

**Town of Buena Vista, Colorado**

**Financial Statements**  
with Independent Auditor's Report

**December 31, 2021**



**HINKLE &  
COMPANY**  
*Strategic* <sup>PC</sup>  
*Business Advisors*

# Town of Buena Vista, Colorado

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Business Advisors

## Independent Auditor's Report

Honorable Mayor and Members of the Board of Trustees  
Town of Buena Vista, Colorado  
Buena Vista, Colorado

### Report on the Audit of the Financial Statements

#### **Opinions**

We have audited the accompanying financial statements of the business-type activities and each major fund of the Town of Buena Vista, Colorado (the Town) as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and each major fund of the Town as of December 31, 2021, and the respective changes in financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

The Town's 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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***Auditor's Responsibilities for the Audit of the Financial Statements***

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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



**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the 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.

The Town has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

**Other Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The supplementary information and the local highway finance report listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Hick & Company, PC*

Englewood, Colorado  
July 26, 2022



**Town of Buena Vista, Colorado**  
Managements Discussion and Analysis  
December 31, 2021

Management's discussion and analysis (MD&A) highlights 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 at the end of 2021 increased by \$1,500,765, which is attributable to:
  - In the General Fund; 2021 Sales Tax receipts increased by \$826,608 over 2020 (18.17%).
  - Also, in the General Fund; The sale of the Fire department equipment and trucks yielded \$105,000 additional revenue.
  - In the All Hazard Response Fund: Netted an additional \$357,957 in revenue.
  - In the Water Fund; recorded an increase of \$25,811 in service fees but showed a decrease in system development fees of -\$170,493.
  
- Total assets on the Statement of Net Position were \$30,257,441 at the end of 2021, an increase of \$2,208,027 or 7.3% increase in Assets over 2020 due to:
  - The purchase of the Dryfield Ditch Farm in the Water Fund
  - The outstanding receivable accrued for All Hazard Fund Revenues earned in November and December 2021
  
- Total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$25,001,197 of which \$18,717,472 is attributed to fixed assets.
  
- Unrestricted net position of \$8,728,944 as of December 31, 2021, was available to meet the Town's future obligations to citizens, employees and creditors:
  - For government activities unrestricted net position was \$4,342,277, an increase of \$1,455,425 (50.42%). The increase is attributable to an increase of Sales Tax of \$826,608 over 2020 and an increase of Capital and Operating Grants of \$1,627,913.
  - For business-type activities unrestricted net position was \$4,386,667 an decrease of \$-788,633 (15.24%) due to a increase in Capital Assets of \$1,216,814.
  
- On December 31, 2021, total liabilities, deferred inflows of resources and fund balance and for governmental activities was \$7,479,318 of which:
  - \$365,658 was held in the Conservation Trust Fund.
  - \$357,615 was held in the Capital Improvement Fund.
  - \$928,057 was held in the Street Fund.
  - \$5,233,247 was held in the General Fund.
  - The total increase during 2021 was \$3,225,545 (75.83%). The government 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).

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- The total cash and investments balance on December 31, 2021 was \$9,454,335 of which \$8,728,944 was unrestricted. Of the unrestricted amount, \$4,342,277 was available for general government activities and \$4,386,667 was held in funds for business-type activities. Funds designated by the Board of Trustees for specific uses, (such as the 27% emergency reserves) are included in unrestricted cash and investments.
- Cash and investments increased \$1,616,633 in 2021 due to the increase in Sales Taxes, cash infusion from the ARPA relief bill, and projects being deferred due to the struggling capacity of contractors who have found it challenging to fill job openings. During 2021, the required debt service and loan covenant restricted fund balance was \$358,343, of which \$180,868 is attributable to payment on the 2018 CWRPDA loan associated with the Water Fund and \$177,475 was used to service the bonds issued in the Street Fund with \$72,475 allocated to interest payment and \$105,000 used to retire bonds.
- Within the business-type activities of the Town.
  - Unrestricted funds available for water operations decreased in 2021 by - \$788,202.
  - Unrestricted funds for the airport operations increased in 2021 by -\$65,434 due to international COVID restrictions preventing global companies from traveling for testing.
  - The Storm Water Fund showed an increase of \$65,003 in unrestricted fund balance.

**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 are 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 similar manner to a private-sector business. Government-wide financial statements combine information for all the Town's funds to reflect the entire financial picture. The government-wide financial statements consist of the *Statement of Net Position* and the *Statement of Activities*.



**Town of Buena Vista, Colorado**  
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The *Statement of Net Position* presents the Town's assets, liabilities, and deferred inflows of resources, with the difference between assets and liabilities plus deferred inflows of resources 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 government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*government 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 plant, airport and storm water management.

The government-wide financial statements can be found on pages 4-5 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. Town's funds can be divided into two categories: governmental 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 *government activities* in the government-wide financial statements. However, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and 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, comparing the information presented for government funds with similar information presented for government activities in the government-wide financial statements is useful. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. 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 four governmental funds, the General Fund, Capital Improvement Fund, the Street Fund and the Conservation Trust Fund, for which information is presented separately.

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The basic governmental fund financial statements can be found on pages 6-9.

- **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. Additionally, the Town maintains a special revenue fund for storm water management.

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, storm water and airport operations, which are the major funds of the Town of Buena Vista.

The basic proprietary fund financial statements can be found on pages 10-12 of the report.

**Notes to the financial statements.** The notes provide additional information essential to a complete understanding of the data provided in the government-wide and fund financial statements.

The notes to the financial statements can be found on pages 13-41 of this report.

**Supplementary information.** In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information. This report includes 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 42-45 and pages 47-50 of this report. Pension analysis worksheets and narrative are on 33-38 and the Local Highway Finance Report is included on page 58.

### **Financial Analysis – Government-wide Financial Statements**

This discussion of government-wide financial statements focuses primarily on the key indicator, net position, and the activities that generate increases or decreases in this measurement. The Town's assets exceeded liabilities and deferred outflows of resources by \$25,001,197 at December 31, 2021 which is an increase of \$1,500,764 over the 2020 close.

**Town of Buena Vista, Colorado**  
**Managements Discussion and Analysis**  
**December 31, 2021**

**Statement of Net Position.** As of December 31, 2021, 51.55% of the Town's total net position is held in governmental activities and 48.45% in business-type activities, including the Water Enterprise, the Storm Water Enterprise and the Airport Enterprise funds. The largest portion of the Town's net position (60.%) reflects the investment of \$15,025,828 in capital assets such as 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 Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
	2021	2021	2021	2020	2020	2020
<b>ASSETS</b>						
Current Assets	\$ 6,830,197	\$ 4,709,772	\$ 11,539,969	\$ 4,408,815	\$ 5,534,484	\$ 9,943,299
Capital Assets	7,930,231	10,787,241	18,717,472	8,535,688	9,570,427	18,106,115
<b>Total Assets</b>	<b>14,760,428</b>	<b>15,497,013</b>	<b>30,257,441</b>	<b>12,944,503</b>	<b>15,104,911</b>	<b>28,049,414</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Deferred outflows due to pensions	365,674	-	365,674	445,199	-	445,199
<b>LIABILITIES</b>						
Current Liabilities	1,138,691	165,176	1,303,867	3,059,285	271,029	3,330,314
Noncurrent Liabilities	2,434,760	1,195,600	3,630,360	-	1,191,273	1,191,273
<b>Total Liabilities</b>	<b>3,573,451</b>	<b>1,360,776</b>	<b>4,934,227</b>	<b>3,059,285</b>	<b>1,462,302</b>	<b>4,521,587</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
RESOURCES	687,691	-	687,691	472,594	-	472,594
<b>NET POSITION</b>						
Net Investment in Capital Assets	5,457,126	9,568,702	15,025,828	6,295,688	8,286,442	14,582,130
Restricted	1,065,557	180,868	1,246,425	675,283	180,868	856,151
Unrestricted	4,342,277	4,386,667	8,728,944	2,886,852	5,175,300	8,062,152
<b>Total Net Position</b>	<b>10,864,960</b>	<b>14,136,237</b>	<b>25,001,197</b>	<b>9,857,823</b>	<b>13,642,610</b>	<b>23,500,433</b>

Of the Town's total net position, \$358,343 (1.43%) is restricted for debt service, \$150,000 (.6%) is restricted for emergencies (TABOR Reserve) and \$738,082 (2.95%) is restricted in compliance with the Street Bond covenants. The remaining \$8,728,944 (34.91%) is unrestricted net position available to meet the Town's ongoing obligations to the public and creditors. Of the unrestricted net position, \$4,342,277 (49.75%) was held by Governmental Activities, and \$4,386,667 (50.25%) was held by Business-Type Activities.

**Town of Buena Vista, Colorado**  
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**Statement of Activities.** As the following table illustrates, the Town's total net position increased \$1,500,765 during 2021. By fund type, governmental activities net position increased by \$1,007,137 and business-type activities generated an increase in net position of \$493,628.

