

TOWN AGUILAR, COLORADO
BASIC FINANCIAL STATEMENTS
December 31, 2016

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April 17, 2018

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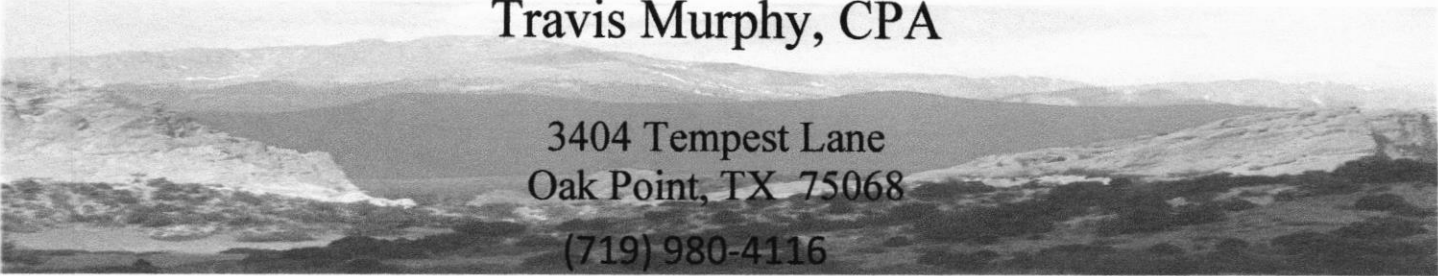
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FINANCIAL SECTION



Travis Murphy, CPA

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Oak Point, TX 75068
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Board of Trustees
Town of Aguilar
Aguilar, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Aguilar, Colorado, as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Aguilar, Colorado, as of December 31, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required budgetary information on page 25 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has not presented the management's discussion and analysis that governmental 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 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 individual fund schedules and compliance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual fund schedules and compliance are fairly stated in all material respects in relation to the financial statements as a whole.

Travis Murphy, CPA

Oak Point, TX
February 26, 2018

BASIC FINANCIAL STATEMENTS

TOWN OF AGUILAR, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2016

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS	
			2016	2015
ASSETS				
Cash and Investments	\$ 235,509	\$ 89,410	\$ 324,919	\$ 321,073
Restricted Cash and Investments	-	524,731	524,731	562,190
Receivables				
Property Taxes	27,745	-	27,745	27,745
Accounts	-	53,880	53,880	53,880
Interfund Balances	154,318	(154,318)	-	-
Capital Assets, not Depreciated	150,915	182,795	333,710	333,710
Capital Assets, Depreciated, Net of Accumulated Depreciation	1,134,299	1,647,045	2,781,344	2,934,173
TOTAL ASSETS	1,702,786	2,343,543	4,046,329	4,232,771
LIABILITIES				
Accounts Payable	2,929	761	3,690	6,550
Accrued Expenses	16,918	33,000	49,918	42,294
Accrued Interest Payable	-	-	-	-
Deposits	-	58,990	58,990	57,954
Noncurrent Liabilities				
Due within One Year	-	20,933	20,933	20,046
Due in More Than One Year	-	1,010,692	1,010,692	1,031,625
TOTAL LIABILITIES	19,847	1,124,376	1,144,223	1,158,469
DEFERRED INFLOWS				
Deferred Property Tax Revenue	27,745	-	27,745	27,745
NET POSITION				
Net Investment in Capital Assets	1,285,214	798,215	2,083,429	2,282,219
Restricted for Emergencies	5,000	-	5,000	5,000
Unrestricted	364,980	420,952	785,932	759,338
TOTAL NET POSITION	\$ 1,655,194	\$ 1,219,167	\$ 2,874,361	\$ 3,046,557

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

TOWN OF AGUILAR, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION		TOTALS	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2016	2015
PRIMARY GOVERNMENT								
Governmental Activities								
General Government	\$ 123,872	\$ 6,414	\$ -	\$ -	\$ (117,458)	\$ -	\$ (117,458)	\$ (63,425)
Public Safety	36,712	1,295	-	-	(35,417)	-	(35,417)	(52,918)
Highway and Streets	28,965	-	23,177	-	(5,788)	-	(5,788)	(43,938)
Parks and Recreation	27,289	-	-	3,617	(23,672)	-	(23,672)	(15,931)
Total Governmental Activities	216,838	7,709	23,177	3,617	(182,335)	-	(182,335)	(176,212)
Business-Type Activities								
Water	251,312	187,331	-	-	-	(63,981)	(63,981)	(30,606)
Sewer	114,920	82,327	-	-	-	(32,593)	(32,593)	(31,647)
Natural Gas	197,984	198,618	-	-	-	634	634	22,199
Interest on Long-Term Debt	45,794	-	-	-	-	(45,794)	(45,794)	(45,129)
Total Primary Government	610,010	468,276	-	-	-	(141,734)	(141,734)	(85,183)
GENERAL REVENUES							(324,069)	(261,395)
Sales Taxes					85,731		85,731	88,526
Property Taxes					27,325		27,325	26,850
Specific Ownership Taxes					8,165		8,165	12,451
Franchise Taxes					13,523		13,523	13,267
Other Taxes					10,381		10,381	18,311
Other					5,588	58,001	63,589	8,989
TOTAL GENERAL REVENUES					150,713	58,001	208,714	168,394
CHANGE IN NET POSITION							(115,355)	(93,001)
NET POSITION, Beginning, as previously reported							3,046,557	3,183,103
Prior Period Adjustment							-	(43,545)
NET POSITION, Beginning, as restated							3,046,557	3,139,558
NET POSITION, Ending							\$ 2,931,202	\$ 3,046,557

The accompanying notes are integral part of the financial Statements

TOWN OF AGUILAR, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2016

	<u>GENERAL FUND</u>	
	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Investments	\$ 235,509	\$ 226,504
Taxes Receivable	27,745	27,745
Due From Other Fund	154,318	148,287
	<hr/>	<hr/>
TOTAL ASSETS	\$ 417,572	\$ 402,536
	<hr/>	<hr/>
LIABILITIES AND FUND EQUITY		
LIABILITIES		
Accounts Payable	\$ 2,929	\$ 3,792
Accrued Expenses	16,918	15,790
	<hr/>	<hr/>
TOTAL LIABILITIES	19,847	19,582
	<hr/>	<hr/>
DEFERRED INFLOWS		
Deferred Property Tax Revenues	27,745	27,745
	<hr/>	<hr/>
Fund Balance		
Restricted for Emergencies	5,000	5,000
Unassigned	364,980	350,209
	<hr/>	<hr/>
TOTAL FUND EQUITY	369,980	355,209
	<hr/>	<hr/>
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	1,285,214	1,346,104
	<hr/>	<hr/>
Net position of governmental activities	\$ 1,655,194	\$ 1,701,313
	<hr/>	<hr/>

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

TOWN OF AGUILAR, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2016

	GENERAL FUND	
	2016	2015
REVENUES		
Taxes	\$ 131,620	\$ 146,138
Licenses and Permits	18,947	18,180
Intergovernmental	26,785	27,930
Charges for Services	2,294	1,364
Miscellaneous	5,560	120
	<hr/>	<hr/>
TOTAL REVENUES	185,206	193,732
	<hr/>	<hr/>
EXPENDITURES		
General Government	123,872	59,712
Public Safety	36,712	53,509
Highways and Streets	28,965	19,727
Parks and Recreation	27,289	16,581
	<hr/>	<hr/>
TOTAL EXPENDITURES	216,338	149,529
	<hr/>	<hr/>
NET CHANGE IN FUND BALANCES	31,632	44,203
FUND BALANCE, Beginning, as previously reported	355,209	294,501
Prior Period Adjustment	-	16,505
NET POSITION Beginning, as restated	<hr/> 355,209	<hr/> 311,006
FUND BALANCES, Ending	<hr/> \$ 386,841	<hr/> \$ 355,209

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

TOWN OF AGUILAR, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

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

Net Changes in Fund Balances - Total Governmental Funds	\$ 33,898
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 of depreciation expensed in the current period.	<u>(60,890)</u>
Change in Net Position of Governmental Activities	<u>\$ (26,992)</u>

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

TOWN OF AGUILAR, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPES as
 of December 31, 2016

	WATER FUND	SEWER FUND	NATURAL GAS FUND	TOTALS	
				2016	2015
ASSETS					
Current Assets					
Cash and Investments	\$ -	\$ 40,209	\$ 49,201	\$ 89,410	\$ 94,569
Restricted Cash and Investments	243,891	60,445	220,395	524,731	562,190
Accounts Receivable	13,583	6,702	33,595	53,880	53,880
Total Current Assets	257,474	107,356	303,191	668,021	710,639
Noncurrent Assets					
Capital Assets, net of accumulated depreciation	1,771,932	20,034	37,874	1,829,840	1,921,779
Total Noncurrent Assets	1,771,932	20,034	37,874	1,829,840	1,921,779
TOTAL ASSETS	2,029,406	127,390	341,065	2,497,861	2,632,418
LIABILITIES					
Current Liabilities					
Accounts Payable	-	742	18	760	2,758
Due to General Fund	154,318	-	-	154,318	148,287
Accrued Expenses	26,829	4,081	2,089	32,999	26,504
Notes Payable, Current	20,933	-	-	20,933	20,046
Total Current Liabilities	202,080	2,894	743	209,010	197,595
Noncurrent Liabilities					
Deposits	14,367	-	44,623	58,990	57,954
Notes Payable, Long Term	1,010,692	-	-	1,010,692	1,031,625
Total Noncurrent Liabilities	1,025,059	-	44,623	1,069,682	1,089,579
TOTAL LIABILITIES	1,227,139	2,894	45,366	1,275,399	1,287,174
NET POSITION					
Net Investment in Capital Assets	740,307	20,034	37,874	798,215	870,108
Unrestricted	61,960	104,462	258,604	425,026	475,136
TOTAL NET POSITION	\$ 802,267	\$ 124,496	\$ 296,478	\$ 1,223,241	\$ 1,345,244

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

TOWN OF AGUILAR, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPES
Year Ended December 31, 2016

	WATER	SEWER	NATURAL GAS	TOTALS	
	FUND	FUND	FUND	2016	2015
OPERATING REVENUES					
Sales	\$ 181,005	\$ 82,327	\$ 194,841	\$ 458,173	\$ 471,988
Water Hauler	6,326	-	-	6,326	8,718
Other Revenues	54,662	-	3,777	58,439	7,982
TOTAL OPERATING REVENUES	241,993	82,327	198,618	522,938	488,688
OPERATING EXPENSES					
Operations	133,161	8,629	130,996	285,660	255,931
Administration	50,840	86,900	61,751	199,491	172,890
Depreciation	67,311	19,391	5,237	91,939	91,939
TOTAL OPERATING EXPENSES	251,312	114,920	197,984	564,216	520,760
OPERATING INCOME (LOSS)	(9,319)	(32,593)	634	(41,278)	(32,072)
NON-OPERATING REVENUES (EXPENSES)					
Interest Income	1,336	390	1,583	3,309	887
Interest Expense	(45,794)	-	-	(45,794)	(45,129)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(44,458)	390	1,583	(42,485)	(44,242)
NET INCOME	(53,777)	(32,203)	2,217	(83,763)	(76,314)
NET POSITION Beginning, as previously reported	896,296	154,697	294,251	1,345,244	1,481,608
Prior Period Adjustment	-	-	-	-	(60,050)
NET POSITION, Beginning, as restated	896,296	154,697	294,251	1,345,244	1,421,558
NET POSITION, Ending	\$ 842,519	\$ 122,494	\$ 296,468	\$ 1,261,481	\$ 1,345,244

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

TOWN OF AGUILAR, COLORADO

STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPES

Year Ended December 31, 2016

Increase (Decrease) in Cash and Cash Equivalents

	WATER	SEWER	NATURAL GAS	TOTALS	
	FUND	FUND	FUND	2016	2015
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash Received from Customers	\$ 241,993	\$ 82,327	\$ 198,619	\$ 522,939	\$ 490,488
Cash Paid to Suppliers	(28,120)	(29,718)	(127,904)	(214,903)	(218,187)
Cash Paid to Employees	(50,018)	(60,314)	(22,314)	(102,003)	(114,275)
Net Cash Provided (Used) by Operating Activities	<u>163,855</u>	<u>(7,705)</u>	<u>48,401</u>	<u>206,033</u>	<u>158,026</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Note Principal Payments	(20,046)	-	-	(20,046)	(19,198)
Interest Payments	(45,794)	-	-	(45,794)	(45,129)
Net Cash Used by Capital and Related Financing Activities	<u>(65,840)</u>	<u>-</u>	<u>-</u>	<u>(65,840)</u>	<u>(64,327)</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	<u>1,336</u>	<u>390</u>	<u>1,583</u>	<u>3,309</u>	<u>888</u>
Net Increase (Decrease) in Cash and Cash Equivalents	99,351	(7,315)	49,984	94,587	94,587
CASH AND CASH EQUIVALENTS, Beginning, as previously reported	283,163	111,464	262,132	656,759	622,222
Prior Period Adjustment	-	-	-	-	(60,050)
CASH AND CASH EQUIVALENTS, Beginning, as restated	<u>283,163</u>	<u>111,464</u>	<u>262,132</u>	<u>656,759</u>	<u>562,172</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 382,514</u>	<u>\$ 104,149</u>	<u>\$ 312,116</u>	<u>\$ 798,779</u>	<u>\$ 656,759</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ (9,319)	\$ (32,593)	\$ 634	\$ (41,278)	\$ (32,072)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities					
Depreciation	67,311	19,391	5,237	91,939	91,939
Changes in Assets and Liabilities					
Interfund Balances	6,031	-	-	6,031	94,467
Accounts Payable	(1,291)	(529)	(178)	(1,988)	(1,954)
Accrued Expenses	2,495	2,458	1,542	6,495	3,846
Deposits	257	-	779	1,036	1,800
Total Adjustments	<u>74,803</u>	<u>21,320</u>	<u>7,380</u>	<u>103,503</u>	<u>190,098</u>
Net Cash Provided by Operating Activities	<u>\$ 65,484</u>	<u>\$ (11,273)</u>	<u>\$ 8,014</u>	<u>\$ 62,225</u>	<u>\$ 158,026</u>

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

TOWN OF AGULAR, COLORADO

STATEMENT OF NET POSITION
VOLUNTEER FIREMEN'S PENSION
December 31, 2016

	TOTALS	
	<u>2016</u>	<u>2015</u>
ASSETS		
Cash and Investments	<u>\$ 59,040</u>	<u>\$ 57,442</u>
NET POSITION		
Reserved for Pension Benefits	<u>\$ 59,040</u>	<u>\$ 57,442</u>

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

TOWN OF AGUILAR, COLORADO
STATEMENT OF CHANGES IN NET POSITION
VOLUNTEER FIREMEN'S PENSION
Year Ended December 31, 2016

	TOTALS	
	2016	2015
ADDITIONS		
Employer Contributions	3,098	\$ 4,105
TOTAL ADDITIONS	3,098	4,105
DEDUCTIONS		
Benefits Payments	1,050	1,500
TOTAL DEDUCTIONS	1,050	1,500
CHANGE IN NET POSITION	1,598	2,605
NET POSITION, Beginning	57,442	54,837
NET POSITION, Ending	\$ 59,040	\$ 57,442

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

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Aguilar, Colorado was incorporated in 1894 and currently operates under a council form of government.

The accounting policies of the Town of Aguilar, Colorado (the "Town") conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of Aguilar 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 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 activities demonstrates the degree to which the direct expenses of the given function or segment is 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.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary 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.

In the fund financial statements, the Town reports the following major governmental fund:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

The Town reports the following major proprietary funds:

The *Water Fund* accounts for the financial activities associated with the provision of water services.

The *Sewer Fund* accounts for the financial activities associated with the provision of wastewater services.

The *Natural Gas Fund* accounts for the financial activities associated with the provision of natural gas services.

Additionally, the Town reports the following fund type:

Fiduciary Fund – The *Volunteer Firemen's Pension Fund* accounts for assets held by the Town in a trustee capacity for the benefit of the Town's public safety (Town Marshall) employees.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

Accounts Receivable

Accounts Receivable consists primarily of taxes and charges for services. All receivables are considered collectible in full. Therefore, no allowance has been recorded.

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$1,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Capital Assets (Continued)

Property and equipment of the Town is depreciated using the straight line method over the following estimated useful lives:

Buildings and Improvements	50 years
Machinery and Equipment	3 - 10 years
Infrastructure	35 - 50 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets 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 and fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to the liabilities, the statement of financial position and balance sheets 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 and fund balance that applies to a futures period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

Employees accrue vacation time after the first year of employment. Accrued vacation time varies from 10 to 15 days per year depending on length of service. After 15 years of service, an employee accrues an additional 1.25 days per year of vacation time. Employees may accrue a maximum of 25 days in unused vacation time. Employees will only be compensated for accrued vacation time upon retirement, layoff, or death. The Town has therefore determined that no accrual for unused vacation time is necessary as of December 31, 2016.

Employees also accrue sick time of 24 to 48 hours per year. A maximum carryover of 240 hours is allowed. However, employees are not compensated for any of their accrued sick time upon termination of employment.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

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

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as investment in capital assets, restricted, and unrestricted.

Investment in Capital Assets is intended to reflect the portion of net position which are associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position are liquid assets, which have third party limitations on their use.

Unrestricted Net Position represent assets that do not have any third party limitation on their use. While Town management may have categorized and segmented portion for various purposes, the Town Council has the unrestricted authority to revisit or alter these managerial decisions.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications and comprised of a hierarchy. The financial statement hierarchy is based primarily on the Town's honor constraints and specific purposes the respective governmental fund amounts can be spent. The classifications used in the governmental fund financial statements are as follows:

- **Nonspendable** – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. At December 31, 2016, by the Town does not report any fund balances as nonspendable.
- **Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies.
- **Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Town Board of Trustees. These amounts cannot be used for any other purpose unless the Town Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town does not report any amounts as committed as of December 31, 2016.
- **Assigned** – Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Town Board of Trustees or a Town official delegated by Town Charter or ordinance. The Town does not report any amounts as assigned as of December 31, 2015.
- **Unassigned** – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

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:

- Prior to September 30, the Town staff submits to the Town Board of Trustees 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 31, 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 Board of Trustees.
- Budgets are legally adopted for the General Fund and proprietary funds of the Town. The budget for the General is adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparisons presented for the proprietary funds are presented on a non-GAAP budgetary basis. A capital outlay is budgeted as expenditure and the depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Board of Trustees. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations by fund.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

State Compliance

At December 31, 2016, actual expenditures in the water and sewer funds exceeded budgeted amounts by \$7,399 and \$12,812, respectively. This may be a violation of state statute.

NOTE 3: DEPOSITS AND INVESTMENTS

A summary of deposits and investments as of December 31, 2016 follows:

Petty Cash	\$	500
Cash Deposits		383,957
Investments		<u>524,731</u>
Total	\$	<u>909,188</u>

The above amounts are classified in the financial statements as follows:

Governmental Activities	\$	235,509
Business-Type Activities		614,641
Fiduciary Activities		<u>59,038</u>
Total	\$	<u>909,188</u>

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2016, state regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has no policy regarding custodial credit risk for deposits.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Deposits (Continued)

At December 31, 2016, the Town had deposits with financial institutions with a carrying amount of \$383,957. The bank balances with the financial institutions were \$324,919. Of these balances, \$312,705 was covered by federal depository insurance and \$12,214 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

Interest Rate Risk

The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which include:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The above investments are authorized for all funds and fund types used by Colorado municipalities.

The Town had invested \$524,731 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds and is registered with the State Securities Commissioner. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. COLOTRUST is rated AAAM by Standard and Poor's.

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

Restricted Cash and Investments

Cash and investments in the amount of \$243,890 are restricted for debt service and infrastructure improvements in the Water Fund. Cash and investments in the amount of \$60,445 and \$220,395 are restricted for infrastructure improvements in the Sewer and Natural Gas Funds, respectively.

NOTE 4: INTERFUND BALANCES

At December 31, 2016, the Water Fund reported \$154,318 as Due to the General Fund. This amount is owed between funds due to timing differences related to receipts and disbursements into the Water Fund not being transferred from fund specific investments in the same accounting period. The underlying revenue or expenditure was recorded.

NOTE 5: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2016 is summarized below:

	Balances <u>12/31/15</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/16</u>
Governmental Activities				
Capital Assets, not depreciated				
Land	\$ 150,915	\$ -	\$ -	\$ 150,915
Capital Assets, depreciated				
Buildings	513,787	-	-	513,787
Machinery and Equipment	292,779	-	-	292,779
Infrastructure	<u>4,128,147</u>	<u>-</u>	<u>-</u>	<u>4,128,147</u>
Total Capital Assets, depreciated	<u>4,934,713</u>	<u>-</u>	<u>-</u>	<u>4,934,713</u>
Less Accumulated Depreciation				
Buildings	376,914	10,276	-	387,190
Machinery and Equipment	266,445	6,047	-	272,492
Infrastructure	<u>3,096,165</u>	<u>44,567</u>	<u>-</u>	<u>3,140,732</u>
Total Accumulated Depreciation	<u>3,739,524</u>	<u>60,890</u>	<u>-</u>	<u>3,800,414</u>
Total Capital Assets, depreciated, Net	<u>1,195,189</u>	<u>(60,890)</u>	<u>-</u>	<u>1,134,299</u>
Governmental Activities, Capital Assets, Net	<u>\$ 1,346,104</u>	<u>\$ (60,890)</u>	<u>\$ -</u>	<u>\$ 1,285,214</u>

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: CAPITAL ASSETS (Continued)

	Balances <u>12/31/15</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/16</u>
Business-Type Activities				
Capital Assets, not depreciated				
Land	\$ 182,795	\$ -	\$ -	\$ 182,795
Capital Assets, depreciated				
Infrastructure	3,633,149	-	-	3,633,149
Machinery and Equipment	<u>10,612</u>	-	-	<u>10,612</u>
Total Capital Assets, depreciated	<u>3,643,761</u>	-	-	<u>3,643,761</u>
Less: Accumulated Depreciation				
Infrastructure	1,894,165	91,939	-	1,986,104
Machinery and Equipment	<u>10,612</u>	-	-	<u>10,612</u>
Total Accumulated Depreciation	<u>1,904,777</u>	<u>91,939</u>	-	<u>1,996,716</u>
Total Capital Assets, depreciated, Net	<u>1,738,984</u>	<u>(91,939)</u>	-	<u>1,647,045</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 1,921,779</u>	<u>\$ (91,939)</u>	<u>\$ -</u>	<u>\$ 1,829,840</u>

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

Governmental Activities

General Government	\$ 9,399
Highways and Streets	48,466
Parks and Recreation	<u>3,025</u>
Total	<u>\$ 60,890</u>

Business-type Activities

Water	\$ 67,311
Sewer	19,391
Natural Gas	<u>5,237</u>
Total	<u>\$ 91,939</u>

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: LONG-TERM DEBT

Business-Type Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2016.

	Balance <u>12/31/15</u>	<u>Additions</u>	<u>Payments</u>	Balance <u>12/31/16</u>	Due In <u>One Year</u>
USDA Bond Payable	<u>\$ 1,051,671</u>	<u>\$ -</u>	<u>\$ 20,046</u>	<u>\$ 1,031,625</u>	<u>\$ 20,933</u>

USDA Bond Payable

In January 2007 the Town issued \$1,225,500 in USDA Water Enterprise Water Revenue Bonds, Series 2006. Proceeds of the bonds were used to pay costs related to the Town's improvements of its water system. The bonds carry an interest rate of 4.375% Semi-annual principal and interest payments are due on Jan 15 and July 15 through 2043.

Annual debt service requirements for the Bonds Payable at December 31, 2016 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 20,933	\$ 44,907	\$ 65,840
2018	21,859	43,981	65,840
2019	22,825	43,015	65,840
2020	23,835	42,005	65,840
2021	24,873	40,967	65,840
2022-2025	111,079	152,281	263,360
2026-2030	168,796	160,404	329,200
2031-2035	209,575	119,625	329,200
2036-2040	260,207	68,993	329,200
2041-2043	<u>167,643</u>	<u>12,120</u>	<u>179,763</u>
Total Debt Service Requirements	<u>\$ 1,031,625</u>	<u>\$ 728,298</u>	<u>\$ 1,759,923</u>

TOWN OF AGUILAR, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 7: RETIREMENT COMMITMENTS

Deferred 457 Compensation Plan

The Town has a deferred compensation plan (the "Plan") created in accordance with Internal Revenue Code Section 457. Participation in the Plan is optional for employees. The Town contributes 3% of an employee's gross annual salary to the plan. Total contributions to the Plan during the year ended December 31, 2016, were \$4,221. The Plan is administered by Waddell and Reed Financial Advisors.

NOTE 8: 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.

TOWN OF AGUILAR, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 9: COMMITMENTS AND CONTINGENCIES

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. On November 1994, voters within the Town approved the collection, retention and expenditure of State grants, all sales and use taxes and all other revenue generated by the Town in 1995 and subsequent years without limitation, notwithstanding the provisions of the Amendment.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2016, the emergency reserve of \$5,000 was recorded in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF AGUILAR, COLORADO

GENERAL FUND BUDGETARY
COMPARISON SCHEDULE Year Ended
December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Taxes	\$ 130,490	\$ 131,620	\$ 1,130	\$ 146,138
Licenses and Permits	17,300	18,947	1,647	18,180
Intergovernmental	25,300	26,785	1,485	27,930
Charges for Services	625	2,294	1,669	1,364
Miscellaneous	300	5,560	5,260	120
TOTAL REVENUES	<u>174,015</u>	<u>185,206</u>	<u>11,191</u>	<u>193,732</u>
EXPENDITURES				
Current				
General Government	68,855	123,872	(55,017)	59,712
Public Safety	45,500	36,712	8,788	53,509
Highways and Streets	8,000	28,965	(20,965)	19,727
Parks and Recreation	20,325	27,289	(6,964)	16,581
Contingency	31,335	-	31,335	-
TOTAL EXPENDITURES	<u>174,015</u>	<u>216,338</u>	<u>(42,823)</u>	<u>149,529</u>
NET CHANGE IN FUND BALANCE	-	(31,632)	(31,632)	44,203
FUND BALANCE, Beginning, as previously reported	-	355,209	355,209	294,501
Prior Period Adjustment	-	-	-	16,505
NET POSITION Beginning, as restated	<u>-</u>	<u>355,209</u>	<u>355,209</u>	<u>311,006</u>
FUND BALANCE, Ending	<u>\$ -</u>	<u>\$ 323,577</u>	<u>\$ 323,577</u>	<u>\$ 355,209</u>

See the accompanying independent auditors' report.

INDIVIDUAL FUND SCHEDULES

TOWN OF AGUILAR, COLORADO

WATER FUND BUDGETARY
COMPARISON SCHEDULE Year Ended
December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Water Sales	\$ 180,100	\$ 181,005	\$ 905	\$ 183,520
Water Hauler	7,500	6,326	(1,174)	8,718
Interest	280	1,366	1,056	392
Other Revenues	6,788	54,662	47,874	7,982
TOTAL REVENUES	194,668	243,329	48,661	200,612
EXPENDITURES				
Operations	83,475	133,161	(49,686)	116,828
Administration	30,588	50,840	(20,252)	38,705
Debt Service	65,840	66,727	(887)	64,327
Contingency	14,765	-	14,765	-
TOTAL EXPENDITURES	194,668	250,728	(56,060)	219,860
NET INCOME, Budget Basis	\$ -	(7,399)	\$ (7,399)	(19,248)
GAAP BASIS ADJUSTMENTS				
Loan Principal Payments		20,933		19,198
Depreciation		(67,311)		(67,311)
NET INCOME, GAAP Basis		(53,777)		(67,311)
NET POSITION Beginning, as previously reported		896,296		1,029,527
Prior Period Adjustment		-		(65,870)
NET POSITION Beginning, as restated		896,296		963,657
NET POSITION Ending		\$ 842,519		\$ 896,296

TOWN OF AGUILAR, COLORADO

SEWER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Sewer Charges	\$ 83,050	\$ 82,327	\$ (723)	\$ 82,434
Interest	100	390	290	105
Other Revenues	100	-	(100)	-
TOTAL REVENUES	<u>83,250</u>	<u>82,717</u>	<u>(533)</u>	<u>82,539</u>
EXPENDITURES				
Operations	7,875	8,629	(4,180)	11,480
Administration	59,487	86,900	(9,560)	88,210
Contingency	15,888	-	15,888	-
TOTAL EXPENDITURES	<u>83,250</u>	<u>95,529</u>	<u>(12,279)</u>	<u>94,690</u>
NET INCOME, Budget Basis	<u>\$ -</u>	<u>(12,812)</u>	<u>\$ (12,812)</u>	<u>(12,151)</u>
GAAP BASIS ADJUSTMENTS				
Depreciation		<u>(19,391)</u>		<u>(19,391)</u>
NET LOSS, GAAP Basis		<u>(32,203)</u>		<u>(31,542)</u>
NET ASSETS, Beginning		<u>154,697</u>		<u>186,239</u>
NET ASSETS, Ending		<u>\$ 122,494</u>		<u>\$ 154,697</u>

TOWN OF AGUILAR, COLORADO

NATURAL GAS FUND BUDGETARY
COMPARISON SCHEDULE Year Ended
December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Natural Gas Sales	\$ 180,400	\$ 198,618	\$ 18,218	\$ 206,034
Interest	300	1,583	1,333	390
TOTAL REVENUES	<u>180,700</u>	<u>200,201</u>	<u>19,501</u>	<u>206,424</u>
EXPENDITURES				
Operations	121,490	130,996	(9,506)	127,623
Administration	53,195	61,751	(8,556)	50,975
Contingency	6,015	-	6,015	-
TOTAL EXPENDITURES	<u>180,700</u>	<u>192,747</u>	<u>(12,047)</u>	<u>178,598</u>
NET INCOME, Budget Basis	<u>\$ -</u>	<u>7,454</u>	<u>\$ 7,454</u>	<u>27,826</u>
GAAP BASIS ADJUSTMENTS				
Depreciation		<u>(5,237)</u>		<u>(5,237)</u>
NET INCOME, GAAP Basis		2,217		22,589
NET POSITION Beginning, as previously reported		294,251		265,842
Prior Period Adjustment		-		5,820
NET POSITION Beginning, as restated		<u>294,251</u>		<u>271,662</u>
NET POSITION Ending		<u>\$ 296,468</u>		<u>\$ 294,251</u>

COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Las Animas		
		YEAR ENDING: December 2016		
This Information From The Records Of: (Aguilar- Town of Las Animas Co)		Prepared By: Tyra Avila Phone: 719-941-4360		
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES		
ITEM	AMOUNT	ITEM	AMOUNT	
A. Receipts from local sources:		A. Local highway expenditures:		
1. Local Highway-user taxes		1. Capital outlay (from page 2)	8,093	
a. Motor Fuel (from Item I.A.5)		2. Maintenance:		
b. Motor Vehicle (from Item I.B.5)		3. Road and street services:		
c. Total (a + b)		a. Traffic control operations	2,509	
2. General fund appropriations		b. Snow and ice removal		
3. Other local imposts (from page 2)		c. Other	4,097	
4. Miscellaneous local receipts (from page 2)		d. Total (a through c)	6,606	
5. Transfers from toll facilities		4. General administration & miscellaneous	4,650	
6. Proceeds of sale of bond and notes		5. Highway law enforcement and safety	3,828	
a. Bonds - Original Issues		6. Total (1 through 5)	23,177	
b. Bonds - Refunding Issues		B. Debt service on local obligations:		
c. Notes		1. Bonds:		
d. Total (a + b + c)		a. Interest		
7. Total (1 through 6)		b. Redemption		
B. Private Contributions		c. Total (a + b)	0	
C. Receipts from State government (from page 2)	23,177	2. Notes:		
D. Receipts from Federal government (from page 2)	23,177	a. Interest		
E. Total receipts (A.7 + B + C + D)		b. Redemption		
		c. Total (a + b)	0	
		3. Total (1.c + 2.c)	0	
		C. Payments to State for highways		
		D. Payments to toll facilities		
		E. Total disbursements (A.6 + B.3 + C + D)	23,177	
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0
V. LOCAL ROAD AND STREET FUND BALANCE				
A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	23,177	23,177		
Notes and Comments:				

LOCAL HIGHWAY FINANCE REPORT

STATE: Florida

YEAR ENDING (mm/yy):

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3 Other local imposts:		A.4 Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sales of Surplus Property	
4. Licenses		f. Charges for Services	
5. Other		g. Other Misc. Receipts	
6. Total (1 through 5)	0	h. Other	
c. Total (a + b)	0	i. Total (a through h)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5)	23,177	1. FHWA (from Item I.D.5)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Local Gov't 1/2 Sales Taxes		c. HUD	
c. Cigarette Taxes		d. Federal Transit Administration	
d. Intangible Taxes		e. U.S. Corps of Engineers	
e. Other		f. Other	
f. Total (a through e)	0	g. Total (a through f)	0
4. Total (1 + 2 + 3.f)	23,177	3. Total (1 + 2.g)	
	(Carry forward to page 1)		(Carry forward to page 1)

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1 Capital outlay:			
a. Right-Of-Way Costs			
b. Engineering Costs			
c. Construction:			
(1). New Facilities			
(2). Capacity Improvements			
(3). System Preservation		8,093	8,093
(4). System Enhancement And Operation			
(5). Total Construction (1)+(2)+(3)+(4)		8,093	8,093
d. Total Capital Outlay (Lines 1.a + 1.b + 1.c.5)		8,093	8,093
			(Carry forward to page 1)

Notes and Comments: