes payable - due in more than one year	2,730,000	248,273	2,978,273
Total Liabilities	3,127,613	410,839	3,538,452
DEFERRED INFLOWS OF RESOURCES			
Deferred revenue - property taxes	359,769	-	359,769
NET POSITION			
Net investment in capital assets	8,168,665	5,569,081	13,737,746
Restricted for emergencies (TABOR)	133,000	-	133,000
Restricted for special uses	90,000	592,944	682,944
Unrestricted	29,886	1,895,718	1,925,604
Total Net Position	\$ 8,421,551	\$ 8,057,743	\$ 16,479,294

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

TOWN OF BUENA VISTA, COLORADO

STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2014

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTAL
Governmental Activities							
Current:							
General government	\$ 670,448	\$ 25,692	\$ 14,073	\$ -	\$ (630,683)	\$ -	\$ (630,683)
Public safety	659,612	60,427	-	-	(599,185)	-	(599,185)
Community services	152,011	-	-	-	(152,011)	-	(152,011)
Public works	1,565,454	45,505	-	17,000	(1,502,949)	-	(1,502,949)
Culture and recreation	319,904	44,694	40,778	-	(234,432)	-	(234,432)
TOTAL GOVERNMENTAL ACTIVITIES	<u>3,367,429</u>	<u>176,318</u>	<u>54,851</u>	<u>17,000</u>	<u>(3,119,260)</u>	<u>-</u>	<u>(3,119,260)</u>
Business-Type Activities							
Current:							
Water operations	671,280	793,316	132,881	-	-	254,917	254,917
Airport operations	603,784	315,951	145,326	-	-	(142,507)	(142,507)
TOTAL BUSINESS - TYPE ACTIVITIES	<u>1,275,064</u>	<u>1,109,267</u>	<u>278,207</u>	<u>-</u>	<u>-</u>	<u>112,410</u>	<u>112,410</u>
TOTAL GOVERNMENT	<u>\$ 4,642,493</u>	<u>\$ 1,285,585</u>	<u>\$ 333,058</u>	<u>\$ 17,000</u>	<u>(3,119,260)</u>	<u>112,410</u>	<u>(3,006,850)</u>
		GENERAL REVENUES					
		Taxes					
					347,324	-	347,324
					40,639	-	40,639
					2,446,856	-	2,446,856
					74,888	-	74,888
					158,434	2,111	160,545
					8,609	2,514	11,123
					(110,000)	110,000	-
					6,244	-	6,244
					<u>2,972,994</u>	<u>114,625</u>	<u>3,087,619</u>
		CHANGE IN NET POSITION			(146,266)	227,035	80,769
		NET POSITION - Beginning of Year			<u>8,567,817</u>	<u>7,830,708</u>	<u>16,398,525</u>
		NET POSITION - End of Year			<u>\$ 8,421,551</u>	<u>\$ 8,057,743</u>	<u>\$ 16,479,294</u>

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

TOWN OF BUENA VISTA, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2014

	GENERAL	CONSERVATION TRUST	CAPITAL IMPROVEMENT	TOTAL
ASSETS				
Cash and cash equivalents	\$ 1,625,462	\$ -	\$ 314,040	\$ 1,939,502
Investments	222,931	42,511	730,014	995,456
Taxes receivable	326,301	-	45,800	372,101
Property taxes receivable	359,769	-	-	359,769
Prepaid expenses	4,259	-	36,099	40,358
TOTAL ASSETS	\$ 2,571,804	\$ 42,511	\$ 1,125,953	\$ 3,740,268
LIABILITIES				
Accounts payable	\$ 129,128	\$ -	\$ -	\$ 129,128
Accrued payroll	36,244	-	-	36,244
Developer deposits	50,201	-	-	50,201
TOTAL LIABILITIES	215,573	-	-	215,573
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	359,769	-	-	359,769
FUND BALANCES				
Restricted	133,000	-	90,000	223,000
Committed	-	-	940,589	940,589
Assigned	202,931	42,511	95,364	340,806
Unassigned	1,660,531	-	-	1,660,531
TOTAL FUND BALANCE	1,996,462	42,511	1,125,953	3,164,926
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	\$ 2,571,804	\$ 42,511	\$ 1,125,953	\$ 3,740,268
TOTAL FUND BALANCE - GOVERNMENTAL FUNDS				\$ 3,164,926
Capital assets used in governmental activities are not resources and are not reported in the funds:				
Capital Assets				12,296,474
Accumulated Depreciation				(4,127,809)
Earned but unpaid accumulated leave balances are not reported in the funds:				
Compensated Absences				(64,483)
Long-term liabilities are not due and payable in the current period				
Bonds Payable				(2,820,000)
Premium on Bond Payable				(27,557)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES				\$ 8,421,551

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

TOWN OF BUENA VISTA, COLORADO

**STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS**

For the Year Ended December 31, 2014

	<u>GENERAL</u>	<u>CONSERVATION TRUST</u>	<u>CAPITAL IMPROVEMENT</u>	<u>TOTAL</u>
REVENUES				
Taxes	\$ 2,618,404	\$ -	\$ 327,122	\$ 2,945,526
Licenses and permits	108,002	-	-	108,002
Fines	47,064	-	-	47,064
Rental income	7,889	-	-	7,889
Intergovernmental	150,051	25,598	17,000	192,649
Contributions	180	-	15,000	15,180
Interest income	2,955	111	5,543	8,609
Other	<u>6,244</u>	<u>-</u>	<u>-</u>	<u>6,244</u>
TOTAL REVENUES	<u>2,940,789</u>	<u>25,709</u>	<u>364,665</u>	<u>3,331,163</u>
EXPENDITURES				
General government	781,621	-	10,530	792,151
Public safety	966,002	-	84,715	1,050,717
Community services	218,054	-	127	218,181
Public works	341,268	-	2,166,515	2,507,783
Culture and recreation	<u>313,251</u>	<u>19,366</u>	<u>62,722</u>	<u>395,339</u>
TOTAL EXPENDITURES	<u>2,620,196</u>	<u>19,366</u>	<u>2,324,609</u>	<u>4,964,171</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	320,593	6,343	(1,959,944)	(1,633,008)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	<u>(360,000)</u>	<u>(15,000)</u>	<u>265,000</u>	<u>(110,000)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(360,000)</u>	<u>(15,000)</u>	<u>265,000</u>	<u>(110,000)</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(39,407)	(8,657)	(1,694,944)	(1,743,008)
FUND BALANCES, Beginning	<u>2,035,869</u>	<u>51,168</u>	<u>2,820,897</u>	<u>4,907,934</u>
FUND BALANCES, Ending	<u>\$ 1,996,462</u>	<u>\$ 42,511</u>	<u>\$ 1,125,953</u>	<u>\$ 3,164,926</u>

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

TOWN OF BUENA VISTA, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS (Continued)
For the Year Ended December 31, 2014

NET CHANGE IN FUND BALANCES - ALL GOVERNMENTAL FUNDS	\$ (1,743,008)
Principal payments on debt are reported as expenditures in the funds and debt proceeds are shown as revenues:	
Principal Payments on Bonds Payable	90,000
Amortization of Bond Premium	1,200
Earned but unpaid accumulated leave balances are not reported in the funds:	
Change in Accrued Compensated Absences	13,914
Purchases of capital assets are expensed in governmental funds and depreciated on the statement of activities:	
Capitalized Assets	2,043,915
Depreciation Expense	<u>(552,286)</u>
CHANGE IN NET POSITION - GOVERNMENTAL ACTIVITIES	<u>\$ (146,266)</u>

