

**TOWN OF LIMON, COLORADO
GOVERNMENTAL FUNDS
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2008**

	<u>GENERAL</u>	<u>HEAD START FUND</u>	<u>NONMAJOR GOVERNMENTAL FUNDS</u>	<u>TOTALS</u>
REVENUES:				
Taxes	\$ 1,360,005			\$ 1,360,005
Fines, Licenses and Permits	47,213			47,213
Intergovernmental:				
Local	143,184		\$ 375,401	518,585
Federal	4,043	\$ 605,857		609,900
Charges for Services	478,253		1,401	479,654
Interest	17,284		485	17,769
Donated	6,328		79,335	85,663
Miscellaneous	53,574		-	53,574
TOTAL REVENUES	<u>2,109,884</u>	<u>605,857</u>	<u>456,622</u>	<u>3,172,363</u>
EXPENDITURES:				
Current:				
Administration	411,065			411,065
Airport	16,113		163	16,276
Public Works - Streets	579,385			579,385
Public Works - Sanitation	170,965			170,965
Public Safety - Police & Fire	337,033			337,033
Public Health - Cemetery	41,934		720	42,654
Culture & Recreation	231,501		6,261	237,762
Head Start Program		605,857		605,857
Economic Development - Rail Study	47,578			47,578
Rural Health			104,919	104,919
Capital Outlay	91,658		369,892	461,550
Debt Service:				
Principal - Lease Purchase	8,857			8,857
Principal - Bonded Debt	61,000			61,000
Interest	39,471			39,471
TOTAL EXPENDITURES	<u>2,036,560</u>	<u>605,857</u>	<u>481,955</u>	<u>3,124,372</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	73,324	-	(25,333)	47,991
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	1,800			1,800
Insurance Proceeds	13,247			13,247
Operating Transfer In (Out)	(75,132)		(2,519)	(77,651)
NET CHANGE IN FUND BALANCE	13,239	-	(27,852)	(14,613)
FUND BALANCES, BEGINNING	<u>596,729</u>		<u>69,560</u>	<u>666,289</u>
FUND BALANCES, ENDING	<u>\$ 609,968</u>	<u>\$ -</u>	<u>\$ 41,708</u>	<u>\$ 651,676</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, 2008**

Net change in fund balances - total governmental funds	\$ (14,613)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays of \$461,550 exceeded depreciation \$364,093 in the current period.	97,457
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	8,857
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets	61,000
This is the current-period decrease in the liability for compensated absences	1,389
Special assessment revenues in the governmental funds that provide current financial resources, but have been included in the statement of activities in prior years.	(16,876)
Bond issuance costs are reported on the statement of net assets as a deferred charge and amortized over the life of the debt. Current period amortization as reported on the statement of net activities.	(3,957)
Certain expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
Current year provision for bad debt on special assessment receivable.	177
The statement of activities reports a gain or loss on the sale of assets based on the proceeds received and the net book value of the assets at the time of sale. The loss on disposal is calculated as follows:	
Cost of assets disposed	(12,100)
Accumulated depreciation of assets disposed	10,321
Change in net assets of governmental activitie	<u><u>\$ 131,655</u></u>