CONDENSED STATEMENT OF ACTIVITIES

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
<b>Revenues</b>						
Program revenues:						
Charges for services	349,907	248,342	1,596,601	1,469,738	1,946,508	1,718,080
Operating grants & contributions	2,802,405	1,174,492	736,939	834,668	3,539,344	2,009,160
Capital grants & Contributions	-	3,000	-	40,360	-	43,360
	-	-	-	-	-	-
General revenues:						
Property taxes	462,675	441,203	-	-	462,675	441,203
Sales taxes	5,374,971	4,548,363	-	-	5,374,971	4,548,363
Other taxes	416,401	274,426	-	6,166	416,401	280,592
Investment and other revenue	(549,089)	66,278	10,846	64,072	(538,243)	130,350
<b>Total Revenue</b>	<b>8,857,270</b>	<b>6,756,104</b>	<b>2,344,386</b>	<b>2,415,004</b>	<b>11,201,656</b>	<b>9,171,108</b>
<b>Expenses</b>						
General Government	1,786,475	1,752,432	-	-	1,786,475	1,752,432
Public safety	3,824,105	2,629,778	-	-	3,824,105	2,629,778
Community services	471,016	405,592	-	-	471,016	405,592
Public works	793,963	857,566	-	-	793,963	857,566
Culture and recreation	951,455	764,015	-	-	951,455	764,015
Interest on Long-term Debt	71,277	-	-	-	71,277	-
Water	-	-	1,017,707	954,008	1,017,707	954,008
Airport	-	-	864,376	723,470	864,376	723,470
Storm water	-	-	3,675	33,992	3,675	33,992
<b>Total Expenses</b>	<b>7,898,291</b>	<b>6,409,383</b>	<b>1,885,758</b>	<b>1,711,470</b>	<b>9,784,049</b>	<b>8,120,853</b>
Changes in net position normal operations	958,979	346,721	458,628	703,534	1,417,607	1,050,255
Non-Operational changes:						
Increase/(decrease)	(35,000)	(97,000)	35,000	97,000	-	-
<b>Change in Net Position</b>	<b>923,979</b>	<b>249,721</b>	<b>493,628</b>	<b>800,534</b>	<b>1,417,607</b>	<b>1,050,255</b>
<i>Originally Stated</i> Net Position, Beginning	9,857,823	9,608,102	13,642,609	12,842,075	23,500,432	22,450,177
Restatement	83,158	-	-	-	83,158	-
	9,940,981	-	13,642,609	-	23,583,590	-
<b>Net Position, Ending</b>	<b>10,864,960</b>	<b>9,857,823</b>	<b>14,136,237</b>	<b>13,642,609</b>	<b>25,001,197</b>	<b>23,500,432</b>

**Governmental activities.** Financing for governmental activities was primarily from Town and County sales tax revenues, which provided 60.68% of general fund revenue in 2021. Additionally, Property taxes provided 5.22% of general fund revenue. In 2021 Operating Grants and Contributions provided 31.63% of General Fund revenue. No other income sources provided 10% or more of total General Fund.

Key elements of the \$923,979 increase in net position for governmental activities during 2021 and a comparison to 2020 follows:

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- Total sales tax receipts increased \$826,608 (18.17%) over 2020. Town sales tax totaled \$3,956,767 (including the .5% dedicated to the street fund) and the allocation from Chaffee County tax totaled \$1,742,580 which represents an increase of 28.42% and 24.32%, respectively, compared to 2020. 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) increased \$101,565 (40.90%) compared to 2020.

*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 system development fees).

Key elements of the \$493,628 increase in net position for business-type activities during 2021 compared to 2020 are as follows:

- Charges for Water services increased \$198,804 (18.44%) due to the hot, dry summer and an early end to the monsoon season.
- Fuel sales and rental revenue at the Airport increased \$115,365 (40.79%) because transient aircraft traffic increased as well as the Army's requirement for high-altitude hours for pilots.
- Capital revenue in the Water Fund increased \$82,674 (18.80%) due to new building activity starting to increase after the pandemic.
- Excluding transfers between funds, total expenses in Business Type Funds totaled \$1,873,081, increasing by \$185,027 (10.96%), reflecting the increase in revenue in the Water Fund and Airport Funds.

### **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 the 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, the Streets Fund, the All Hazard Response Fund and the Capital Improvement Fund.

As of December 31, 2021, the Town of Buena Vista's combined governmental funds reported an ending fund balance of \$5,275,367 an increase of \$2,217,601 compared to December 31, 2020. The unassigned fund balance, which is available for spending at the Town's discretion, was \$3,797,944, representing 71.99% of the total Governmental funds' equity. The balance sheet reflects the categorization of fund balance in accordance with GASB 54.

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The General Fund is the Town's primary operating fund. All activities 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 2021 General Fund revenues exceeded expenditures by \$1,927,303. This resulted from higher-than-expected sales tax collections and lower-than-planned expenditures.

The Conservation Trust Fund (CTF) increased the fund balance by \$32,701 due to a reduction in planned expenditures for parks and trails in 2021. The CTF receives money from lottery proceeds distributed by the state to local governments based on population. The Fund Balance as of December 31, 2021 was \$50,188.

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

Total unrestricted net position as of December 31, 2021 was \$4,386,667, a decrease of - \$788,633 (-15.24%) over December 31, 2020.

The investment in capital assets net of depreciation increased by \$1,282,260 (15.47%), corresponding to the decrease in unrestricted net position, reflecting the purchase of the Dryfield Ditch property in 2021. These capital investments help ensure service for residents and generate future revenues for the water fund.

### **Budgetary Highlights**

The budget comparison schedules are shown on Pages 49-52 and 59-63, which compare the final 2021 budget and actual expenditures. 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. Sales tax collections for 2021 exceeded 2020 by 10% or more in all twelve months. Revenue from sales tax was budgeted to be 3.5% higher than in 2020. Actual collections of the town sales tax grew by 26.06% in 2021.

Buena Vista's share of the county-wide sales tax was \$1,742,580 in 2021, representing 24.32% growth over 2020.

**Capital Improvement Fund.** Total actual expenditures for vehicles, equipment, street improvements, Buildings, Land, Infrastructures and park improvements in 2021 totaled \$540,087, which underspent the final budget by \$923,157.

**Water Enterprise Fund.** In 2021 revenue was realized in the amount of \$1,788,706, which exceeded the final budget by \$105,756.

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December 31, 2021

**Airport Enterprise Fund.** In 2021 the airport revenue was \$419,480, which underperformed the budget by \$102,205.

**Capital Assets.** Town's investment in capital assets for governmental activities as of December 31, 2021, totaled \$7,930,231 net of accumulated depreciation and investment in capital assets for business-type activities as \$10,787,241 net of accumulated depreciation.

**Long-term Debt**

In the business-type activities, the long-term debt was \$1,218,539 at a rate of 1% at December 31, 2021 payable to the Colorado Water Resources and Power Development Authority (CWRPDA), which will be fully retired in November 2038.

In the Governmental activities a bond was obtained in 2012 including expenses in the amount of \$3,029,955. The remaining balance on this long-term bond debt was \$2,135,000 as of December 31, 2021, and is serviced by Wells Fargo.

The lease/purchase on the current police station has been restated to be a capital lease, and thus, a prior period adjustment has been included in the Financial Statements to account for this change.

**Economic Factors and Financial Outlook**

**2023 Budget.** As the Town moves into the 2023 budget cycle, the economic outlook is uncertain due to the high inflation rate and the Federal Reserve's efforts to control it by raising interest rates. Staff will budget conservatively. Tourism seems to be holding steady, with any increases over 2022 slowing.

Despite inflation on the rise in 2022, sales tax will likely continue to grow but at a reduced rate. No substantial decreases in sales tax is expected unless inflation continues to increase or the recession lasts for an extended period of time.

Some of the key budget considerations are outlined below:

- Staffing – an increase in staff levels in Recreation and Public Works departments to keep up with growing population and visitation.
- Employee health insurance – likely to show a 6%-7% increase.
- Sales tax revenue – revenue forecast is expected to remain substantially the same due to the economy slowing, inflation and the global political impacts.
- Water rates – A water rate study was completed, and rate increases were implemented in 2022.

Total fund balances showed surprising growth in 2021 and are continuing along a slower trajectory in 2022. Expectations for some growth during 2023 are not unreasonable.

**Town of Buena Vista, Colorado**  
Managements Discussion and Analysis  
December 31, 2021

The Town has debt in the street fund. Debt service obligations will be \$105,000 of principal and \$67,225 of interest in 2023.

2023 budget appropriations are expected to increase based on the extent and length of the rebound in the economy

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

The Fed has begun increasing interest rates in response to the pickup of inflation. The economy is somewhat unpredictable, and there are still rolling shortages of goods. The recent increase in fuel prices remains a concern, and the increased demand on housing inventory resulting in a severe shortage in affordable housing has seemed to slow but will remain an issue for Buena Vista. This shortage has had a negative impact on the state prison, and tourist-related businesses as new employees are frequently commuting from other communities which have more affordable housing available. The Town is looking at potential solutions to the housing issue. New business starts and restarts have slightly increased in response to recovering tourism.

While remote sales tax revenues have held steady, the local sales tax revenues have shown an increase reflecting the tourism rebound

During the next calendar year, major fiscal sustainability efforts will be underway. Issues to be addressed include cost inflation for employee healthcare, fuel, asphalt, natural gas and electricity, the uncertainty of tourism and how business models will have to change to attract visitors and finding a way to diversify Town revenue sources.

Town leaders are focused on defining the role of local government in our community and balancing limited resources with requests for additional services. In addition, decreases to government funding have had a deeper impact on the local economy. The Town plans to continue increasing capital spending on the new Police Station, the Water Plant, roads, and other public infrastructure.