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

TOWN OF BUENA VISTA, COLORADO

STATEMENT OF NET POSITION-
PROPRIETARY FUNDS
 December 31, 2014

	<u>WATER</u>	<u>AIRPORT</u>	<u>TOTAL</u>
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,812,765	\$ (170,225)	\$ 1,642,540
Cash and cash equivalents - restricted	592,944	-	592,944
Investments	12,070	-	12,070
Accounts receivable	75,978	148,878	224,856
Inventory, net of allowance for obsolescence	54,085	47,493	101,578
Total Current Assets	<u>2,547,842</u>	<u>26,146</u>	<u>2,573,988</u>
Non-current Assets			
Capital assets			
Property, plant and equipment	7,641,485	7,781,851	15,423,336
Accumulated depreciation	<u>(3,519,117)</u>	<u>(6,009,625)</u>	<u>(9,528,742)</u>
Total Non-current Assets	<u>4,122,368</u>	<u>1,772,226</u>	<u>5,894,594</u>
TOTAL ASSETS	<u>6,670,210</u>	<u>1,798,372</u>	<u>8,468,582</u>
LIABILITIES			
Current Liabilities			
Accounts payable	27,378	27,306	54,684
Accrued interest	4,611	-	4,611
Unearned revenue	5,699	-	5,699
Accrued salaries and benefits	5,802	3,684	9,486
Current portion of long-term debt	77,240	-	77,240
Total Current Liabilities	<u>120,730</u>	<u>30,990</u>	<u>151,720</u>
Long-Term Liabilities			
Notes and loans payable	248,273	-	248,273
Accrued compensated absences	9,659	1,187	10,846
Total Long-Term Liabilities	<u>257,932</u>	<u>1,187</u>	<u>259,119</u>
TOTAL LIABILITIES	<u>378,662</u>	<u>32,177</u>	<u>410,839</u>
NET POSITION			
Net investment in capital assets	3,796,855	1,772,226	5,569,081
Restricted, special purposes	592,944	-	592,944
Unrestricted	<u>1,901,749</u>	<u>(6,031)</u>	<u>1,895,718</u>
TOTAL NET POSITION	<u>\$ 6,291,548</u>	<u>\$ 1,766,195</u>	<u>\$ 8,057,743</u>

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

TOWN OF BUENA VISTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION -
PROPRIETARY FUNDS**

For the Year Ended December 31, 2014

	<u>WATER</u>	<u>AIRPORT</u>	<u>TOTAL</u>
OPERATING REVENUES			
Water sales	\$ 766,255	\$ -	\$ 766,255
Water meter sales	10,646	-	10,646
Finance charges	10,715	-	10,715
Fuel sales	-	261,810	261,810
Rental revenue	-	14,346	14,346
Other revenues	5,100	-	5,100
Other fees	<u>600</u>	<u>39,795</u>	<u>40,395</u>
TOTAL OPERATING REVENUES	<u>793,316</u>	<u>315,951</u>	<u>1,109,267</u>
OPERATING EXPENSES			
Salaries and benefits	276,287	141,686	417,973
Fuel for resale	-	219,969	219,969
Professional services	91,430	4,150	95,580
Meters, materials, and freight	4,945	-	4,945
Insurance	8,446	14,548	22,994
Other general and administrative	33,001	32,186	65,187
Utilities	17,072	22,011	39,083
Repairs and maintenance	21,479	8,601	30,080
Plant and building operations	42,836	7,041	49,877
Capital outlay	-	10,541	10,541
Depreciation	<u>163,267</u>	<u>143,051</u>	<u>306,318</u>
TOTAL OPERATING EXPENSES	<u>658,763</u>	<u>603,784</u>	<u>1,262,547</u>
OPERATING INCOME (LOSS)	<u>134,553</u>	<u>(287,833)</u>	<u>(153,280)</u>
NON-OPERATING REVENUE (EXPENSE)			
Investment income	1,903	611	2,514
Operating grants and contributions	-	145,326	145,326
Other taxes	-	2,111	2,111
Interest and fiscal charges	(12,517)	-	(12,517)
Transfers in (out)	-	110,000	110,000
Cash capital contributions	<u>132,881</u>	<u>-</u>	<u>132,881</u>
TOTAL NON-OPERATING REVENUE (EXPENSE)	<u>122,267</u>	<u>258,048</u>	<u>380,315</u>
CHANGE IN NET POSITION	256,820	(29,785)	227,035
NET POSITION - Beginning	<u>6,034,728</u>	<u>1,795,980</u>	<u>7,830,708</u>
NET POSITION - Ending	<u>\$ 6,291,548</u>	<u>\$ 1,766,195</u>	<u>\$ 8,057,743</u>

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

TOWN OF BUENA VISTA, COLORADO

**STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS**

For the Year Ended December 31, 2014

	WATER	AIRPORT	TOTAL
Cash Flows From Operating Activities:			
Cash received from customers	\$ 788,497	\$ 226,573	\$ 1,015,070
Cash paid to suppliers and employees	(491,731)	(462,961)	(954,692)
Net Cash Provided (Used) by Operating Activities	296,766	(236,388)	60,378
Cash Flows From Non-capital Financing Activities:			
Transfers (to) from other funds	-	110,000	110,000
Operating grants and contributions received	-	145,638	145,638
Net Cash Provided by Non-capital Financing Activities	-	255,638	255,638
Cash Flows From Capital and Related Financing Activities:			
System development/resources fees	132,881	-	132,881
Additions to fixed assets	(50,805)	(147,307)	(198,112)
Loan Principal Payments	(71,723)	-	(71,723)
Loan and bond interest payments and fiscal charges	(12,517)	-	(12,517)
Net Cash (Used) by Capital and Related Financing Activities	(2,164)	(147,307)	(149,471)
Cash Flows From Investing Activities:			
Interest received	1,903	611	2,514
Net Increase in Cash	296,505	(127,446)	169,059
Cash - Beginning	2,121,274	(42,779)	2,078,495
Cash - Ending	\$ 2,417,779	\$ (170,225)	\$ 2,247,554
Cash and investments	\$ 1,812,765	\$ (170,225)	\$ 1,642,540
Restricted cash and investments	605,014	-	605,014
Total Cash - Ending	\$ 2,417,779	\$ (170,225)	\$ 2,247,554
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating Income (Loss)	\$ 134,553	\$ (287,833)	\$ (153,280)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Depreciation	163,267	143,051	306,318
(Increase) Decrease in:			
Accounts receivable	1,442	(106,689)	(105,247)
Inventory	(1,433)	17,311	15,878
Increase (decrease) in:			
Accounts payable	12,673	(1,652)	11,021
Deposits/escrows	(2,092)	-	(2,092)
Prepaid water charges	(4,106)	-	(4,106)
Unearned revenue	1,423	-	1,423
Accrued salaries and benefits	359	523	882
Accrued compensated absences	(5,161)	(1,099)	(6,260)
Total Adjustments	162,213	51,445	213,658
Net Cash Provided by Operating Activities	\$ 296,766	\$ (236,388)	\$ 60,378

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

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Buena Vista (the Town) was incorporated under Colorado statutes in 1879 and provides services related to public safety, highways and streets, airport, water, recreation, planning and zoning, and general administration. The Town is the lowest level of government having oversight responsibility and control over all activities within the geographical area organized as the Town of Buena Vista, Colorado. The Town is located in Chaffee County, Colorado and is governed by an elected Mayor and Board of Trustees (the Town Board), which are responsible for setting policy, appointing administrative personnel and adopting an annual budget.

The Town's financial statements are prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the town's accounting policies are described below.

A. Reporting Entity

The financial statements of the reporting entity include those of the Town (the primary government) and its component units. The criteria used in determining the scope of the reporting entity are based on the provisions of GASB Statement No. 14, *The Financial Reporting Entity* (GASB 14), as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units - an amendment of GASB 14*. The requirements for inclusion as a component unit are based primarily upon whether the Town is considered financially accountable for the potential component unit. The Town is financially accountable if it appoints a voting majority of a potential component unit's governing body and is able to impose its will on that potential component unit, or because the potential component unit will provide specific a financial benefit to or impose a specific financial burden on the Town. The Town does not have any component units.

Basis Of Presentation

The Town's basic financial statements include both government-wide (reporting the Town as a whole) and fund financial statements (reporting the Town's major funds).

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the activities of the primary government, excluding fiduciary activities. The effect of interfund activity has been removed from these statements, with the exception of interfund services provided and used.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the 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, unrestricted interest earnings and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Following the government-wide financial statements are separate financial statements for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. The total fund balances for all governmental funds is reconciled to total net position for governmental activities as shown on the statement of net position. The net change in fund balance for all governmental funds is reconciled to the total change in net position as shown on the statement of activities in the government-wide financial statements.

Fund Accounting

The Town uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with self-balancing accounts. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Town has all three categories of funds: governmental, proprietary, and fiduciary.

Governmental Funds

Governmental funds are those through which most governmental functions of the Town are financed. The acquisition, use, and balances of the Town's expendable financial resources and the related liabilities (except those accounted for in the proprietary fund) are accounted for through governmental funds. The measurement focus is on determination of and changes in financial position, rather than on net income. The following are the Town's governmental major funds:

The **General Fund** is used to account for all financial resources except those required to be accounted for in another fund and is the general operating fund of the Town.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The **Conservation Trust Fund** accounts for receipts and expenditures with respect to State allocations of lottery proceeds.

The **Capital Improvement Fund** accounts for receipts and expenditures with respect to capital projects. Revenues derived by this fund include a half-cent street improvement sales tax, cash-in-lieu fees from developers for parks, open space and trails, and capital grants.

Proprietary Funds

Proprietary funds are used to account for activities that are similar to those found in the private sector. The measurement focus is on the determination of net income and capital maintenance. Proprietary funds distinguish operating revenues and expenses from non-operating 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 Town's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Of the types of proprietary funds (enterprise and internal service funds), the Town has the following proprietary funds:

Enterprise Funds - the enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis is to be financed or recovered primarily through user charges. The Town has the following enterprise funds:

The **Water Fund** accounts for all the activities necessary for the provision of water services to Town residents.

The **Airport Fund** accounts for all the activities necessary for the operation of the Town's general aviation airport.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Measurement Focus And Basis Of Accounting

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements.

Long-Term Economic Focus And Accrual Basis

Governmental and business-type activities in the government-wide financial statements, the proprietary fund financial statements, and the fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of timing of the 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.

Current Financial Focus And Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to be used 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 fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the Town, are property tax, sales tax, intergovernmental revenues and other taxes. All other revenue items are considered to be measurable and available only when cash is received by the Town.

Expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due (i.e. matured).

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Cash, Cash Equivalents And Investments

The Town considers all highly liquid debt instruments purchased with a maturity of three months or less to be cash equivalents. State statutes and Town policy authorize the Town to invest in obligations of the United States or any agency thereof, time deposit certificates, and repurchase agreements. The Pension Trust Funds are also authorized to invest in corporate common or preferred stocks, bonds and mortgages, real or personal property, and other evidence of indebtedness or ownership (excluding any debt of the Town itself), and individual insurance policies.

D. Restricted Assets

Certain resources set aside for emergencies, specified voter approved projects and Water Fund operations and maintenance reserves are classified as restricted assets on the balance sheet because their use is limited by Colorado State Statutes, enabling legislation and debt covenants.

E. Receivables

The Town uses the allowance method for recognizing the uncollectable delinquent accounts receivable. At December 31, 2014, no allowance has been established, as all amounts are considered collectible. Each October, any utility bills more than 60 days old are certified to the County Treasurer for collection with the property taxes to be collected the following year.

F. Property Taxes

Property taxes are assessed in one year as a lien on the property, but not collected by governmental units until the subsequent year. In accordance with GAAP, the assessed, but uncollected, property taxes for calendar year 2014 have been recorded as a receivable and as deferred revenue. Property taxes are billed and collected by Chaffee County, Colorado and distributed to the municipalities and special districts within the county the month after collection.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inventories

Water parts are valued at market values based on current pricing. Airport fuel inventories are valued at average cost. The allowance for obsolete inventory at December 31, 2014 was \$2,703 for the Water Fund. The allowance for fuel loss was \$2,482 at year end for the Airport Fund.

H. Interfund Receivables and Payables

Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers. Such transfers are reported as other financing sources (uses) in the governmental funds and transfers in (out) in the proprietary funds.

Transactions between the Town's various funds are accounted for as revenues and expenditures or expenses in the funds involved if they are similar to transactions with organizations external to Town government.

Activity between funds that is representative of borrowing/lending arrangements outstanding at the end of the fiscal year is referred to as either "due to/due from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

In the process of aggregating data for the statement of net position and the statement of activities some amounts reported on interfund activity and balances in the funds have been eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

I. Capital Assets

Capital assets, which include property, equipment, and infrastructure (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial cost of more than \$5,000 and an estimated useful life in excess of one year. Purchased or constructed assets are recorded at historical cost where historical records are available or estimated historical costs where no historical records exist. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that does not add to the value of the asset or materially extend the asset's life is not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital assets (excluding land, water rights, construction in progress and capital assets held for other government) are depreciated using the straight-line method over the following estimated useful lives:

Land improvements	7 - 20 years
Buildings and improvements	10 - 50 years
Equipment and vehicles	5 - 20 years
Infrastructure	7 - 40 years

Capital assets held for other government represents a sewer line constructed in 2004 and 2005 from several funding sources, including Federal grants. This sewer line will ultimately be conveyed to the Buena Vista Sanitation District, the government responsible for providing sanitation services within Town boundaries. No depreciation is reported by the Town for the sewer line as a separate government is the operator of this system and the Town does not recognize any associated revenue.

J. Compensated Absences

Vacation, sick leave, and compensatory time are accrued as earned. Accumulated unpaid vacation, compensatory time, and vested sick leave amounts are recorded in the government-wide financial statements by fund. The Town's personnel policy imposes limits on the maximum accrual of accumulated vacation time and sick leave. Upon termination, accrued unpaid vacation and compensatory time will be paid to the employee. Accrued sick leave has a cash value upon termination only if the employee has at least five years of full-time service with the Town at termination. Accrued compensated absences are liquidated by the fund that incurred the liability during the employee's employment.

A liability for vested, accrued leave time is reported in the governmental funds only if the amounts due at year end have matured.

K. Long-Term Debt

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, 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.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

L. Net Position

In the government-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Invested In Capital Assets, Net Of Related Debt - This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

Restricted - This consists of net position legally restricted by outside parties or by law through constitutional provisions or enabling legislation.

Unrestricted - This consists of net position not meeting the definition of "restricted" or "invested in capital assets, net of related debt."

When an expense is incurred for purposes for which restricted and unrestricted net position is available, the Town's policy is to apply restricted net position first.

M. Fund Balance- Governmental Funds

The following fund balance classifications describe the relative strength of the spending constraints placed on a government's fund balance and purposes for which resources can be used:

- Nonspendable fund balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance - amounts constrained to specific purposes by their providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- Committed fund balance - amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

- Assigned fund balance - amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing board delegates the authority;
- Unassigned fund balance - amounts that are available for any purpose; positive amounts are reported only in the general fund.

The Town Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution or ordinance. Each December the budget is adopted by resolution for the coming year. A fund balance commitment is indicated in the budget by the use of reserves. The budget document will also identify the budgeted use of any restricted funds planned in the budget.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

N. Use Of Estimates

The preparation of basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the basic financial statements and the accompanying notes. Actual results could differ from those estimates.

NOTE 2: DEPOSITS AND INVESTMENTS

The Town's investment policy conforms to the investment policy guidelines set forth by the State of Colorado. The Town's investment policy sets the primary objectives of investments activities to be safety, liquidity, and yield, in that order. The policy sets a conservative, "prudent person" approach to investment purchases and management of the overall portfolio. The Town's Volunteer Firefighters Pension Trust is managed by the Fire and Police Pension Association of Colorado in accordance with State statute.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

At year end, the Town had the following deposits and investments as reported in the financial statements:

Cash and investments at December 31, 2014 consisted of the following:

<u>Type</u>	<u>Rating</u>	<u>Carrying Value</u>
Deposits:		
Demand deposits		\$ 3,408,673
Cash on hand		718
		<u>3,409,391</u>
Investments:		
Certificates of Deposit		681,473
Colotrust	AAA m by S & P	1,091,648
		<u>1,773,121</u>
Total deposits and investments		<u><u>\$ 5,182,512</u></u>
Reconciliation to Statement of Net Assets		
Current:		
Cash and cash equivalents - unrestricted		\$ 4,565,720
Cash and cash equivalents - restricted		616,791
		<u><u>\$ 5,182,512</u></u>

At December 31, 2014, Town Funds had the following restricted cash and investments:

Water Fund:		
Water system development		\$ 409,942
CWRPDA loan - operations and maintenance reserve		<u>206,850</u>
Total Cash and cash equivalents - restricted		<u><u>\$ 616,791</u></u>

A. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible depositories. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value of at least 102% of the uninsured deposits. The State Regulatory Commission for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

As of December 31, 2014, the Town had bank deposits of \$5,184,228. Depositor's insurance (FDIC) covers \$500,000 of this amount (two different banks at \$250,000 each); the balance is collateralized with securities held by the pledging financial institution's trust department or agent in a pledged collateral pool.

B. Investments

The Town's investment policy lists the authorized investment types as defined by Colorado statutes. Authorized investments include: direct obligations of the United States, obligations of U.S. government agencies, general or revenue obligations of any state of the United States, any territory, or political subdivision of any state, qualified bankers' acceptances, commercial paper, certificates of participation, repurchase agreements, qualified local government investment pool, money market funds, qualified corporate or bank debt, and certain guaranteed investment contracts. The Town held no such investments at December 31, 2014.

Local Government Investment Pool - At December 31, 2014, the Town had \$1,075,556 invested in COLOTRUST, an investment vehicle established by State statute for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces the requirements of creating and operating COLOTRUST. COLOTRUST operates similar to money market funds and each share is equal in value to \$1.00. COLOTRUST is rated AAAM by Standard and Poor's. Investments are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. To minimize credit risk the Town requires that U.S. Agency Securities have the highest possible rating. Colorado statutes establish standards for local government investment pools and the Town requires the investment pool to maintain the highest possible rating.

Interest Rate Risk - Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. State statute limits investments in U.S. Agency Securities to a maximum five-year maturity. The Town seeks to minimize interest rate risk by:

- Structuring investments to meet ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- Structuring investments to have staggered maturities of less than five years.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 2: DEPOSITS AND INVESTMENTS (Continued)

B. Investments (Continued)

Custodial Credit Risk - For investments, custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Town will not be able to recover the value of the investments or collateral securities that are in the

possession of an outside party. In accordance with Town policy, custodial risk is minimized by pre-qualifying custodial institutions, diversifying the investment portfolio, and maintaining quality standards for investments. At December 31, the Town held no investments with custodial institutions other than COLOTRUST.

Concentration of Credit Risk - State statutes generally do not limit the amount the Town may invest in one issuer, However, the Town's investment policy require diversification of investments, including limiting the concentration of investments in one issuer. At December 31, 2014, the Town's investments account for 42.3% of total deposits and investments.

NOTE 3: CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 1,043,709	\$ -	\$ -	\$ 1,043,709
Assets held for other government	535,718	-	-	535,718
Total capital assets not being depreciated	<u>1,579,427</u>	<u>-</u>	<u>-</u>	<u>1,579,427</u>
Capital assets being depreciated:				
Land improvements	932,305	30,703	-	963,008
Buildings and improvements	1,490,227	-	-	1,490,227
Vehicles and heavy equipment	1,137,489	37,293	-	1,174,782
Equipment and furniture	1,015,682	39,583	-	1,055,265
Infrastructure	4,097,429	1,940,187	3,851	6,033,765
Total capital assets being depreciated	<u>8,673,132</u>	<u>2,047,766</u>	<u>3,851</u>	<u>10,717,047</u>
Less accumulated depreciation for:				
Land improvements	(160,727)	(41,104)	-	(201,831)
Buildings and improvements	(827,149)	(37,943)	-	(865,092)
Vehicles and heavy equipment	(866,285)	(48,685)	-	(914,970)
Equipment and furniture	(849,335)	(37,940)	-	(887,275)
Infrastructure	(872,028)	(386,614)	-	(1,258,642)
Total accumulated depreciation	<u>(3,575,523)</u>	<u>(552,286)</u>	<u>-</u>	<u>(4,127,809)</u>
Total capital assets being depreciated, net	<u>5,097,609</u>	<u>1,495,480</u>	<u>3,851</u>	<u>6,589,238</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,677,036</u>	<u>\$ 1,495,480</u>	<u>\$ 3,851</u>	<u>\$ 8,168,665</u>

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 3: CAPITAL ASSETS (Continued)

Depreciation expense was charged to functions of the Town as follows:

General Government	\$ 230,946
Public Safety	44,454
Public Works	188,439
Culture and Recreation	88,447
Total	<u>\$ 552,286</u>

Business-Type capital asset activity for the year ended December 31, 2014 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-Type Activities:				
Capital assets not being depreciated:				
Land and water rights	\$ 697,079	\$ -	\$ -	\$ 697,079
Total capital assets not being depreciated	<u>697,079</u>	<u>-</u>	<u>-</u>	697,079
Capital assets being depreciated:				
Buildings and treatment plant	1,647,842	88,423	-	1,736,265
Distribution systems	4,391,661	27,439	-	4,419,100
Storage tanks	1,579,146	-	-	1,579,146
Vehicles and equipment	1,223,200	7,425	-	1,230,625
Airport infrastructure	1,594,324	29,800	-	1,624,124
Land improvements	4,058,153	17,401	-	4,075,554
Office furniture and fixtures	31,915	29,528	-	61,443
Total capital assets being depreciated	<u>14,526,241</u>	<u>200,016</u>	<u>-</u>	14,726,257
Less accumulated depreciation for:				
Buildings and treatment plant	(861,030)	(42,260)	-	(903,290)
Distribution systems	(1,753,994)	(95,556)	-	(1,849,550)
Storage tanks	(626,436)	(33,908)	-	(660,344)
Vehicles and equipment	(956,506)	(55,587)	-	(1,012,093)
Airport infrastructure	(1,537,563)	(32,638)	-	(1,570,201)
Land improvements	(3,460,262)	(35,182)	-	(3,495,444)
Office furniture and fixtures	(26,633)	(11,187)	-	(37,820)
Total accumulated depreciation	<u>(9,222,424)</u>	<u>(306,318)</u>	<u>-</u>	(9,528,742)
Total capital assets being depreciated, net	<u>5,303,817</u>	<u>(106,302)</u>	<u>-</u>	5,197,515
Business-Type Activities Capital Assets, Net	<u>\$ 6,000,896</u>	<u>\$ (106,302)</u>	<u>\$ -</u>	<u>\$ 5,894,594</u>

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 4: INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Transfers for 2014 were as follows:

	<u>Transfers Out</u>	<u>Transfers In</u>
General	\$ 360,000	\$ -
Airport	-	110,000
Conservation Trust	15,000	-
Capital Improvement	-	265,000
	<u>\$ 375,000</u>	<u>\$ 375,000</u>

Transfers are used to move unrestricted General Fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

NOTE 5: LONG-TERM DEBT

Governmental Activities - The following summarizes the changes in the Town's governmental long-term debt activities for the year ended December 31, 2014:

	Balance January 1, 2014	Issued	Retired	Balance December 31, 2014	Due Within One Year
Governmental Activities					
2012 Sales tax revenue bonds	\$ 2,910,000	\$ -	\$ 90,000	\$ 2,820,000	\$ 90,000
Compensated absences	78,397	49,448	63,362	64,483	-
Total Governmental Activities	<u>\$ 2,988,397</u>	<u>\$ 49,448</u>	<u>\$ 153,362</u>	<u>\$ 2,884,483</u>	<u>\$ 90,000</u>

Issue: 2012 Sales Tax Revenue Bonds - Capital Improvements Fund

Original Amount: \$3,000,000

Interest: 2.0%

Purpose: to design, construct and install street improvements within the Town.

<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Balance</u> <u>December 31</u>
2015	\$ 90,000	\$ 84,575	\$ 174,575	\$ 2,730,000
2016	95,000	82,775	177,775	2,635,000
2017	95,000	80,875	175,875	2,540,000
2018	100,000	78,975	178,975	2,440,000
2019	100,000	76,975	176,975	2,340,000
2020-2024	530,000	349,000	879,000	1,810,000
2025-2029	610,000	269,869	879,869	1,200,000
2030-2034	710,000	167,844	877,844	490,000
2035-2037	490,000	37,312	527,312	-
	<u>\$ 2,820,000</u>	<u>\$ 1,228,200</u>	<u>\$ 4,048,200</u>	

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 5: LONG-TERM DEBT (Continued)

Business-type Activities - The following summarizes the changes in the Town's business-type long-term debt activities for the year ended December 31, 2014:

	Balance January 1, 2014	Issued	Retired	Balance December 31, 2014	Due Within One Year
Business-Type Activities					
1998 CWRPDA Loan	\$ 397,236	\$ -	\$ 71,723	\$ 325,513	\$ 77,240
Compensated absences	17,105	11,083	17,342	10,846	-
Total Business-Type Activities	<u>\$ 414,341</u>	<u>\$ 11,083</u>	<u>\$ 89,065</u>	<u>\$ 336,359</u>	<u>\$ 77,240</u>

Issue: Colorado Water Resources And Power Development Authority (CWRPDA) Loan

On June 1, 1998, the Town entered a \$1,324,120 loan agreement with CWRPDA, the proceeds of which were utilized to construct a 600,000 gallon water storage tank, a transmission pipeline, and an extension of the infiltration system, a new well, and related equipment for the Water Enterprise Fund. Principal, interest, and administrative fee payment (which are reported as interest expense on the financial statements) are due annually on February 1 and August 1 through 2018.

The loan agreement contains various restrictive covenants and requirements, including maintenance of a three month operating and maintenance reserve. In addition, the loan agreement requires the Town to establish water rates at a level sufficient to cover operating expenses, as defined in the agreement, 110% of the current year debt service costs on this loan, any amount required to be paid into a debt service reserve account for that year, debt service for the current year on any subordinated debt, and any other amounts to be paid out of current year operations.

<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Administrative Fee</u>	<u>Total</u>	<u>Balance December 31</u>
2015	\$ 77,240	\$ 8,918	\$ 10,593	\$ 96,751	\$ 248,273
2016	77,240	6,802	9,269	93,311	171,033
2017	82,757	4,685	6,621	94,063	88,276
2018	88,276	2,418	3,972	94,666	-
	<u>\$ 325,513</u>	<u>\$ 22,823</u>	<u>\$ 30,455</u>	<u>\$ 378,791</u>	

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 5: LONG-TERM DEBT (Continued)

Operating Leases

The Town is committed under various leases for office equipment. For accounting purposes, these leases are considered to be operating leases, and therefore, the liability and the related assets have not been recorded in these financial statements.

NOTE 6: EMPLOYEE RETIREMENT COMMITMENTS

A. Police Department Money Purchase Pension Plan

The Town contributes to a single-employer defined contribution money purchase pension plan (the Pension Plan) on behalf of all full-time police officers. The contribution requirements of Pension Plan participants and the Town are established, and may be amended, by the Board of Trustees.

All full-time sworn police employees of the Town are eligible to participate in the Plan. The Town is required to contribute 8% of each participating employee's compensation, and each employee must contribute an equal matching amount. Employees may also make voluntary contributions to the Pension Plan but may not contribute in excess of 10% of their compensation. Employee contributions to the Pension Plan become immediately vested while Town contributions are fully vested after six years. Unvested contributions are returned to the Town when an employee terminates employment and cashes out of the Pension Plan and are recognized on the financial statements as revenue in the year received.

For the year ended December 31, 2014, the Town contributed \$34,203 to the Pension Plan on behalf of participating employees. Pension Plan participants made equal contributions in 2014.

All Pension Plan investments are managed by Oppenheimer Funds. As the Town is neither the administrator nor the trustee of the Pension Plan, it has no liability for losses under the plan. Consequently, the Pension Plan is not part of the Town's financial statements.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 6: EMPLOYEE RETIREMENT COMMITMENTS (Continued)

B. General Employees Retirement Plan - Section 401(a) Plan

For all regular full-time employees, other than police officers, the Town contributes to a cost-sharing multiple-employer defined contribution pension plan (the Retirement Plan). The Retirement Plan, which is administered by Colorado County Officials and Employees Retirement Association (CCOERA), offers employees who have been with the Town for six months and that work at least 32 hours per week every month of the year, the opportunity to build retirement savings by pre-tax contributions of 3% of salary, which are matched with Town contributions. Employee contributions to the Pension Plan become immediately vested. Town contributions are vested at an annual rate of 25%. Town contributions become fully vested after four years. The contribution requirements of Retirement Plan participants and the Town are established, and may be amended, by the Board of Trustees. Unvested employer contributions are returned to the Town when an employee terminates employment and cashes out of the Retirement Plan. The amounts returned are recognized on the financial statements as revenue in the year received.

For the year ended December 31, 2014, the Town contributed \$22,608 to the Retirement Plan on behalf of participating employees. Participants of the Retirement Plan made equal matching contributions in 2014. No unvested contributions were returned to the Town in 2014.

CCOERA is also the Trustee of the Retirement Plan and, accordingly, the Town has no liability for losses under the plan. Consequently, the Retirement Plan is not part of the Town's financial statements.

C. Deferred Compensation Plan

All employees are eligible to participate in a deferred compensation plan that was created in accordance with the Internal Revenue Code section 457 (the Deferred Compensation Plan). The Deferred Compensation Plan, which is administered by CCOERA, permits participants to defer a portion of their salary until future years. All compensation deferred under the Deferred Compensation Plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the participants and their beneficiaries. Compensation deferred under the Deferred Compensation Plan is not available to employees until termination, retirement, death, or unforeseeable emergency.

Participants may elect to defer any percentage of their annual compensation, provided that the total annual contribution does not exceed limitations established by the Internal Revenue Service. The Town does not contribute to the Deferred Compensation Plan.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 6: EMPLOYEE RETIREMENT COMMITMENTS (Continued)

C. Deferred Compensation Plan (Continued)

The individual participants determine investment decisions within the Deferred Compensation Plan and, therefore, the Deferred Compensation Plan's investment concentration varies between participants.

CCOERA is also the Trustee of the Deferred Compensation Plan and, accordingly, the Town has no liability for losses under the plan. Consequently, the Deferred Compensation Plan is not part of the Town's financial statements.

D. Death And Disability Benefits

Death and disability coverage is provided to full-time police officers through the Statewide Death and Disability Plan, which is administered by the FPPA. During the past year, the Town's required contribution rate was 2.6% of base salary for members. Total Town contributions to this plan totaled \$7,139 during 2014. Employees are not required to contribute to this plan.

E. Volunteer Firefighters' Pension Plan

1. Plan Description

The Town provides a defined benefit pension plan for volunteer fire fighters (the Plan), affiliated with FPPA. Assets of the Plan are comingled for investment purposes in the Fire and Police Member's Benefit Fund, an agent multiple-employer defined benefit pension Plan administered through FPPA.

FPPA issues a publicly available annual financial report that includes the assets of the Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111 or by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

The Plan, as established and amended by the Plan's Board of Trustees through the Bylaws, provides for a monthly pension of \$220 for volunteers who have satisfied the normal age and service requirements and pro rata pensions for volunteers who have satisfied the normal age but only a portion of the service requirement. It further provides death benefits and a partial pension (50% of the amount the volunteer has earned) for surviving spouses. The normal age and service requirement is the date a volunteer reaches 50 years of age and completes 20 years of service. Pro-rata pensions would apply to volunteers who reached 50 years of age and had between 10 and 20 years of service.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 6: EMPLOYEE RETIREMENT COMMITMENTS (Continued)

2. Basis Of Accounting

The financial statements of the Plan are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. The investments are presented at fair value except for short-term investments recorded at cost, which approximates fair value.

3. Funding Policy

Participating volunteer firefighters do not contribute to the pension plan. Contributions to the Plan are made by the Town and through a 90% matching grant from the State of Colorado. The contribution requirements of the Plan are established under Title 31, Article 30 of the Colorado Revised Statutes, as amended. The Town contributed \$12,000 to the Plan for the year ended December 31, 2014.

4. Actuarial Information

An actuarial firm determined the Annual Required Contribution as of the January 1, 2015 study (the most recent prepared) using the "entry age" actuarial cost method. The significant actuarial assumptions used in the January 1, 2015 valuation were:

- a. Interest rate - 7.5% per annum;
- b. Retirement - Age 50 and 20 years of service;
- c. Inflation - 3.0%;
- d. Amortization method - Level dollar - open;
- e. Asset valuation method - 5-year smoothed fair market value;
- f. Changes in actuarial assumptions from 2013: - inflation assumption remained at 3.0%; nominal investment return assumption remained at 7.50%; and,
- g. Changes in actuarial methods from 2013 - no change in method since 2013 valuation.

The following information is based on the most recent actuarial studies available:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Liability	Funded Ratio	Annual Covered Payroll	Liability as a % of Covered Payroll
1/1/2015	\$ 420,572	\$ 504,992	\$ 84,420	83.3%	\$ -	-
1/1/2013	\$ 377,479	\$ 477,641	\$ 100,162	79.0%	\$ -	-
1/1/2011	\$ 336,976	\$ 384,738	\$ 47,762	87.6%	\$ -	-

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 7: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights (TABOR). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government. Any revenues earned in excess of the fiscal year spending limit must be refunded in the next fiscal year, unless voters approve retention of such excess revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used to declare emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The Town has reserved \$133,000, which is the approximate required reserve at December 31, 2014.

The Town's voters approved the following ballot issue on November 6, 2001:

Excluding ad valorem property taxes and rates, and without creating any new taxes, increasing any tax rate, or adding any new taxes of any kind, shall the Town of Buena Vista, Colorado, be permitted to collect, retain, and spend, for the fiscal year of 2001 and for each and every year thereafter, the full proceeds of the Town's taxes, grants and other revenues for expenditure on lawful municipal purposes, notwithstanding any State of Colorado restrictions on spending including the restrictions of Article X, Section 20 of the Constitution of the State of Colorado, and that these shall each constitute a voter approval revenue change?

The Town's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 8: RISK MANAGEMENT

The Town is exposed to various risks of loss related to workers compensation and general liability. The Town has acquired commercial coverage for these risks and any settled claims are not expected to exceed the commercial insurance coverage.

The Town is also exposed to the risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions. To address such risks, the Town is a participant in the public entity risk pool administered by Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA's operations are funded by contributions from member governments. Coverage is provided in the amount of \$500,000 per claim or occurrence for property damage, \$600,000 per claim or occurrence for liability, and \$150,000 per claim or occurrence for crime. CIRSA has also acquired additional excess coverage from outside sources. While the Town may be liable for any losses in excess of this coverage, the Town does not anticipate losses at December 31, 2014. No settlements of claims against the Town in the last three years have exceeded the Town's coverage.

Surpluses or deficits realized by CIRSA for any given year are subject to change for such reasons as interest earnings on invested amounts for those years and funds, re-estimation of losses for those years and funds, and credits or distributions from surplus for those years and funds. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. The board of directors may credit member municipalities' future contributions in the event of a surplus. Although it has never occurred, CIRSA member municipalities are subject to a supplemental assessment in the event of a deficiency.

For 2014, the Town's deductible for property and liability claims per occurrence is \$1,000 for each. The auto liability deductible and the auto physical damage deductible are both \$1,000 per occurrence.

The Town carries no deductible for workers Compensation coverage. CIRSA's coverage for workers' compensation claims are the Colorado statutory limits of \$500,000 per occurrence and \$1,000,000 for employer liability.

The Town also carries accident medical insurance coverage for volunteers through CIRSA. This provides a medical coverage for a minor injury a volunteer receives when serving the Town in a volunteer capacity such as a community service worker, volunteer trail work, or volunteer coaching for recreation. Coverage is \$15,000 per occurrence with a \$25 deductible.

TOWN OF BUENA VISTA, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2014

NOTE 9: COMMITMENTS AND CONTINGENCIES

A. Legal Claims

The Town is a defendant in a number of lawsuits pertaining to matters which are incidental to performing routine governmental and other functions. Based on the current status of these legal proceedings, it is the opinion of management that they will not have a material effect on the Town's financial position.

B. Federal And State Grants And Financial Sources

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Such audits could lead to reimbursements to the grantor agencies. It is the opinion of management that such reimbursements, if any, will not have a material effect on the Town's financial position.

NOTE 10: SUBSEQUENT EVENTS

The Town has performed an evaluation of subsequent events from 2014 year-end through October 5, 2015, which is the date the financial statements were available to be issued. The evaluation did not result in any subsequent events that required disclosures and/or adjustments.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF BUENA VISTA, COLORADO

BUDGETARY COMPARISON SCHEDULE
FOR THE GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Totals for the Year Ended December 31, 2013

	2014		VARIANCE POSITIVE (NEGATIVE)	2013 ACTUAL
	ORIGINAL & FINAL BUDGET	ACTUAL		
REVENUES				
Taxes:				
General property	\$ 369,084	\$ 347,324	\$ (21,760)	\$ 323,862
Specific ownership	40,918	40,639	(279)	41,905
Franchise fees	80,144	74,888	(5,256)	65,800
General sales	1,913,825	2,119,734	205,909	1,951,973
Mineral severance	22,568	27,354	4,786	20,907
Cigarette	9,365	8,465	(900)	8,585
Total Taxes	2,435,904	2,618,404	182,500	2,413,032
Charges for Services:				
Business licenses	20,765	18,492	(2,273)	17,021
Building and development fees	6,900	22,789	15,889	14,098
Other permits and fees	14,788	22,716	7,928	12,349
Recreation fees and permits	33,516	36,805	3,289	31,126
Fines	24,854	47,064	22,210	39,288
Cemetery fees	8,960	7,200	(1,760)	2,170
Lease income	7,879	7,889	10	7,869
Total Charges for Services	117,662	162,955	45,293	123,921
Intergovernmental:				
Highway users tax	116,307	118,034	1,727	115,890
County road and bridge tax	3,287	4,581	1,294	3,539
Grants	10,800	14,073	3,273	10,800
Motor vehicle registration	14,535	13,363	(1,172)	14,409
Total Intergovernmental	144,929	150,051	5,122	144,638
Other Revenues				
Contributions	3,639	180	(3,459)	4,624
Earnings on investments	3,305	2,955	(350)	3,239
Other revenue	9,088	6,244	(2,844)	7,148
Total Other Revenues	16,032	9,379	(6,653)	15,011
TOTAL REVENUES	2,714,527	2,940,789	226,262	2,696,602

(Continued)

See the accompanying Independent Auditors' Report.

TOWN OF BUENA VISTA, COLORADO

BUDGETARY COMPARISON SCHEDULE
FOR THE GENERAL FUND

For the Year Ended December 31, 2014

With Comparative Totals for the Year Ended December 31, 2013

	2014			
	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	2013 ACTUAL
EXPENDITURES				
General Government:				
Mayor and Board of Trustees	24,335	26,268	(1,933)	17,835
Town Clerk	89,524	78,565	10,959	76,522
Municipal Court	59,891	70,357	(10,466)	63,944
Town Administrator	366,587	388,367	(21,780)	372,047
Financial Administration	176,985	162,705	14,280	170,898
Town Hall Operations	19,885	16,401	3,484	13,819
Public Support	31,990	36,629	(4,639)	30,711
Elections	7,284	2,329	4,955	-
Total General Government	<u>776,481</u>	<u>781,621</u>	<u>(5,140)</u>	<u>745,776</u>
Public Safety:				
Police	716,775	857,602	(140,827)	685,607
Fire	141,288	91,073	50,215	63,379
Public Safety Complex	16,060	17,327	(1,267)	21,052
Total Public Safety	<u>874,123</u>	<u>966,002</u>	<u>(91,879)</u>	<u>770,038</u>
Community Services				
Development	220,927	184,122	36,805	162,194
Community Center	26,906	20,485	6,421	26,026
Public Television	14,952	13,447	1,505	9,495
Total Community Services	<u>262,785</u>	<u>218,054</u>	<u>44,731</u>	<u>197,715</u>
Public Works:				
Streets and Properties - Maintenance and Improvements	<u>341,288</u>	<u>341,268</u>	<u>20</u>	<u>316,889</u>
Culture and Recreation:				
Parks	193,644	162,810	30,834	157,475
Cemetery	18,364	3,080	15,284	9,515
Recreation Programs	116,198	147,361	(31,163)	98,942
Total Culture and Recreation	<u>328,206</u>	<u>313,251</u>	<u>14,955</u>	<u>265,932</u>
TOTAL EXPENDITURES	<u>2,582,883</u>	<u>2,620,196</u>	<u>(37,313)</u>	<u>2,296,350</u>
Other Financing Sources (Uses)				
Transfers In (Out)	<u>(360,000)</u>	<u>(360,000)</u>	<u>-</u>	<u>(360,000)</u>
Total Other Financing Sources	<u>(360,000)</u>	<u>(360,000)</u>	<u>-</u>	<u>(360,000)</u>
Net Change in Fund Balance	(228,356)	(39,407)	263,575	40,252
Fund Balances - Beginning of Year	<u>2,035,869</u>	<u>2,035,869</u>	<u>-</u>	<u>1,995,617</u>
Fund Balances - End of Year	<u>\$ 1,807,513</u>	<u>\$ 1,996,462</u>	<u>\$ 263,575</u>	<u>\$ 2,035,869</u>

See the accompanying Independent Auditors' Report.

TOWN OF BUENA VISTA, COLORADO

BUDGETARY COMPARISON SCHEDULE
FOR THE CONSERVATION TRUST FUND

For the Year Ended December 31, 2014

With Comparative Totals for the Year Ended December 31, 2013

	2014			<u>2013</u> <u>ACTUAL</u>
	<u>ORIGINAL & FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>	
REVENUES				
Lottery proceeds	\$ 21,496	\$ 25,598	\$ 4,102	\$ 28,453
Interest income	73	111	38	87
TOTAL REVENUES	<u>21,569</u>	<u>25,709</u>	<u>4,140</u>	<u>28,540</u>
EXPENDITURES				
Park maintenance	<u>20,935</u>	<u>19,366</u>	<u>1,569</u>	<u>11,596</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	634	6,343	6,977	16,944
Other Financing Sources (Uses) Transfers in (out)	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(14,366)	(8,657)	6,977	16,944
FUND BALANCE - Beginning of Year	<u>51,168</u>	<u>51,168</u>	<u>-</u>	<u>34,224</u>
FUND BALANCE - End of Year	<u>\$ 36,802</u>	<u>\$ 42,511</u>	<u>\$ 6,977</u>	<u>\$ 51,168</u>

See the accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF BUENA VISTA, COLORADO

BUDGETARY COMPARISON SCHEDULE
FOR THE CAPITAL IMPROVEMENTS FUND

For the Year Ended December 31, 2014

With Comparative Totals for the Year Ended December 31, 2013

	2014		VARIANCE POSITIVE (NEGATIVE)	2013
	ORIGINAL & FINAL BUDGET	ACTUAL		ACTUAL
REVENUES				
Sales taxes	\$ 300,680	\$ 327,122	\$ 26,442	\$ 296,852
Contributions	32,000	15,000	(17,000)	305
Grants	1,084,798	17,000	(1,067,798)	124,132
Interest income	1,658	5,543	3,885	8,294
TOTAL REVENUES	<u>1,419,136</u>	<u>364,665</u>	<u>(1,054,471)</u>	<u>429,583</u>
EXPENDITURES				
General Government				
Office equipment/furniture	-	10,530	(10,530)	370
Public Safety				
Police vehicles	31,000	35,757	(4,757)	30,206
Fire fighting equipment	680,000	36,022	643,978	30,760
Office equipment/furniture	20,000	12,936	7,064	-
Total Public Safety	<u>731,000</u>	<u>84,715</u>	<u>646,285</u>	<u>60,966</u>
Community Services				
Capital outlay	30,000	127	29,873	-
Public Works				
Vehicles and equipment	8,000	4,941	3,059	6,750
General	11,000	8,790	2,210	-
Street improvements	2,707,488	2,152,784	554,704	1,418,647
Total Public Works	<u>2,726,488</u>	<u>2,166,515</u>	<u>559,973</u>	<u>1,425,397</u>
Culture and Recreation				
Park improvements	541,255	62,722	478,533	54,074
TOTAL EXPENDITURES	<u>4,028,743</u>	<u>2,324,609</u>	<u>1,704,134</u>	<u>1,540,807</u>
Excess (Deficiency) of Revenues Over Expenditures	(2,609,607)	(1,959,944)	(2,758,605)	(1,111,224)
Other Financing Sources				
Transfers in	265,000	265,000	-	250,000
Net Change in Fund Balance	(2,344,607)	(1,694,944)	(2,758,605)	(861,224)
FUND BALANCE - Beginning of Year	2,820,897	2,820,897	-	3,682,121
FUND BALANCE - End of Year	<u>\$ 476,290</u>	<u>\$ 1,125,953</u>	<u>\$ (2,758,605)</u>	<u>\$ 2,820,897</u>

See the accompanying Independent Auditors' Report.

TOWN OF BUENA VISTA, COLORADO

WATER FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND NET POSITION :
BUDGET AND ACTUAL

For the Year Ended December 31, 2014
 With Comparative Totals for the Year Ended December 31, 2013

	2014		VARIANCE	2013
	ORIGINAL & FINAL BUDGET	ACTUAL	POSITIVE (NEGATIVE)	ACTUAL
REVENUES				
Water sales	\$ 785,288	\$ 766,255	\$ (19,033)	\$ 759,463
Water meter sales	2,500	10,646	8,146	4,123
Finance charges	12,000	10,715	(1,285)	10,215
Investment income	1,772	1,903	131	2,073
System development fees	84,361	132,881	48,520	86,739
Other fees	800	600	(200)	600
Other revenues	580	5,100	4,520	545
TOTAL REVENUES	887,301	928,100	40,799	863,758
EXPENDITURES				
Salaries and benefits	282,624	276,287	6,337	279,510
Professional services	32,888	91,430	(58,542)	50,200
Meters, materials and freight	2,000	4,945	(2,945)	1,446
Insurance	10,524	8,446	2,078	9,589
Other general and administrative	27,315	33,001	(5,686)	35,168
Utilities	15,132	17,072	(1,940)	16,559
Repairs and maintenance	55,465	21,479	33,986	19,553
Plant and building operations	50,983	42,836	8,147	37,561
Capital outlay	155,000	-	155,000	3,127
Debt principal payments	71,723	71,723	-	71,723
Debt interest and fiscal charges	23,440	12,517	10,923	23,361
TOTAL EXPENDITURES	727,094	579,736	147,358	547,797
CHANGE IN NET POSITION- BUDGET BASIS	160,207	348,364	188,157	315,961
RECONCILIATION TO GAAP BASIS:				
Depreciation		(163,267)		(156,118)
Debt principal payments		71,723		71,723
Total GAAP basis adjustments		(91,544)		(84,395)
CHANGE IN NET POSITION- GAAP BASIS		\$ 256,820		\$ 231,566

See the accompanying Independent Auditors' Report.

TOWN OF BUENA VISTA, COLORADO

AIRPORT ENTERPRISE FUND STATEMENT
OF REVENUES, EXPENDITURES AND
CHANGES IN FUND NET POSITION - BUDGET
AND ACTUAL

For the Year Ended December 31, 2014
 With Comparative Totals for the Year Ended December 31, 2013

	2014			
	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)	<u>2013</u> ACTUAL
REVENUES				
Charges for services:				
Fuel sales	\$ 330,302	\$ 261,810	\$ (68,492)	\$ 312,391
Rental revenue	15,740	14,346	(1,394)	5,811
Other fees and sales	56,462	39,795	(16,667)	26,142
Grant revenue	1,165,132	145,326	(1,019,806)	40,592
Transfers	110,000	110,000	-	110,000
Other taxes	2,960	2,111	(849)	2,691
Interest income	418	611	193	560
TOTAL REVENUES	<u>1,681,014</u>	<u>573,999</u>	<u>(1,107,015)</u>	<u>498,187</u>
EXPENDITURES				
Fuel cost	267,877	219,969	47,908	259,429
Salaries and benefits	116,486	141,686	(25,200)	129,683
Professional services	5,000	4,150	850	5,121
Insurance	15,158	14,548	610	15,388
Other general and administrative	31,636	32,186	(550)	23,732
Utilities	15,942	22,011	(6,069)	14,904
Repairs and maintenance	13,200	8,601	4,599	15,211
Airport and weather station operations	13,269	7,041	6,228	19,526
Capital outlay	1,257,226	153,589	1,103,637	51,679
TOTAL EXPENDITURES	<u>1,735,794</u>	<u>603,781</u>	<u>1,132,013</u>	<u>534,673</u>
CHANGE IN NET POSITION- BUDGET BASIS	<u>\$ (54,780)</u>	(29,782)	<u>\$ (2,239,028)</u>	(36,486)
RECONCILIATION TO GAAP BASIS:				
Depreciation		(143,051)		(140,452)
Capitalized assets		143,048		47,427
Total GAAP basis adjustments		<u>(3)</u>		<u>(93,025)</u>
CHANGE IN NET POSITION - GAAP BASIS		<u>\$ (29,785)</u>		<u>\$ (129,511)</u>

See the accompanying Independent Auditors' Report.

STATE REQUIRED REPORT SECTION

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Buena Vista
		YEAR ENDING : December 2014
This Information From The Records Of The Town of Buena Vista	Prepared By: Phone:	Michael J. Hickman 719-395-8643 Ext 17

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)	1,976,159
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,442
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	6,410
2. General fund appropriations	603,727	b. Snow and ice removal	10,847
3. Other local imposts (from page 2)	365,516	c. Other	50,860
4. Miscellaneous local receipts (from page 2)	21,484	d. Total (a. through c.)	68,117
5. Transfers from toll facilities		4. General administration & miscellaneous	43,221
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	64,102
a. Bonds - Original Issues		6. Total (1 through 5)	2,156,041
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	86,375
7. Total (1 through 6)	990,727	b. Redemption	90,000
B. Private Contributions		c. Total (a. + b.)	176,375
C. Receipts from State government (from page 2)	135,247	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	1,125,974	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	176,375
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	2,332,416

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	2,910,000		90,000	2,820,000
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
	2,413,896	1,125,974	2,332,416	1,207,454	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2014

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	20,344
1. Sales Taxes	327,122	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	38,394	g. Other Misc. Receipts	
6. Total (1. through 5.)	365,516	h. Other	1,140
c. Total (a. + b.)	365,516	i. Total (a. through h.)	21,484
	(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	118,034	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	12,632	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) Co. Road & Bridge	4,581	f. Other Federal	
f. Total (a. through e.)	17,213	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	135,247	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		1,976,159	1,976,159
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	1,976,159	1,976,159
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,976,159	1,976,159
			(Carry forward to page 1)

Notes and Comments: