

**TOWN OF LIMON, COLORADO
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2005**

	<u>GENERAL</u>	<u>HEAD START FUND</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
REVENUES:				
Taxes	\$ 1,285,086			\$ 1,285,086
Fines, Licenses and Permits	38,445			38,445
Intergovernmental:				
Local	140,113		\$ 236,299	376,412
Federal	33,157	\$ 619,056	226,929	879,142
Charges for Services	409,719		1,200	410,919
Interest	20,574		467	21,041
Donated	5,281			5,281
Miscellaneous	22,004			22,004
TOTAL REVENUES	<u>1,954,379</u>	<u>619,056</u>	<u>464,895</u>	<u>3,038,330</u>
EXPENDITURES:				
Current:				
Administration	420,144			420,144
Airport	10,138			10,138
Public Works - Streets	424,924			424,924
Public Works - Sanitation	146,659			146,659
Public Safety - Police & Fire	357,656			357,656
Public Health - Cemetery	53,539			53,539
Culture & Recreation	203,195		10,314	213,509
Head Start Program		619,056		619,056
Rural Development			170,177	170,177
Rural Health			42,000	42,000
Capital Outlay	268,997		319,275	588,272
Debt Service:				
Principal - Lease Purchase	7,714			7,714
Principal - Bonded Debt	40,000			40,000
Interest	28,353			28,353
TOTAL EXPENDITURES	<u>1,961,319</u>	<u>619,056</u>	<u>541,766</u>	<u>3,122,141</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	(6,940)	-	(76,871)	(83,811)
OTHER FINANCING SOURCES (USES)				
Proceeds Sale of Bonds	310,000			310,000
Sale of Fixed Assets	71,792			71,792
Operating Transfers In	3,078			3,078
Operating Transfer (Out)	(60,845)		(19,666)	(80,511)
NET CHANGE IN FUND BALANCE	317,085	-	(96,537)	220,548
FUND BALANCES, BEGINNING	<u>530,424</u>		<u>69,413</u>	<u>599,837</u>
FUND BALANCES, ENDING	<u>\$ 847,509</u>	<u>\$ -</u>	<u>\$ (27,124)</u>	<u>\$ 820,385</u>

The accompanying accountant's report and notes are integral parts of the financial statements.

TOWN OF LIMON, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2005

Net change in fund balances - total governmental funds	\$ 220,548
Amounts reported for governmental activities in the statement of net Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statements of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$588,272 exceeded depreciation \$165,216 in the current period.	423,056
Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	7,714
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	40,000
This is the current-period decrease in the liability for compensated absences	1,007
Revenues in the governmental funds that provide current financial resources, but have been included in the statement of activities in prior years.	(1,571)
Bond proceeds are a revenue in the governmental funds, but the proceeds increase long-term liabilities in the statement of net assets.	(310,000)
The statement of activities reports a gain or loss on the disposal of assets based on the net book value at the time of the disposal. This is the net book value of assets disposed.	(62,864)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.	322,498
Bond issuance costs are an expenditure in the governmental funds, but these amounts are reported on the statement of net assets as a deferred charge and amortized over the life of the debt. This is the amount by which current period bond issue costs exceed current period amortization.	<u>20,719</u>
Change in net assets of governmental activitie	<u>\$ 661,107</u>