**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 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.



## **Basic Financial Statements**

**Town of Buena Vista, Colorado**  
Statement of Net Position  
December 31, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and cash equivalents	\$ 2,379,512	\$ 469,198	\$ 2,848,710
Cash and cash equivalents - restricted	177,475	180,868	358,343
Investments	2,435,663	3,811,619	6,247,282
Grants receivable	8,701	20,000	28,701
Accounts Receivable	689,372	108,053	797,425
Taxes Receivable	558,967	-	558,967
Property Taxes Receivable	499,316	-	499,316
Prepaid Expenses	38,233	-	38,233
Net pension asset	42,958	-	42,958
Inventories, net	-	120,034	120,034
Capital Assets, <i>not being depreciated</i>	1,812,289	2,168,103	3,980,392
Capital Assets, <i>net of accumulated depreciation</i>	6,117,942	8,619,138	14,737,080
 Total Assets	 <u>14,760,428</u>	 <u>15,497,013</u>	 <u>30,257,441</u>
<b>Deferred Outflows of Resources</b>			
Deferred outflows due to pensions	365,674	-	365,674
<b>Liabilities</b>			
Accounts Payable	778,175	85,741	863,916
Accrued Payroll Liabilities	2,313	1,080	3,393
Deposits/Escrow accounts	192,641	1,000	193,641
Unearned Revenue	23,656	-	23,656
Accrued Expenses	15,771	11,253	27,024
Notes payable - due within one year	126,135	66,102	192,237
Notes payable - due in more than one year	2,434,760	1,195,600	3,630,360
 Total Liabilities	 <u>3,573,451</u>	 <u>1,360,776</u>	 <u>4,934,227</u>
<b>Deferred Inflows of Resources</b>			
Deferred inflows due to pensions	188,375	-	188,375
Unavailable revenue - property taxes	499,316	-	499,316
 Total Deferred inflows of resources	 <u>687,691</u>	 <u>-</u>	 <u>687,691</u>
<b>Net Position</b>			
Net Investment in Capital Assets	5,457,126	9,568,702	15,025,828
Restricted for:			
Emergencies (TABOR)	150,000	-	150,000
Debt Service	177,475	180,868	358,343
Streets Improvements	738,082	-	738,082
Unrestricted, unreserved	4,342,277	4,386,667	8,728,944
 Total Net Position	 <u>\$ 10,864,960</u>	 <u>\$ 14,136,237</u>	 <u>\$ 25,001,197</u>

See Notes to the Financial Statements.

# Town of Buena Vista, Colorado

## Statement of Activities

For the Year Ended December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Primary Government		
				Governmental Activities	Business-Type Activities	Total
<b>Primary Government</b>						
<b>Governmental Activities</b>						
General Government	\$ 1,786,475	\$ 32,063	\$ 612,884	\$ (1,141,528)	\$ -	\$ (1,141,528)
Public Safety	3,824,105	-	2,189,521	(1,634,584)	-	(1,634,584)
Public Works	793,963	5,658	-	(788,305)	-	(788,305)
Community Services	471,016	148,998	-	(322,018)	-	(322,018)
Culture and Recreation	951,455	163,188	-	(788,267)	-	(788,267)
Interest on Long-term Debt	71,277	-	-	(71,277)	-	(71,277)
<b>Total Governmental Activities</b>	<b>7,898,291</b>	<b>349,907</b>	<b>2,802,405</b>	<b>(4,745,979)</b>	<b>-</b>	<b>(4,745,979)</b>
<b>Business-Type Activities</b>						
Water Operations	1,017,707	1,124,702	674,417	-	781,412	781,412
Airport Operations	864,376	398,221	62,522	-	(403,633)	(403,633)
Storm Water	3,675	73,678	-	-	70,003	70,003
<b>Total Business-Type Activities</b>	<b>1,885,758</b>	<b>1,596,601</b>	<b>736,939</b>	<b>-</b>	<b>447,782</b>	<b>447,782</b>
<b>Total Primary Government</b>	<b>\$ 9,784,049</b>	<b>\$ 1,946,508</b>	<b>\$ 3,539,344</b>	<b>\$ (4,745,979)</b>	<b>\$ 447,782</b>	<b>\$ (4,298,197)</b>
<b>General Revenues</b>						
<b>Taxes</b>						
Property				462,675	-	462,675
Specific ownership				58,585	-	58,585
General sales				5,374,971	-	5,374,971
Franchise				87,125	-	87,125
Other				270,691	-	270,691
Investment income				11,036	(36,670)	(25,634)
Misc				(560,125)	47,516	(512,609)
<b>Transfers</b>				(35,000)	35,000	-
<b>Total General Revenues and Transfers</b>				<b>5,669,958</b>	<b>45,846</b>	<b>5,715,804</b>
<b>Change in Net Position</b>				<b>923,979</b>	<b>493,628</b>	<b>1,417,607</b>
<b>Net Position, Beginning of year</b>				<b>9,857,823</b>	<b>13,642,609</b>	<b>23,500,432</b>
<i>As originally stated</i>						
Restatement				83,158	-	83,158
<b>Net position, Beginning of year, as restated</b>				<b>9,940,981</b>	<b>13,642,609</b>	<b>23,583,590</b>
<b>Net Position, End of year</b>				<b>\$ 10,864,960</b>	<b>\$ 14,136,237</b>	<b>\$ 25,001,197</b>

**Town of Buena Vista, Colorado**  
 Balance Sheet  
 Governmental Funds  
 December 31, 2021

	Major Funds				Non-Major Fund	Total
	General	Capital Improvement	Conservation Trust	Street	All Hazard Response	
<b>Assets</b>						
Cash and cash equivalents						
Unrestricted	\$ 1,638,467	\$ -	\$ -	\$ 146,286	\$ 594,759	\$ 2,379,512
Restricted	-	-	-	177,475	-	177,475
Investments	1,268,760	332,959	365,658	468,286	-	2,435,663
Accounts receivable	664,716	24,656	-	-	-	689,372
Taxes receivable	443,326	-	-	115,641	-	558,967
Property taxes receivable	499,316	-	-	-	-	499,316
Grants receivable	8,701	-	-	-	-	8,701
Due to Other Funds	692,079	-	-	-	-	692,079
Prepaid expenses	17,882	-	-	20,369	(18)	38,233
<b>Total Assets</b>	<b>\$ 5,233,247</b>	<b>\$ 357,615</b>	<b>\$ 365,658</b>	<b>\$ 928,057</b>	<b>\$ 594,741</b>	<b>\$ 7,479,318</b>
<b>Liabilities</b>						
Accounts Payable	\$ 567,574	\$ 209,007	\$ -	\$ -	\$ 1,594	\$ 778,175
Accrued Expenses	9,279	-	-	-	3,468	12,747
Accrued payroll	5,337	-	-	-	-	5,337
Due to Other Funds	0	376,609	315,470	-	-	692,079
Developer deposits - refundable	192,641	-	-	-	-	192,641
Unearned Revenue	23,656	-	-	-	-	23,656
<b>Total Liabilities</b>	<b>798,487</b>	<b>585,616</b>	<b>315,470</b>	<b>-</b>	<b>5,062</b>	<b>1,704,635</b>
<b>Deferred Inflows of Resources</b>						
Property Taxes	499,316	-	-	-	-	499,316
<b>Fund Balance</b>						
Restricted for:						
Emergencies (TABOR)	137,500	-	-	12,500	-	150,000
Debt Service	-	-	-	177,475	-	177,475
Street Improvements	-	-	-	738,082	-	738,082
Committed	-	-	50,188	-	589,679	639,867
Assigned	-	(228,001)	-	-	-	(228,001)
Unassigned	3,797,944	-	-	-	-	3,797,944
<b>Total Fund Balance</b>	<b>3,935,444</b>	<b>(228,001)</b>	<b>50,188</b>	<b>928,057</b>	<b>589,679</b>	<b>5,275,367</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balance</b>	<b>\$ 5,233,247</b>	<b>\$ 357,615</b>	<b>\$ 365,658</b>	<b>\$ 928,057</b>	<b>\$ 594,741</b>	<b>\$ 7,479,318</b>

**Town of Buena Vista, Colorado**  
 Reconciliation of Balance Sheet of the Governmental Funds  
 to the Statement of Net Position  
 December 31, 2021

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

Total Fund Balance of Governmental Funds	\$ 5,275,367
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	7,930,231
Pension assets and deferred outflows are not current, therefore, are not reported in governmental funds:	
Net Pension Asset (Liability)	42,958
Deferred Outflows, Pensions	365,674
Deferred Inflows, Pensions	(188,375)
Long-term liabilities and related items are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Bonds Payable	(2,135,000)
Premium on bond payable	(19,171)
Capital leases payable	(318,934)
Accrued compensated absences	<u>(87,790)</u>
Total Net Position of Governmental Activities	<u>\$ 10,864,960</u>

**Town of Buena Vista, Colorado**  
**Statement of Revenues, Expenditures and Changes in Fund Balance**  
**Governmental Funds**  
**For the Year Ended December 31, 2021**

	Major Funds				Non-Major Fund	Total
	General	Capital Improvement	Conservation Trust	Streets	All Hazard Response	
<b>Revenues</b>						
Taxes	\$ 5,177,644	\$ -	\$ -	\$ 805,712	\$ -	\$ 5,983,356
Licenses and Permits	180,749	-	-	-	-	180,749
Intergovernmental	801,353	-	52,545	-	-	853,898
Charges for Services	130,013	-	-	-	2,189,521	2,319,534
Fines and Forfeitures	68,822	-	-	-	-	68,822
Investment Income	10,495	159	156	226	-	11,036
Contributions and donations	-	-	-	-	-	-
Gain on Sale of Assets	105,000	-	-	-	-	105,000
Miscellaneous	39,250	19,000	-	18,035	125	76,410
<b>Total Revenues</b>	<u>6,513,326</u>	<u>19,159</u>	<u>52,701</u>	<u>823,973</u>	<u>2,189,646</u>	<u>9,598,805</u>
<b>Expenditures</b>						
Current						
General Government	1,221,500	112,076	-	-	-	1,333,576
Public Safety	1,679,756	94,583	-	-	1,815,695	3,590,034
Public Works	538,908	214,327	-	226,924	-	980,159
Community Services	463,087	7,929	-	-	-	471,016
Culture and Recreation	682,772	111,172	-	-	-	793,944
Debt Service						
Principal Payments	-	-	-	105,000	-	105,000
Interest Payments	-	-	-	72,475	-	72,475
<b>Total Expenditures</b>	<u>4,586,023</u>	<u>540,087</u>	<u>-</u>	<u>404,399</u>	<u>1,815,695</u>	<u>7,346,204</u>
<b>Excess Revenues Over (Under) Expenditures</b>	<u>1,927,303</u>	<u>(520,928)</u>	<u>52,701</u>	<u>419,574</u>	<u>373,951</u>	<u>2,252,601</u>
<b>Other Financing Sources (Uses)</b>						
Transfers In	-	325,718	-	5,000	-	330,718
Transfers Out	(329,566)	-	(20,000)	-	(16,152)	(365,718)
Other Financing Sources (Uses)	<u>(329,566)</u>	<u>325,718</u>	<u>(20,000)</u>	<u>5,000</u>	<u>(16,152)</u>	<u>(35,000)</u>
<b>Net Change in Fund Balance</b>	<u>1,597,737</u>	<u>(195,210)</u>	<u>32,701</u>	<u>424,574</u>	<u>357,799</u>	<u>2,217,601</u>
<b>Fund Balance, Beginning of year As originally stated</b>	2,569,587	(32,791)	17,487	503,483	-	3,057,766
Restatement	(231,880)	-	-	-	231,880	-
<b>Fund Balance, Beginning of year As restated</b>	<u>2,337,707</u>	<u>(32,791)</u>	<u>17,487</u>	<u>503,483</u>	<u>231,880</u>	<u>3,057,766</u>
<b>Fund Balance, End of year</b>	<u>\$ 3,935,444</u>	<u>\$ (228,001)</u>	<u>\$ 50,188</u>	<u>\$ 928,057</u>	<u>\$ 589,679</u>	<u>\$ 5,275,367</u>

See Notes to the Financial Statements.

**Town of Buena Vista, Colorado**  
 Reconciliation of the Statement of Revenues, Expenditures and Changes in  
 Fund Balance of Governmental Funds to the Statement of Activities  
 For the Year Ended December 31, 2021

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

Net Change in Fund Balance of Governmental Funds	\$ 2,217,601
<p>Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.</p>	
Capital outlays	483,342
Depreciation expense	(769,665)
Loss on disposal of assets	(741,535)
<p>FPPA Pension liabilities reported in governmental funds as expenditures when contributions are made. However, for governmental activities those costs are reflected as liabilities when incurred.</p>	
	(371,951)
<p>Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.</p>	
Principal payments on bonds payable	105,000
Amortization of premium on bonds payable	1,198
Principal payments on capital leases	20,308
Change in accrued compensated absences	<u>(20,319)</u>
Change in Net Position of Governmental Activities	<u>\$ 923,979</u>

**Town of Buena Vista, Colorado**  
Statement of Net Position  
Proprietary Fund  
December 31, 2021

<b>Assets</b>	Water	Airport	Storm Water	Total
<i>Current Assets</i>				
Cash and Investments	\$ 184,664	\$ -	\$ 284,534	\$ 469,198
Restricted Cash and investments	180,868	-	-	180,868
Investments	3,811,619	-	-	3,811,619
Accounts Receivable	98,212	2,565	7,276	108,053
Grants Receivable	-	20,000	-	20,000
From From Other Fund	20,721	-	-	20,721
Inventory	61,274	58,760	-	120,034
<b>Total Current Assets</b>	<b>4,357,358</b>	<b>81,325</b>	<b>291,810</b>	<b>4,730,493</b>
<i>Noncurrent Assets</i>				
Capital Assets, <i>Not being depreciated</i>	1,405,144	762,959	-	2,168,103
Capital Assets, <i>Net of accumulated depreciation</i>	6,380,056	2,239,082	-	8,619,138
<b>Total Noncurrent Assets</b>	<b>7,785,200</b>	<b>3,002,041</b>	<b>-</b>	<b>10,787,241</b>
<b>Total Assets</b>	<b>12,142,558</b>	<b>3,083,366</b>	<b>291,810</b>	<b>15,517,734</b>
<b>Liabilities</b>				
<i>Current Liabilities</i>				
Accounts Payable	62,018	23,723	-	85,741
Due to Other Fund	-	20,721	-	20,721
Accrued Liabilities	12,017	316	-	12,333
Current Portion of Noncurrent Liabilities				
Leases payable	66,102	-	-	66,102
<b>Total Current Liabilities</b>	<b>140,137</b>	<b>44,760</b>	<b>-</b>	<b>184,897</b>
<i>Noncurrent Liabilities</i>				
Deposits	1,000	-	-	1,000
Accrued Compensated Absences	37,995	5,168	-	43,163
Leases payable	1,152,437	-	-	1,152,437
<b>Total Noncurrent Liabilities</b>	<b>1,191,432</b>	<b>5,168</b>	<b>-</b>	<b>1,196,600</b>
<b>Total Liabilities</b>	<b>1,331,569</b>	<b>49,928</b>	<b>-</b>	<b>1,381,497</b>
<b>Net Position</b>				
Net Investment in Capital Assets	6,566,661	3,002,041	-	9,568,702
Restricted for Debt Service	180,868	-	-	180,868
Unrestricted	4,063,460	31,397	291,810	4,386,667
<b>Total Net Position</b>	<b>\$ 10,810,989</b>	<b>\$ 3,033,438</b>	<b>\$ 291,810</b>	<b>\$ 14,136,237</b>

See Notes to the Financial Statements.



**Town of Buena Vista, Colorado**  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Fund  
For the Year Ended December 31, 2021

	<u>Water</u>	<u>Airport</u>	<u>Storm Water</u>	<u>Total</u>
<b>Operating Revenues</b>				
Charges for Services	\$ 1,276,702	\$ 398,221	\$ 73,678	\$ 1,748,601
Miscellaneous	23,735	21,259	-	44,994
<b>Total Operating Revenues</b>	<u>1,300,437</u>	<u>419,480</u>	<u>73,678</u>	<u>1,793,595</u>
<b>Operating Expenses</b>				
Administration and General	664,931	587,436	3,675	1,256,042
Operations and Maintenance	88,331	-	-	88,331
Dryfield Ditch Farm	20,652	-	-	20,652
Depreciation	231,116	276,940	-	508,056
<b>Total Operating Expenses</b>	<u>1,005,030</u>	<u>864,376</u>	<u>3,675</u>	<u>1,873,081</u>
<b>Net Operating Income</b>	<u>295,407</u>	<u>(444,896)</u>	<u>70,003</u>	<u>(79,486)</u>
<b>Non-Operating Revenues (Expenses)</b>				
Grant Revenue	-	37,522	-	37,522
Donations	2,522	25,000	-	27,522
Interest Income	(36,670)	-	-	(36,670)
Interest Expense	(12,677)	-	-	(12,677)
<b>Net Income (Loss) Before Contributed Capital</b>	<u>248,582</u>	<u>(382,374)</u>	<u>70,003</u>	<u>(63,789)</u>
<b>Contributed Capital and Transfers</b>				
System Development Fees	522,417	-	-	522,417
Transfers In	-	40,000	-	40,000
Transfers Out	-	-	(5,000)	(5,000)
<b>Total Capital Contributions and Transfers</b>	<u>522,417</u>	<u>40,000</u>	<u>(5,000)</u>	<u>557,417</u>
<b>Change in Net Position</b>	770,999	(342,374)	65,003	493,628
<b>Net Position, Beginning of year</b>	<u>10,039,990</u>	<u>3,375,812</u>	<u>226,807</u>	<u>13,642,609</u>
<b>Net Position, End of year</b>	<u>\$ 10,810,989</u>	<u>\$ 3,033,438</u>	<u>\$ 291,810</u>	<u>\$ 14,136,237</u>

**Town of Buena Vista, Colorado**  
Statement of Cash Flows  
Proprietary Fund  
For the Year Ended December 31, 2021

	Water	Airport	Storm Water	Total
<b>Cash Flows From Operating Activities</b>				
Cash Received from Customers	\$ 1,276,702	\$ 398,221	\$ 72,995	\$ 1,747,918
Cash Received from Others	2,679	21,259	-	23,938
Cash Paid to Suppliers	(458,712)	(262,791)	(3,675)	(725,178)
Cash Paid to Employees	<u>(321,285)</u>	<u>(178,713)</u>	<u>-</u>	<u>(499,998)</u>
Net Cash Provided by Operating Activities	<u>499,384</u>	<u>(22,024)</u>	<u>69,320</u>	<u>546,680</u>
<b>Cash Flows From NonCapital Financing Activities</b>				
Grants Received	2,522	25,000	-	27,522
Donations Received	-	37,522	-	37,522
Transfer to Other Funds	<u>80,498</u>	<u>(40,498)</u>	<u>(5,000)</u>	<u>35,000</u>
Net Cash Provided by Noncapital Financing Activities	<u>83,020</u>	<u>22,024</u>	<u>(5,000)</u>	<u>100,044</u>
<b>Cash Flows From Capital and Related Financing Activities</b>				
System Development Fees	522,417	-	-	522,417
Acquisition and Construction of Capital Assets	(1,724,869)	-	-	(1,724,869)
Debt Principal Payments	(65,446)	-	-	(65,446)
Debt Interest Payments	<u>(12,677)</u>	<u>-</u>	<u>-</u>	<u>(12,677)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(1,280,575)</u>	<u>-</u>	<u>-</u>	<u>(1,280,575)</u>
<b>Cash Flows From Investing Activities</b>				
Additions to Investments	(438,734)	-	-	(438,734)
Interest received	<u>(36,670)</u>	<u>-</u>	<u>-</u>	<u>(36,670)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(475,404)</u>	<u>-</u>	<u>-</u>	<u>(475,404)</u>
<b>Net Change in Cash and Cash Equivalents</b>	(1,173,575)	-	64,320	(1,109,255)
<b>Cash and Cash Equivalents, Beginning of year</b>	<u>1,539,107</u>	<u>-</u>	<u>220,214</u>	<u>1,759,321</u>
<b>Cash and Cash Equivalents, End of year</b>	<u>\$ 365,532</u>	<u>\$ -</u>	<u>\$ 284,534</u>	<u>\$ 650,066</u>
<b>Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities:</b>				
Net Operating Income	\$ 295,407	\$ (444,896)	\$ 70,003	\$ (79,486)
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation Expense	231,116	276,940	-	508,056
Changes in Assets and Liabilities Related to Operations				
Accounts Receivable	(10,312)	179,523	(683)	168,528
Inventory	(7,890)	(6,448)	-	(14,338)
Accounts Payable	(22,023)	(23,012)	-	(45,035)
Accrued Expenses	(188)	18	-	(170)
Accrued Compensated Absences	<u>13,274</u>	<u>(4,149)</u>	<u>-</u>	<u>9,125</u>
Net Cash Provided by Operating Activities	<u>\$ 499,384</u>	<u>\$ (22,024)</u>	<u>\$ 69,320</u>	<u>\$ 546,680</u>

See Notes to the Financial Statements.

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### **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.

#### **Reporting Entity**

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

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if the Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town does not include additional organizations in its reporting entity.

#### **Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### **Government-wide and Fund Financial Statements** (Continued)

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

#### **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 - 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.

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

The Street Fund accounts for street expenditures funded by a half-cent street improvement sales tax.

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### **Governmental Funds** (Continued)

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

#### **Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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

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

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

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Cash 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.

#### **Receivables**

The Town uses the allowance method for recognizing the uncollectable delinquent accounts receivable. At December 31, 2021, 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.

#### **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 2021 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.

#### **Inventories**

Water parts are valued at market values based on current pricing. Airport fuel inventories are valued at average cost.

#### **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."

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Interfund Receivables and Payables** (Continued)

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 activity's column.

#### **Deferred Outflows and Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item qualifying for this category: the collective deferred outflows related to the Town's net pension obligation. Pension contributions made after the measurement date, and the net difference between projected and actual earnings will be recognized as a change of the net pension liability or asset in future periods.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category. Unavailable revenue from property taxes, reported in the governmental balance sheet are deferred and recognized as an inflow from resources in the period that the amounts become available. Collective deferred inflows related to the Town's net pension obligation are reported on the Statement of Net Position and are amortized over the average service lives of participants.

#### **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, 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### **Capital Assets** (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.

#### **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.

#### **Pensions**

For purposes of measuring the net pension liability or asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the Town's defined benefit pension plan and additions to/deductions from the fiduciary net position of the Town's defined benefit pension plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.



# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 1: Summary of Significant Accounting Policies (Continued)

#### **Long-Term Obligations**

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.

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.

#### **Net Position**

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

Net Investment in Capital Assets - 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.

#### **Fund Balance Classification**

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.

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### **Note 1: Summary of Significant Accounting Policies (Continued)**

Restricted fund balance - amounts constrained to specific purposes stipulated by external resource providers (such as grantor, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers.

Committed fund balance - amounts constrained to specific purposes stipulated by a government itself, determined by formal action by the Board of Trustees. to be reported as committed, amounts cannot be used for any other purpose unless changed by the Board of Trustees.

Assigned fund balance - amounts the Town intends to use for a specific purpose as expressed by management.

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.

#### **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.

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### **Note 1: Summary of Significant Accounting Policies (Continued)**

#### **Subsequent Events**

The Town has evaluated subsequent events through July 26, 2022, the date the financial statements were available to be issued.

### **Note 2: Stewardship, Compliance and Accountability**

#### **Budgets and Budgetary Accounting**

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

- In October, the Town staff submits to the Town Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 15, the budget is legally enacted through passage of an ordinance.
- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparison presented for the Enterprise Fund is presented on a non-GAAP budgetary basis. Capital outlay and debt payments are budgeted as expenditures and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

### **Note 3: Cash 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, 2021

### Note 3: Cash Deposits and Investments (Continued)

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

Petty Cash	\$	1,350
Cash Deposits		5,943,105
Investments		6,247,282
Total	\$	<u>9,454,335</u>

#### 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.

As of December 31, 2021, the Town had deposits of \$2,922,897. Depositor's insurance (FDIC) covers \$250,000 of this amount; the balance is covered by PDPA.

#### 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, 2021.

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

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

- Obligations of the United States & certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Commercial paper
- Local government investment pools

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### Note 3: Cash Deposits and Investments (Continued)

##### Investments (Continued)

- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

Local Government Investment Pool - At December 31, 2021, the Town had \$2,584,662 (fair value) 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.

The Town had the following investments at December 31, 2021:

Investment Type	Rating	Total	Less than 1 year	1 to 5 years
Colorado Liquid Government				
Asset Trust (Colo Trust Plus)	No Rating	\$ 2,584,662	\$ 2,584,662	\$ -
Money Market Funds	No Rating	17,492	17,492	-
U.S. Treasury Securities				
Federal Home Loan Bank	AA+	998,150	-	998,150
Federal Agriculture Mortgage Corporation	No Rating	680,818	680,818	-
Federal Farm Credit Bank	AA+	493,800	-	493,800
Federal Home Loan Mortgage Corporation	Aaa	492,635	492,635	-
Federal National Mortgage Association	AA+	979,725	-	979,725
		<u>\$ 6,247,282</u>	<u>\$ 3,775,607</u>	<u>\$ 2,471,675</u>

**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, 2021

**Note 4: Capital Assets**

Capital assets activity for the year ended December 31, 2021 is summarized below:

<b>Governmental Activities</b>	<b>Balance 12/31/20</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/21</b>
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 1,028,709	\$ -	\$ -	\$ 1,028,709
Construction in Progress	283,182	76,465	(111,785)	247,862
Assets held for other governments	535,718	-	-	535,718
<b>Total Capital Assets, Not Being Depreciated</b>	<b>1,847,609</b>	<b>76,465</b>	<b>(111,785)</b>	<b>1,812,289</b>
<i>Capital Assets, Being Depreciated</i>				
Land improvements & infrastructure	8,634,005	181,776	(535,718)	8,280,063
Buildings	2,027,598	30,438	-	2,058,036
Furniture & fixtures	22,042	-	-	22,042
Machinery, vehicles & equipment	3,299,243	306,448	(519,143)	3,086,548
Developer contributed infrastructure	1,211,270	-	-	1,211,270
Intangible	3,000	-	-	3,000
<b>Total Capital Assets, Being Depreciated</b>	<b>\$ 15,197,158</b>	<b>\$ 518,662</b>	<b>\$ (1,054,861)</b>	<b>\$ 14,660,959</b>
<i>Less Accumulated Depreciation</i>				
Land improvements & infrastructure	\$ (3,711,525)	\$ (490,809)	\$ -	\$ (4,202,334)
Buildings	(1,155,826)	(59,338)	-	(1,215,164)
Furniture & fixtures	(11,691)	(3,421)	-	(15,112)
Machinery, vehicles & equipment	(2,472,661)	(152,933)	313,326	(2,312,268)
Developer contributed infrastructure	(733,375)	(62,564)	-	(795,939)
Intangible	(1,600)	(600)	-	(2,200)
<b>Total Accumulated Depreciation</b>	<b>(8,086,678)</b>	<b>(769,665)</b>	<b>313,326</b>	<b>(8,543,017)</b>
<b>Total Capital Assets, Being Depreciated, net</b>	<b>7,110,480</b>	<b>(251,003)</b>	<b>(741,535)</b>	<b>6,117,942</b>
<b>Governmental Activities Capital Assets, net</b>	<b>\$ 8,958,089</b>	<b>\$ (174,538)</b>	<b>\$ (853,320)</b>	<b>\$ 7,930,231</b>

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

General Government	\$ 432,580
Public Safety	115,265
Public Works	27,636
Parks and Recreation	194,184
<b>Total</b>	<b>\$ 769,665</b>

**Town of Buena Vista, Colorado**  
Notes to Financial Statements  
December 31, 2021

**Note 4: Capital Assets (Continued)**

Capital assets Business-Type activity for the year ended December 31, 2021 is summarized below:

<b>Business-Type Activities</b>	<b>Balance 12/31/20</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance 12/31/21</b>
<i>Capital Assets, Not Being Depreciated</i>				
Land and Water Rights	\$ 1,136,312	\$ 828,310	\$ -	\$ 1,964,622
Construction in Progress	25,185	178,296	-	203,481
<b>Total Capital Assets, Not Being Depreciated</b>	<b>1,161,497</b>	<b>1,006,606</b>	<b>-</b>	<b>2,168,103</b>
<i>Capital Assets, Being Depreciated</i>				
Building and Treatment Plant	3,172,163	556,690	-	3,728,853
Distribution Systems	6,128,700	-	-	6,128,700
Storage Tanks	2,898,840	10,572	-	2,909,412
Vehicles and Equipment	1,489,904	151,001	-	1,640,905
Airport Infrastructure	2,483,107	-	-	2,483,107
Land Improvements	4,094,075	-	-	4,094,075
Southard Ground Lease Buyout	110,000	-	-	110,000
Office Furniture and Fixtures	61,443	-	-	61,443
<b>Total Capital Assets, Being Depreciated</b>	<b>20,438,232</b>	<b>718,263</b>	<b>-</b>	<b>21,156,495</b>
<i>Less: Accumulated depreciation</i>				
Building and Treatment Plant	(1,561,612)	(136,949)	-	(1,698,561)
Distribution Systems	(2,615,399)	(134,480)	-	(2,749,879)
Storage Tanks	(851,294)	(34,478)	-	(885,772)
Vehicles and Equipment	(1,255,657)	(58,883)	-	(1,314,540)
Airport Infrastructure	(1,866,913)	(69,671)	-	(1,936,584)
Land Improvements	(3,771,150)	(51,595)	-	(3,822,745)
Southard Ground Lease Buyout	(45,833)	(22,000)	-	(67,833)
Office Furniture and Fixtures	(61,443)	-	-	(61,443)
	<u>(12,029,301)</u>	<u>(508,056)</u>	<u>-</u>	<u>(12,537,357)</u>
<b>Total Capital Assets, Being Depreciated, net</b>	<b>8,408,931</b>	<b>210,207</b>	<b>-</b>	<b>8,619,138</b>
<b>Business-Type Activities Capital Assets, net</b>	<b>\$ 9,570,428</b>	<b>\$ 1,216,813</b>	<b>\$ -</b>	<b>\$ 10,787,241</b>

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 5: Interfund Receivables, Payables and Transfers

Transfers for 2021 were as follows:

Transfers In	Transfers Out	Amount
General Fund	Airport	\$ 40,000
Capital Improvement Fund	General Fund	325,718
Streets Fund	General Fund	5,000
General Fund	Conservation Trust Fund	20,000
General Fund	All Hazard Response Fund	16,152
Storm Water Fund	General Fund	5,000
Total		<u>\$ 411,870</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 6: Long-Term Debt

#### Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2021.

Governmental Activities	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021	Due Within One Year
2012 Sales tax revenue bonds	\$ 2,240,000	\$ -	\$ (105,000)	\$ 2,135,000	\$ 105,000
Premium	20,369	-	(1,198)	19,171	-
Capital Lease - Police Station	339,242	-	(20,308)	318,934	21,135
Compensated Absences	67,471	91,213	(70,894)	87,790	-
Total	<u>\$ 2,667,082</u>	<u>\$ 91,213</u>	<u>\$ (197,400)</u>	<u>\$ 2,560,895</u>	<u>\$ 126,135</u>

#### Sales Tax Revenue Bonds

In 2012 the Town issued sales tax revenue bonds in the amount of \$3,000,000 to provide funding for the design, construction and installation of street improvements with the Town. The bonds are being repaid by the Capital Improvement Fund and carry an interest rate of 2.0%.



# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 6: Long-Term Debt (Continued)

#### Governmental Activities (Continued)

The annual debt service requirements for the Bonds are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 105,000	\$ 69,850	\$ 174,850
2023	110,000	67,225	177,225
2024	110,000	64,475	174,475
2025	115,000	61,175	176,175
2026	120,000	57,725	177,725
2027-2031	650,000	231,563	881,563
2032-2036	755,000	118,187	873,187
2037	170,000	6,375	176,375
	<u>\$ 2,135,000</u>	<u>\$ 676,575</u>	<u>\$ 2,811,575</u>

Accrued Compensated Absences are being paid from resources generated by the General Fund.

#### Capital Leases

The Town has entered into a capital lease agreement on November 15, 2013 to purchase a building from Heart of the Rockies Regional Medical Center, for the Town's Police Station. The lease commenced on January 1, 2014 and includes land and structure(s) located at 705 and 713 E. Main Street, Buena Vista, CO 81211.

An up-front lease initiation payment of Fifty-One Thousand Two Hundred Dollars (\$51,200.00) was made to Heart of the Rockies on or before the Lease Commencement Date. For five (5) years after the Lease Commencement Date, the amount of each monthly installment of the base rent shall be \$2,792.36, which represents installment payments amortized over twenty (20) years on Four Hundred Sixty Thousand Eight Hundred Dollars (\$460,800.00) at 4 percent (4%) per annum. For each subsequent five (5) year period, the annual interest rate payable by the Town may be increased by an amount equal to the increase, if any, between the 12-month Treasury Average on the Commencement date, which the Parties agree is 0.144 percent, and the month Treasury Average one-month prior to the commencement of the subsequent five-year period. The maximum annual interest rate payable by the Town shall be 5.25 percent. Each monthly installment of the base rent for subsequent five-year periods shall be adjusted to reflect such a change in the interest rate.

The Town has an option to purchase the Property (inclusive of all improvements constructed thereon) for an additional payment of one dollar (\$1.00) at such time as Heart of the Rockies shall have been paid the base rent and any other amounts owing to Heart of the Rockies hereunder.

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 6: Long-Term Debt (Continued)

#### Governmental Activities (Continued)

##### Capital Leases (Continued)

Following is a schedule of the future minimum lease payments required under the outstanding capital lease obligations at December 31, 2021:

<u>Year Ended December 31,</u>	<u>Total</u>
2022	\$ 21,135
2023	21,997
2024	22,893
2025	23,825
2026	24,796
Thereafter	<u>204,288</u>
Present Value of Future Minimum Lease Payments	<u>\$ 318,934</u>

#### Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2021.

##### Colorado Water Resources and Power Development Authority (CWRPDA) Loan

<u>Business-Type Activities</u>	<u>Balance 12/31/20</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/21</u>	<u>Due Within One Year</u>
2018 CWRPDA Loan	1,283,985		(65,446)	1,218,539	66,102
Compensated Absences	29,063	34,360	(20,260)	43,163	-
Total	<u>\$ 1,313,048</u>	<u>\$ 34,360</u>	<u>\$ (85,706)</u>	<u>\$ 1,261,702</u>	<u>\$ 66,102</u>

On July 11, 2018, the Town entered into a \$1,983,370 loan agreement with CWRPDA, for 20 years at an interest rate of 1% for installing redundant raw water supply treatment, adding water storage and tank construction, and making improvements to the water distribution system. On September 28, 2020, the Town returned \$569,114 of excess loan proceeds. With the corresponding balance reduction, CWRPDA changed the repayment schedule to payments of \$39,061 principal and interest, made twice per year until November 1, 2038.

##### Year Ended December 31,

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 66,102	\$ 12,021	\$ 78,123
2023	66,765	11,358	78,123
2024	67,434	10,689	78,123
2025	68,110	10,013	78,123
2026	68,793	9,330	78,123
2027-2031	354,449	36,165	390,614
2032-2036	372,575	18,038	390,613
2037-2038	<u>154,311</u>	<u>1,934</u>	<u>156,245</u>
	<u>\$ 1,218,539</u>	<u>\$ 109,548</u>	<u>\$ 1,328,087</u>

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### **Note 7: Employee Retirement Plans**

##### **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, 2021, the Town contributed \$101,910 to the Retirement Plan on behalf of participating employees. Participants of the Retirement Plan made equal matching contributions in 2021. No unvested contributions were returned to the Town in 2021.

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.

##### **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.

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.

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 7: Employee Retirement Plans

#### **FPPA Statewide Defined Benefit Plan**

*Plan Description:* The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan. The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

*Description of Benefits:* A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55.

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

*Contributions:* The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers are contributing at the rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### **Note 7: Employee Retirement Plans (Continued)**

##### **FPPA Statewide Defined Benefit Plan (Continued)**

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014-member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2014. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022.

The Town's contributions to the SWDB Plan for the year ended December 31, 2021, were \$63,266, equal to the required contributions.

The Town and eligible employees are required to contribute to the SWH Plan at rates established by Town Council. However, the amount allocated to the defined benefit component is set annually by the FPPA Board of Directors, which currently must be at least 8% of base salary for the employee and the employer.

The Town no longer has active participants in the SWH Plan.

##### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At December 31, 2021, the Town reported a net pension liability (asset) of \$- and a net pension liability (asset) of \$0 representing its proportionate share of the net pension asset of the SWDB and SWH Plans, respectively.

The net pension liability was measured at December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation at January 1, 2021. The Town's proportion of the net pension asset was based on a projection of the Town's contributions to the plans for the calendar year ended December 31, 2020, relative to the projected contributions of all participating employers.

At December 31, 2020, the Town's proportion of the SWDB Plan was 0.085361%, which was an increase of 0.011253% from its proportion measured at December 31, 2018. The Town's proportion of the SWH Plan was 0.0000%, which was a decrease of 0.0834363% from its proportion measured at December 31, 2020.

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### Note 7: Employee Retirement Plans (Continued)

##### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

For the year ended December 31, 2021, the Town recognized pension expense (Benefit) for the SWDB and SWH Plans of \$(91,511) and \$(266,349), respectively.

At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town contributions to the SWDB and SWH Plans subsequent to the measurement date of

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>Statewide Defined Benefit Plan</b>		
Differences between expected and actual experience	\$ 110,339	\$ 517
Net difference between projected and actual earnings on plan investments	-	133,633
Changes in assumptions and other inputs	55,334	-
Changes in proportion	13,379	-
Contributions subsequent to the measurement date	30,507	-
Total	\$ 209,559	\$ 134,150

\$30,507 will be recognized as an increase or decrease to the net pension (asset) liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows.

<b><u>Year Ended December 31,</u></b>	<b>SWDB</b>
2022	\$ (20,822)
2023	3,868
2024	(28,156)
2025	4,228
2026	34,005
Thereafter	51,779
Total	\$ 44,902

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 7: Employee Retirement Plans (Continued)

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

Actuarial Assumptions - The actuarial valuation at January 1, 2021, determined the total pension liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial Method	Entry Age Normal
Investment rate of return, compounded annually, net of plan investment expenses, including inflation	7.5%
Inflation	2.5%
Projected salary increases	4.25% - 11.25%
Cost of living adjustment	0%

Mortality rates were based on the RP-2014 Mortality Table for Blue Collar Employees projected with Scale BB, using a 55% multiplier for off-duty mortality. The RP-2014 Mortality Table for Blue Collar Employees was used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants were used. For post-retirement members ages 55 through 64, a blend of the previous tables was used.

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors for first use in the actuarial valuation as of January 1, 2016, based upon the actuary's unchanged analysis and recommendations from the 2015 Experience Study.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2020, are summarized in the following table:

## Town of Buena Vista, Colorado

Notes to Financial Statements

December 31, 2021

### Note 7: Employee Retirement Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income Rates	10%	4.01%
Fixed Income Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
	<u>100%</u>	

*Discount Rate* – The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates in the FPPA Board of Director’s funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.5%.

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate - The following presents the Town’s proportionate share of the net pension (asset) liability calculated using the discount rate of 7.0%, as well as the Town’s proportionate share of the net pension (asset) liability if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	<u>1% Decrease (6.0%)</u>	<u>Current Discount Rate (7.0%)</u>	<u>1% Increase (8.0%)</u>
Town’s is proportionate share of the SWDB net pension (asset) liability	\$ <u>151,133</u>	\$ <u>(105,181)</u>	\$ <u>(399,705)</u>

Pension Plan Fiduciary Net Position - Detailed information about the Plans’ fiduciary net position is available in FPPA’s separately issued financial report, which may be obtained at [www.fppaco.org](http://www.fppaco.org).



## Town of Buena Vista, Colorado

Notes to Financial Statements

December 31, 2021

### Note 7: Employee Retirement Plans (Continued)

#### **FPPA Buena Vista Volunteer Fire Pension Plan - Defined Benefit Plan**

*Plan Description.*: The Buena Vista Volunteer Fire Pension Plan (Volunteer Plan) is an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report can be obtained on FPPA's website at <http://www.fppaco.org>.

*Description of Benefits.*: The Plan, as established and amended by the Plan's Board of Trustees through the Bylaws, provides for a monthly pension of \$250 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. A one-time \$100 funeral benefit lump sum is also provided.

*Contributions* - The Town and eligible employees are required to contribute to the Volunteer Plan at rates established by State statutes. Employer contribution rates can only be amended by the State Legislature. Employee contribution rates can be amended by the State Legislature or by election of the membership. The Town and eligible employees each contributed 8% and 11% of base salary, respectively, for the year ended December 31, 2021.

The Town's contributions to the Volunteer Plan for the year ended December 31, 2021, were \$136,534, equal to the required contributions.

At December 31, 2021, the Town reported a net pension liability (asset) of \$- representing its proportionate share of the net pension asset.

The net pension liability was measured at December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation at January 1, 2021. The Town's proportion of the net pension asset was based on a projection of the Town's contributions to the plans for the calendar year ended December 31, 2020, relative to the projected contributions of all participating employers.

For the year ended December 31, 2021, the Town recognized pension expense (Benefit) for the Volunteer Plan of \$(183,585).

# Town of Buena Vista, Colorado

## Notes to Financial Statements

December 31, 2021

### Note 8: Employee Retirement Plans (Continued)

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
<b>Volunteer</b>		
Differences between expected and actual experience	\$ -	\$ 18,995
Net difference between projected and actual earnings on plan investments	-	35,230
Changes in assumptions and other inputs	-	-
Changes in proportion	-	-
Contributions subsequent to the measurement date	-	-
Total	\$ 0	\$ 54,225

At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town contributions to the Volunteer Plan subsequent to the measurement date of \$0 will be recognized as an increase or decrease to the net pension (asset) liability in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows.

<b><u>Year Ended December 31,</u></b>	<b><u>Volunteer Plan</u></b>
2022	\$ (26,212)
2023	(9,586)
2024	(12,532)
2025	(5,895)
2026	-
Thereafter	-
Total	\$ (54,225)

Actuarial Assumptions - The actuarial valuation at January 1, 2021, determined the total pension liability using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Actuarial Method	Entry Age Normal
Investment rate of return, compounded annually, net of plan investment expenses, including inflation	7.5%
Inflation	2.5%
Projected salary increases	4.25% - 11.25%
Cost of living adjustment	0%

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### Note 8: Employee Retirement Plans (Continued)

##### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

Mortality rates were based on the RP-2014 Mortality Table for Blue Collar Employees projected with Scale BB, using a 55% multiplier for off-duty mortality. The RP-2014 Mortality Table for Blue Collar Employees was used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants were used. For post-retirement members ages 55 through 64, a blend of the previous tables was used.

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors for first use in the actuarial valuation as of January 1, 2016, based upon the actuary's unchanged analysis and recommendations from the 2015 Experience Study.

*Inputs to the Single Discount Rate:* Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects ( 1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.65% {based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

The long-term expected rate of return on pension plan investments was determined using a building- block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2020, are summarized in the following table.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global Equity	39%	8.23%
Equity Long/Short	8%	6.87%
Private Markets	26%	10.63%
Fixed Income Rates	10%	4.01%
Fixed Income Credit	5%	5.25%
Absolute Return	10%	5.60%
Cash	2%	2.32%
	<u>100%</u>	

## Town of Buena Vista, Colorado

Notes to Financial Statements

December 31, 2021

### Note 8: Employee Retirement Plans (Continued)

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** (Continued)

*Discount Rate* – The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates in the FPPA Board of Director’s funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the plans’ fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.5%.

Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate - The following presents the Town’s proportionate share of the net pension (asset) liability calculated using the discount rate of 7.0%, as well as the Town’s proportionate share of the net pension (asset) liability if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	<b>1% Decrease (6.0%)</b>	<b>Current Discount Rate (7.0%)</b>	<b>1% Increase (8.0%)</b>
Town's proportionate share of the SWH net pension (asset)	\$ (60,324)	\$ (107,222)	\$ (146,585)

Pension Plan Fiduciary Net Position - Detailed information about the Plans’ fiduciary net position is available in FPPA’s separately issued financial report, which may be obtained at [www.fppaco.org](http://www.fppaco.org).

#### **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. Town contributions to this plan totaled \$12,000 during 2021, with State supplemental contribution of \$10,800. Employees are not required to contribute to this plan.

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### **Note 9: Public Entity Risk Pool**

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

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

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

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

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, 2021. 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 2021, 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.

## Town of Buena Vista, Colorado

### Notes to Financial Statements

December 31, 2021

#### **Note 9: Public Entity Risk Pool (Continued)**

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 Town such as a community service worker, volunteer trail work, or volunteer coaching for recreation. Coverage is \$15,000 per occurrence with a \$25 deductible.

#### **Note 10: Commitments and Contingencies**

##### **Litigation/Legal Claims**

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

##### **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.

##### **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.

## **Town of Buena Vista, Colorado**

### Notes to Financial Statements

December 31, 2021

#### **Note 10: Commitments and Contingencies**

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 \$150,000, which is the approximate required reserve at December 31, 2021.

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.

## **Required Supplementary Information**



**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 General Fund  
 For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Taxes	\$ 4,432,847	\$ 4,849,081	\$ 5,177,644	\$ 328,563
Licenses and Permits	92,565	92,565	180,749	88,184
Intergovernmental	184,042	192,042	801,353	609,311
Charges for Services	119,100	119,100	130,013	10,913
Fines and Forfeitures	32,400	32,400	68,822	36,422
Interest	20,000	20,000	10,495	(9,505)
Contributions and Donations	10,800	10,800	0	(10,800)
Gain on Sale of Assets	-	-	105,000	105,000
Miscellaneous	6,325	6,325	39,250	32,925
<b>Total Revenues</b>	<u>4,898,079</u>	<u>5,322,313</u>	<u>6,513,326</u>	<u>1,191,013</u>
<b>Expenditures</b>				
Current				
General Government	1,502,924	1,553,555	1,221,500	332,055
Public Safety	1,839,775	1,665,737	1,679,756	(14,019)
Public Works	536,813	533,846	538,908	(5,062)
Community Service	350,700	384,076	463,087	(79,011)
Culture and Recreation	700,522	723,706	682,772	40,934
<b>Total Expenditures</b>	<u>4,930,734</u>	<u>4,860,920</u>	<u>4,586,023</u>	<u>274,897</u>
<b>Excess Revenues Over (Under) Expenditures</b>	(32,655)	461,393	1,927,303	1,465,910
<b>Other Financing Sources (Uses)</b>				
Proceeds from Issuance of Debt	20,000	20,000	-	(20,000)
Transfers Out	(329,566)	(329,566)	(329,566)	-
<b>Net Change in Fund Balance</b>	(342,221)	151,827	1,597,737	1,445,910
<b>Fund Balance, Beginning of year</b>	<u>2,337,707</u>	<u>2,337,707</u>	<u>2,337,707</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u>\$ 1,995,486</u>	<u>\$ 2,489,534</u>	<u>\$ 3,935,444</u>	<u>\$ 1,445,910</u>

**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 Capital Improvement Fund  
 For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Interest	3,000	3,000	159	(2,841)
Misc	541,748	541,748	19,000	(522,748)
Total Revenues	<u>544,748</u>	<u>544,748</u>	<u>19,159</u>	<u>(525,589)</u>
<b>Expenditures</b>				
General Government	89,621	89,621	112,076	(22,455)
Public Safety	183,000	76,888	94,583	(17,695)
Public Works	611,560	632,560	214,327	418,233
Community Service	53,250	63,250	7,929	55,321
Culture & Recreation	594,725	600,925	111,172	489,753
Total Expenditures	<u>1,532,156</u>	<u>1,463,244</u>	<u>540,087</u>	<u>923,157</u>
<b>Excess Revenues Over (Under) Expenditures</b>	(987,408)	(918,496)	(520,928)	397,568
<b>Other Financing Sources (Uses)</b>				
Transfers In	327,566	309,566	325,718	16,152
Net Change in Fund Balance	(659,842)	(608,930)	(195,210)	413,720
<b>Fund Balance, Beginning of year</b>	<u>(32,791)</u>	<u>(32,791)</u>	<u>(32,791)</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u>\$ (692,633)</u>	<u>\$ (641,721)</u>	<u>\$ (228,001)</u>	<u>\$ 413,720</u>

**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 Conservation Trust Fund  
 For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Intergovernmental	\$ 35,000	\$ 35,000	\$ 52,545	\$ 17,545
Interest	3,500	3,500	156	(3,344)
<b>Total Revenues</b>	<u>38,500</u>	<u>38,500</u>	<u>52,701</u>	<u>14,201</u>
<b>Expenditures</b>				
General Government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total Expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Excess Revenues Over (Under) Expenditures</b>	38,500	38,500	52,701	14,201
<b>Other Financing Sources (Uses)</b>				
Transfers Out	<u>(38,000)</u>	<u>(20,000)</u>	<u>(20,000)</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	500	18,500	32,701	14,201
<b>Fund Balance, Beginning of year</b>	<u>17,487</u>	<u>17,487</u>	<u>17,487</u>	<u>-</u>
<b>Fund Balance, End of year</b>	<u>\$ 17,987</u>	<u>\$ 35,987</u>	<u>\$ 50,188</u>	<u>\$ 14,201</u>

**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 Streets Fund  
 For the Year Ended December 31, 2021

	Original and Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>			
Taxes	\$ 567,823	\$ 805,712	\$ 237,889
Interest	5,000	226	(4,774)
Misc	3,000	18,035	15,035
<b>Total Revenues</b>	<u>575,823</u>	<u>823,973</u>	<u>248,150</u>
<b>Expenditures</b>			
Capital Outlay	330,250	226,924	103,326
Debt Service			
Principal Payments	105,000	105,000	-
Interest Payments	72,475	72,475	-
<b>Total Expenditures</b>	<u>507,725</u>	<u>404,399</u>	<u>103,326</u>
<b>Excess Revenues Over (Under) Expenditures</b>	68,098	419,574	351,476
<b>Other Financing Source (Uses)</b>			
Transfers In	5,000	5,000	-
<b>Net Change in Fund Balance</b>	73,098	424,574	351,476
<b>Fund Balance, Beginning of year</b>	<u>27,595</u>	<u>503,483</u>	<u>475,888</u>
<b>Fund Balance, End of year</b>	<u>\$ 100,693</u>	<u>\$ 928,057</u>	<u>\$ 827,364</u>

**Town of Buena Vista, Colorado**  
Notes to Required Supplementary Information  
December 31, 2021

**Note 1: Stewardship, Compliance, and Accountability**

**Budgets**

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Town Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Board.
- All appropriations lapse at year end.

## **Supplementary Information**

**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 All Hazard Response Fund  
 For the Year Ended December 31, 2021

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
<b>Revenues</b>			
Charges for Services	\$ 670,575	\$ 2,189,521	\$ 1,518,946
Misc	-	125	125
Total Revenues	670,575	2,189,646	1,519,071
<b>Expenditures</b>			
Public Safety	646,572	1,815,695	(1,169,123)
Total Expenditures	646,572	1,815,695	(1,169,123)
<b>Excess Revenues Over (Under) Expenditures</b>	24,003	373,951	2,688,194
<b>Other Financing Sources (Uses)</b>			
Transfers Out	(16,152)	(16,152)	-
<b>Net Change in Fund Balance</b>	7,851	357,799	2,688,194
<b>Fund Balance, Beginning of year</b>	21,880	231,880	210,000
<b>Fund Balance, End of year</b>	\$ 29,731	\$ 589,679	\$ 2,898,194

**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 Water Fund  
 For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges For Services	\$ 1,106,500	\$ 1,106,500	\$ 1,124,702	\$ 18,202
Cash in Lieu of Water Rights	-	-	152,000	152,000
System Investment Fees	530,000	530,000	522,417	(7,583)
Contributions / Donations	-	-	2,522	2,522
Interest Income	3,000	3,000	(36,670)	(39,670)
Other Income	43,450	43,450	23,735	(19,715)
	<u>1,682,950</u>	<u>1,682,950</u>	<u>1,788,706</u>	<u>105,756</u>
<b>Expenses</b>				
Administration and General	702,024	690,168	664,931	25,237
Operations and Maintenance	790,800	790,800	88,331	702,469
Dryfield Ditch Farm	-	168,838	20,652	148,186
Capital Outlay	-	138,500	1,724,869	(1,586,369)
	<u>1,492,824</u>	<u>1,788,306</u>	<u>2,498,783</u>	<u>(710,477)</u>
<b>Net Operating Income</b>	<u>190,126</u>	<u>(105,356)</u>	<u>(710,077)</u>	<u>(604,721)</u>
<b>Nonoperating Revenues (Expenses)</b>				
Debt Service				
Principal	(65,446)	(65,446)	-	65,446
Interest	(12,677)	(12,677)	(12,677)	-
	<u>(78,123)</u>	<u>(78,123)</u>	<u>(12,677)</u>	<u>65,446</u>
<b>Net Income (Loss) Before Contributed Capital</b>	<u>112,003</u>	<u>(183,479)</u>	<u>(722,754)</u>	<u>(539,275)</u>
<b>Contributed Capital</b>				
Transfers Out	-	-	-	-
<b>Change in Net Position, Budgetary Basis</b>	<u>\$ 112,003</u>	<u>\$ (183,479)</u>	<u>\$ (722,754)</u>	<u>\$ (539,275)</u>
<b>Reconciliation to GAAP Basis</b>				
Capital Outlay			1,724,869	
Depreciation			(231,116)	
<b>Change in Net Position, GAAP Basis</b>			<u>\$ 770,999</u>	

See Accompanying Independent Auditor's Report.



**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 Airport Fund  
 For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges For Services	\$ 498,485	\$ 498,485	\$ 398,221	\$ (100,264)
Other Income	23,200	23,200	21,259	(1,941)
Total Revenue	521,685	521,685	419,480	(102,205)
<b>Expenses</b>				
Operations and Maintenance	665,828	683,523	587,434	96,089
Capital Outlay	-	-	-	-
Total Expenses	665,828	683,523	587,434	96,089
<b>Net Operating Income</b>	(144,143)	(161,838)	(167,954)	(6,116)
<b>Nonoperating Revenues (Expenses)</b>				
Sales taxes	2,300	2,300	-	(2,300)
Grant Revenue	29,500	29,500	37,522	8,022
Donations	25,000	25,000	25,000	-
Total Nonoperating Revenues (Expenses)	56,800	56,800	62,522	5,722
<b>Net Income (Loss) Before Contributed Capital</b>	(87,343)	(105,038)	(105,432)	(394)
<b>Contributed Capital</b>				
Transfers In	40,000	40,000	40,000	-
<b>Change in Net Position, Budgetary Basis</b>	\$ (47,343)	\$ (65,038)	\$ (65,432)	\$ (394)
<b>Reconciliation to GAAP Basis</b>				
Capital Outlay			-	
Depreciation			(276,942)	
<b>Change in Net Position, GAAP Basis</b>			\$ (342,374)	

**Town of Buena Vista, Colorado**  
 Budgetary Comparison Schedule  
 Stormwater Fund  
 For the Year Ended December 31, 2021

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
<b>Revenues</b>				
Charges For Services	\$ 71,000	\$ 71,000	\$ 73,678	\$ 2,678
Total Revenue	71,000	71,000	73,678	2,678
<b>Expenses</b>				
Operations and Maintenance	115,036	115,036	3,675	111,361
Total Expenses	115,036	115,036	3,675	111,361
<b>Net Operating Income</b>	(44,036)	(44,036)	70,003	114,039
<b>Net Income (Loss) Before Contributed Capital</b>	(44,036)	(44,036)	70,003	114,039
<b>Contributed Capital</b>				
Transfers Out	(5,000)	(5,000)	(5,000)	-
<b>Change in Net Position, Budgetary Basis</b>	\$ (49,036)	\$ (49,036)	\$ 65,003	\$ 114,039
<b>Proof</b>			-	

## **State Compliance**

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: Buena Vista, Chaffee County
	YEAR ENDING : December 2021

This Information From The Records Of (example - City of \_ or County of \_  
The Town of Buena Vista, CO 81211) Prepared By: Michelle Stoke, Treasurer  
Phone: 719-581-1035

**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
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	247,031
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	42,935
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	102,948
2. General fund appropriations	134,577	b. Snow and ice removal	15,100
3. Other local imposts (from page 2)	864,297	c. Other	96,032
4. Miscellaneous local receipts (from page 2)	52,649	d. Total (a. through c.)	214,080
5. Transfers from toll facilities		4. General administration & miscellaneous	89,789
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	10,295
a. Bonds - Original Issues		6. Total (1 through 5)	604,130
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	72,475
7. Total (1 through 6)	1,051,523	b. Redemption	105,000
<b>B. Private Contributions</b>		c. Total (a. + b.)	177,475
<b>C. Receipts from State government</b> (from page 2)	154,656	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	1,206,179	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	177,475
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	781,605

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

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	2,436,397		105,000	2,331,397
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>				0

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	503,483	1,206,179	781,605	928,058	0

Notes and Comments: