

TOWN OF AKRON, COLORADO
AUDITED FINANCIAL STATEMENTS
December 31, 2016



RECEIVED

By the Office of the State Auditor at 2:38 pm, Sep 21, 2017

TOWN OF AKRON, COLORADO
TABLE OF CONTENTS

	Page
Independent Auditors' Report	2
Basic Financial Statements	
Government-wide Financial Statements	
Statement of Net Position	4
Statement of Activities	5
Fund Financial Statements	
Balance Sheet – Governmental Funds	6
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	8
Statement of Net Position – Proprietary Funds	9
Statement of Revenues, Expenses, and Changes in Net Position – Proprietary Funds	10
Statement of Cash Flows – Proprietary Funds	11
Statement of Fiduciary Net Position – Fiduciary Fund	12
Statement of Changes in Fiduciary Net Position – Fiduciary Fund	13
Notes to the Financial Statements	14
Required Supplementary Information	
General Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Schedules of Expenditures – Budget and Actual	27
Cemetery Trust Fund	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	31
Supplementary Information	
Non-major Funds	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	32
Conservation Trust Fund	
Proprietary Funds	
Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual – Non-GAAP	
Water Fund	33
Sewer Fund	34
Fiduciary Funds	
Schedule of Revenues, Expenses and Changes in Fund Balance – Budget and Actual	
Firemen's Pension Fund	35
Local Highway Finance Report	36



LIITTJOHANN, KAUFFMAN, and PEDERSON

Certified Public Accountants

David A. Kauffman, C.P.A., P.C.

Daniel M. Pederson, C.P.A.'s, P.C.

INDEPENDENT AUDITORS' REPORT

To the Town Council
Town of Akron, Colorado

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 Akron, 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.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Akron, Colorado, as of December 31, 2016, and the respective changes in financial position and cash flows, where applicable, 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 budgetary comparison information as 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 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 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

The Supplementary Information and Local Highway Finance Report were derived from and related directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 such 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 Supplementary Information and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



Fort Morgan, Colorado
August 31, 2017

TOWN OF AKRON, COLORADO
STATEMENT OF NET POSITION
As of December 31, 2016

	Governmental Activities	Business-Type Activities	Total Primary Government
Assets			
Current Assets			
Cash	\$ 497,533	\$ 284,241	\$ 781,774
Cash with County Treasurer	11,598	-	11,598
Receivables			-
General property taxes receivable	473,773	-	473,773
Accounts receivable - services	21,586	47,030	68,616
Accrued interest revenue	673	426	1,099
Internal balances	24,005	20,000	44,005
Other	74,975	-	74,975
Prepaid insurance	11,460	-	11,460
Inventory	6,371	56,951	63,322
Total Current Assets	<u>1,121,974</u>	<u>408,648</u>	<u>1,530,622</u>
Capital Assets			
Land	126,953	184,447	311,400
Property and equipment	9,615,453	5,817,534	15,432,987
Infrastructure	294,531	-	294,531
Less: accumulated depreciation	<u>(6,354,790)</u>	<u>(2,254,891)</u>	<u>(8,609,681)</u>
Total Capital Assets	<u>3,682,147</u>	<u>3,747,090</u>	<u>7,429,237</u>
Total Assets	<u>4,804,121</u>	<u>4,155,738</u>	<u>8,959,859</u>
Deferred Outflows of Resources			
	<u>-</u>	<u>-</u>	<u>-</u>
Total Deferred Outflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
Liabilities			
Current Liabilities			
Accounts payable	46,708	1,040	47,748
Due to other funds	22,351	3,005	25,356
Accrued compensated absences	52,737	30,278	83,015
Payroll taxes payable	1,021	-	1,021
Accrued interest expense	392	8,622	9,014
Notes payable	9,514	70,508	80,022
Total Current Liabilities	<u>132,723</u>	<u>113,453</u>	<u>246,176</u>
Noncurrent Liabilities			
Notes payable	-	1,784,458	1,784,458
Customer deposits payable	-	48,623	48,623
Total Noncurrent Liabilities	<u>-</u>	<u>1,833,081</u>	<u>1,833,081</u>
Total Liabilities	<u>132,723</u>	<u>1,946,534</u>	<u>2,079,257</u>
Deferred Inflows of Resources			
Deferred property tax revenue	473,773	-	473,773
Total Deferred Inflows of Resources	<u>473,773</u>	<u>-</u>	<u>473,773</u>
Net Position			
Invested in capital assets, net of related debt	3,672,633	1,892,124	5,564,757
Restricted for TABOR	48,200	-	48,200
Restricted for debt service	9,514	178,309	187,823
Unrestricted	467,278	138,771	606,049
Total Net Position	<u>\$ 4,197,625</u>	<u>\$ 2,209,204</u>	<u>\$ 6,406,829</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

Functions/ Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total
					Governmental Activities	Business-type Activities	
Governmental Activities							
General government	\$ 215,305	\$ 43,249	\$ -	\$ -	\$ (172,056)		\$ (172,056)
Public safety	258,747	23,931	20,746	3,365	(210,705)		(210,705)
Public works	636,472	249,693	525	-	(386,254)		(386,254)
Culture and recreation	262,030	12,857	-	-	(249,173)		(249,173)
Miscellaneous	173,789	7,319	-	40,314	(126,156)		(126,156)
Total Governmental Activities	1,546,343	337,049	21,271	43,679	(1,144,344)		(1,144,344)
Business-type Activities							
Water	313,316	326,695	-	-		13,379	13,379
Sewer	382,426	293,321	-	-		(89,105)	(89,105)
Total Business-type Activities	695,742	620,016	-	-	-	(75,726)	(75,726)
Total Primary Government	\$ 2,242,085	\$ 957,065	\$ 21,271	\$ 43,679	(1,144,344)	(75,726)	(1,220,070)
General Revenues							
Taxes							
Local property					462,118	-	462,118
Specific ownership					56,664	-	56,664
Franchise					73,625	-	73,625
Cigarette					2,399	-	2,399
Sales					371,839	-	371,839
Severance					7,317	-	7,317
Highway users					66,915	-	66,915
Other revenues					11,086	3,917	15,003
Investment earnings					2,207	1,089	3,296
Total General Revenues					1,054,170	5,006	1,059,176
Change in Net Position					(90,174)	(70,720)	(160,894)
Net Position at Beginning of Year					4,287,799	2,279,924	6,567,723
Net Position at End of Year					\$ 4,197,625	\$ 2,209,204	\$ 6,406,829

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2016

	General Fund	Cemetery Trust Fund	Other Governmental Funds	
			Conservation Trust Fund	Total Governmental Funds
Assets				
Cash	\$ 373,841	\$ 123,692	\$ -	\$ 497,533
Cash with County Treasurer	11,598	-	-	11,598
Receivables				
Grants	-	-	-	-
General property taxes	473,773	-	-	473,773
Accounts receivable - services	21,586	-	-	21,586
Due from other funds	3,005	21,000	-	24,005
Accrued interest revenue	519	153	1	673
Other	74,975	-	-	74,975
Inventory	6,371	-	-	6,371
Prepaid insurance	11,460	-	-	11,460
Total Assets	977,128	144,845	1	1,121,974
Deferred Outflows of Resources				
Total Deferred Outflows of Resources	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ 977,128	\$ 144,845	\$ 1	\$ 1,121,974
Liabilities and Fund Equity				
Liabilities				
Accounts Payable	\$ 46,313	\$ 122	\$ 273	\$ 46,708
Due to other funds	2,351	20,000	-	22,351
Payroll taxes payable	1,021	-	-	1,021
Accrued compensated absences	52,737	-	-	52,737
Total Liabilities	102,422	20,122	273	122,817
Deferred Inflows of Resources				
Deferred tax revenue	473,773	-	-	473,773
Total Deferred Inflows of Resources	473,773	-	-	473,773
Fund Balance				
Nonspendable - Inventory	6,371	-	-	6,371
Restricted for perpetual care	-	124,723	-	124,723
Restricted for emergencies	48,200	-	-	48,200
Assigned	227,000	-	-	227,000
Unassigned	119,362	-	(272)	119,090
Total Fund Equity	400,933	124,723	(272)	525,384
Total Liabilities, Deferred Inflows of Resources, and Fund Equity	\$ 977,128	\$ 144,845	\$ 1	

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.	3,682,147
Notes payable held for governmental activities are expensed as paid down, and therefore the principal amount is not reported in the funds.	(9,514)
Interest accrued on notes payable accrued for governmental activities is expensed at time of payment and therefore not reported in the funds	(392)
Net Position of Governmental Activities	\$ 4,197,625

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS

For the Year Ended December 31, 2016

	General Fund	Cemetery Trust Fund	Other Governmental Funds	Total Governmental Funds
			Conservation Trust Fund	
Revenues				
Taxes	\$ 1,045,858	\$ -	\$ -	\$ 1,045,858
Licenses	18,879	-	-	18,879
Intergovernmental revenues	64,425	-	18,787	83,212
Fines and forfeits	22,853	-	-	22,853
Charges for services	250,926	1,280	-	252,206
Interest	1,416	750	41	2,207
Miscellaneous	30,554	7,400	-	37,954
Total Revenues	1,434,911	9,430	18,828	1,463,169
Expenditures				
General government	192,868	-	-	192,868
Public safety	243,589	-	-	243,589
Public works	589,188	6,942	-	596,130
Culture and recreation	234,404	-	-	234,404
Miscellaneous	36,320	-	-	36,320
Capital outlay	264,888	36,103	182,557	483,548
Debt service	30,534	-	-	30,534
Total Expenditures	1,591,791	43,045	182,557	1,817,393
Expenditures in Excess of Revenues	(156,880)	(33,615)	(163,729)	(354,224)
Other Financing Source (Uses)	-	-	-	-
Net Change in Fund Balances	(156,880)	(33,615)	(163,729)	(354,224)
Fund Balance at Beginning of Year	557,813	158,338	163,457	879,608
Fund Balance at End of Year	\$ 400,933	\$ 124,723	\$ (272)	\$ 525,384

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, 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, 2016

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Net change in fund balances of governmental funds \$ (354,224)

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expense in the statement of activities. This is the amount by which capital outlays exceeded depreciation expense in the period.

Depreciation expense	\$ (238,194)	
Capital outlays	<u>483,548</u>	245,354

Notes payable obtained are revenues in the governmental funds, but the receipt creates long-term liabilities in the statement of net position. This is the amount of debt obtained.

Repayments of notes payable are expenditures in the governmental funds, but the repayment reduces the long-term liabilities in the statement of net position. This is the amount of debt repayments.

18,368

In the statement of activities, certain operating expenses such as interest are measured by the amounts incurred during the year. In the governmental fund, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid). This amount represents the net effect of accrued interest on the statement of activities.

328

Change in net position of governmental activities

\$ (90,174)

The accompanying notes and independent auditors'
report should be read with these financial statements.

TOWN OF AKRON, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
As of December 31, 2016

	Business-type Activities - Enterprise Funds		Total
	Water Fund	Sewer Fund	
Assets			
Current Assets			
Cash	\$ 96,534	\$ 187,707	\$ 284,241
Accounts receivable	20,714	26,316	47,030
Accrued interest revenue	164	262	426
Due from other funds	-	20,000	20,000
Inventory	48,311	8,640	56,951
Total Current Assets	<u>165,723</u>	<u>242,925</u>	<u>408,648</u>
Property, Plant and Equipment			
Land	12,855	171,592	184,447
Property and equipment	2,150,774	3,666,760	5,817,534
Less: accumulated depreciation	(1,197,539)	(1,057,352)	(2,254,891)
Total Property, Plant, and Equipment - Net	<u>966,090</u>	<u>2,781,000</u>	<u>3,747,090</u>
Total Assets	<u>1,131,813</u>	<u>3,023,925</u>	<u>4,155,738</u>
Liabilities			
Current Liabilities			
Accounts Payable	1,040	-	1,040
Due to other funds	1,941	1,064	3,005
Accrued compensated absences	15,025	15,253	30,278
Accrued interest expense	4,348	4,274	8,622
Notes payable	42,732	27,776	70,508
Total Current Liabilities	<u>65,086</u>	<u>48,367</u>	<u>113,453</u>
Noncurrent Liabilities			
Notes payable	191,501	1,592,957	1,784,458
Customer deposits payable	48,623	-	48,623
Total Noncurrent Liabilities	<u>240,124</u>	<u>1,592,957</u>	<u>1,833,081</u>
Total Liabilities	<u>305,210</u>	<u>1,641,324</u>	<u>1,946,534</u>
Net Position			
Invested in capital assets, net of related debt	731,857	1,160,267	1,892,124
Restricted for debt service	60,389	117,920	178,309
Unrestricted	34,357	104,414	138,771
Total Net Position	<u>\$ 826,603</u>	<u>\$ 1,382,601</u>	<u>\$ 2,209,204</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds		Total
	Water Fund	Sewer Fund	
Operating Revenue			
Water sales	\$ 323,830	\$ -	\$ 323,830
Sewer charges	-	293,321	293,321
Delinquent fees	495	-	495
Miscellaneous	2,370	-	2,370
Total Operating Revenue	<u>326,695</u>	<u>293,321</u>	<u>620,016</u>
Operating Expense			
Salaries	50,283	91,983	142,266
Administration salaries	25,143	-	25,143
Employee benefits	41,849	32,578	74,427
Payroll taxes	5,770	7,037	12,807
Insurance and bonds	5,373	5,909	11,282
Operating expense and supplies	37,135	52,950	90,085
Repairs and maintenance	4,406	1,458	5,864
Office expense	3,829	2,292	6,121
Power purchases	64,116	-	64,116
Utilities	1,379	21,885	23,264
Deductible reserve	-	-	-
Contingency	-	-	-
Capital outlay	-	-	-
Miscellaneous	-	-	-
Depreciation	64,875	94,624	159,499
Total Operating Expense	<u>304,158</u>	<u>310,716</u>	<u>614,874</u>
Operating Income	22,537	(17,395)	5,142
Non-Operating Revenue (Expense)			
Interest on investments	340	749	1,089
Farming - income	-	3,917	3,917
Interest expense	(9,158)	(71,710)	(80,868)
Total Non-Operating Revenue (Expense)	<u>(8,818)</u>	<u>(67,044)</u>	<u>(75,862)</u>
Change in Net Position	13,719	(84,439)	(70,720)
Net Position at Beginning of Year	<u>812,884</u>	<u>1,467,040</u>	<u>2,279,924</u>
Net Position at End of Year	<u>\$ 826,603</u>	<u>\$ 1,382,601</u>	<u>\$ 2,209,204</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds		Total
	Water Fund	Sewer Fund	
Cash flows from operating activities			
Cash receipts from customers	\$ 324,253	\$ 291,969	\$ 616,222
Customer deposits received	2,564	-	2,564
Cash payments to suppliers for goods and services	(119,130)	(86,855)	(205,985)
Cash payments to employees for services	(124,019)	(131,741)	(255,760)
Net cash from operating activities	<u>83,668</u>	<u>73,373</u>	<u>157,041</u>
Cash flows from noncapital financing activities:	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Additions to capital assets	(19,659)	(15,393)	(35,052)
Principal paid on debt	(41,850)	(26,603)	(68,453)
Interest paid on debt	(9,707)	(71,779)	(81,486)
Net cash from capital and related financing activities	<u>(71,216)</u>	<u>(113,775)</u>	<u>(184,991)</u>
Cash flows from investing activities:			
Farm income - net	-	3,917	3,917
Interest and dividends received on investments	217	575	792
Net cash from investing activities	<u>217</u>	<u>4,492</u>	<u>4,709</u>
Net increase (decrease) in cash and cash equivalents	12,669	(35,910)	(23,241)
Cash and cash equivalents, beginning of year	<u>83,865</u>	<u>223,618</u>	<u>307,483</u>
Cash and cash equivalents, end of year	<u>\$ 96,534</u>	<u>\$ 187,708</u>	<u>\$ 284,242</u>
Cash flows from operating activities:			
Operating income	22,537	(17,395)	5,142
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation	64,875	94,624	159,499
Change in assets and liabilities:			
(Increase) Decrease in accounts receivable	(2,442)	(1,352)	(3,794)
(Increase) Decrease in inventory	-	-	-
Increase (Decrease) in accounts payable	(2,892)	(2,361)	(5,253)
Increase (Decrease) in accrued compensated absences	(974)	(143)	(1,117)
Increase (Decrease) in customer deposits	2,564	-	2,564
Total Adjustments	<u>61,131</u>	<u>90,768</u>	<u>151,899</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 83,668</u>	<u>\$ 73,373</u>	<u>\$ 157,041</u>

The accompanying notes and independent auditors' report should be read with these financial statements.

TOWN OF AKRON, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
As of December 31, 2016

	Firemen's Pension Fund
Assets	
Current Assets	
Cash	\$ 164,475
Cash with County Treasurer	-
Property taxes receivable	18,956
Accrued interest revenue	223
Due from other funds	2,351
Total Assets	186,005
Deferred Outflows of Resources	
Total Deferred Outflows of Resources	-
Total Assets and deferred outflows	186,005
Liabilities	
Current Liabilities	
Accounts Payable	3,410
Deferred Inflows of Resources	
Deferred tax revenue	18,956
Total Deferred Outflows of Resources	18,956
Total Liabilities and deferred inflows	22,366
Net Position	
Held in trust for pension benefits and other purposes	\$ 163,639

The accompanying notes and independent auditors'
report should be read with these financial statements.

TOWN OF AKRON, COLORADO
STATEMENT OF CHANGE IN FIDUCIARY NET POSITION
FIDUCIARY FUND
For the Year Ended December 31, 2016

	Firemen's Pension Fund
Additions	
Contributions	
Property taxes	\$ 18,490
Intergovernmental	18,283
Contributions	20,705
Total Contributions	57,478
Investment earnings	
Interest	531
Total Additions	58,009
Deductions	
Pension payments	51,480
Change in net position	6,529
Net Position at Beginning of Year	157,110
Net Position at End of Year	\$ 163,639

The accompanying notes and independent auditors'
report should be read with these financial statements.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Akron, Colorado (the “Town”) have been 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 following summary of significant accounting policies is presented to assist the reader in evaluating the Town’s financial statements.

A. Reporting Entity

As required by GAAP, these financial statements present the Town (the primary government) and its component units. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable, or other organizations for which the nature and significance of the relationship with the primary government are such that exclusion would cause the Town’s financial statements to be misleading or incomplete. Based on the foregoing criteria, there are no component units included in the accompanying financial statements.

B. Basic Financial Statements

Basic financial statements are presented at both the government-wide and fund financial levels. Both levels of statements categorize primary activities as either governmental or business-type. Governmental activities, which are normally supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The government-wide statements do not include the fiduciary fund or components that are fiduciary funds. These have separate statements showing the financial information.

Government-wide financial statements report information about the reporting government as a whole. For the most part, the effect of inter-fund activity has been removed from these statements. These statements focus on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the year. These aggregated statements consist of the Statement of Net Position and the Statement of Activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or business-type activity are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or business-type activity. 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 business-type activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or business-type activity. Taxes and other items not included among program revenues are reported instead as general revenues.

Fund financial statements report information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified as governmental, proprietary, and fiduciary. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Non-major funds are consolidated into a single column in the financial section of the basic financial statements.

C. 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 a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. The Town has collected nearly 100% of all property taxes at December 31. Grants and similar items are recognized as soon as all eligibility requirements imposed by the provider have been met.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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 collectible with 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 after year end. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so 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.

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

If both restricted and unrestricted resources are available to use for the same purpose, it is the Town's policy to use restricted resources first, and then unrestricted resources as they are needed.

The Town reports the following major funds:

General Fund

This is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be reported in another fund.

Cemetery Trust Fund

This fund is established to accumulate funds for the perpetual care and maintenance of the Town's cemetery grounds. All investment earnings are recorded in the Cemetery Trust Fund. The Cemetery Trust Fund is a permanent fund.

The Town reports the following major proprietary funds:

Water Fund

This accounts for the water service charges which are used to finance the water system operating expenses.

Sewer Fund

This accounts for the sewer service charges which are used to finance the sanitary sewer system operating expenses.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the Town reports the following fund types:

Special Revenue Fund

The Conservation Trust Fund provides for an accounting of those funds received through the State of Colorado Lottery Fund Program. The State requires that these funds be expended in the areas of parks and recreation development.

Firemen's Pension Fund

The Town has established the Volunteer Firemen's Pension Plan to provide pension and other benefits to the firefighters and their dependents (Note 7).

D. Budgets

Annually appropriated budgets were adopted for all funds. Budgets are adopted on a basis consistent with generally accepted accounting principles. All governmental funds and proprietary funds are budgeted on the modified accrual basis of accounting. All appropriations lapse at year end.

In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Colorado statutes provide the following timetable, which is followed in the adoption of the budgets:

1. Submission of the proposed budget to the local governing body by October 15 of each year.
2. Certification of mill levies to the Board of County Commissioners by December 15.
3. Final adoption of budget and appropriations by December 31 of each year.
4. Property taxes are due by April 30 of each year if paid in full, or in two installments due February 28 and June 15 of each year.
5. Liens are placed on property for which taxes are delinquent in November of each year.

The actual results of operations are presented in accordance with generally accepted accounting principles, which differ in certain respects from those practices used in the preparation of the 2016 budget. For purposes of preparing the Statements of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual, the actual results of operations have been adjusted to a basis consistent with the Town's budgeted revenues and expenditures.

E. Cash and Investments

For purposes of the statement of cash flows, the enterprise funds consider cash on hand, demand deposits, and short-term investments with original maturities of three months or less when purchased to be cash and cash equivalents.

F. Accounts Receivable – Allowance for Doubtful Accounts

Based upon a review of existing accounts receivable and prior collection experience, the Town has determined all accounts to be collectible and no allowance for doubtful accounts has been provided for 2016.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

G. Inter-fund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Short-term inter-fund loans are classified as “due to/from other funds.” All short-term inter-fund receivables and payables at year end are planned to be eliminated in the subsequent year. Long-term inter-fund loans are classified as “inter-fund note receivable/payable.” Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

H. Inventories

Inventories are valued at cost, which approximates market, using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased. Fund balance has been reserved by an amount corresponding to the value of inventory held by the General Fund, \$6,371.

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2016 are recorded as prepaid items for enterprise funds.

J. Encumbrances

The Town does not utilize encumbrance accounting.

K. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g. roads, sidewalks, street lights, 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 two years. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at estimated fair market value as of the date of the donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed. No interest was capitalized for 2016.

Depreciation on exhaustible assets is recorded as an allocated expense in the Statement of Activities with accumulated depreciation reflected in the Statement of Net Position. A composite depreciation rate is used for infrastructure assets. Depreciation on the remaining capital assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Improvements other than Buildings	15-50 years
Water Distribution System	10-50 years
Sewer Collection System	10-50 years
Machinery and Equipment	5-20 years
Vehicles	5-15 years
Infrastructure	20-80 years

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Compensated Absences

Accumulated vacation leave is reported as a liability for all leave related to past employee service for which payment to the employee is considered probable. The leave liability includes any non-vested leave earned by employees that is considered likely to vest.

A liability for unused sick leave benefits is accrued only if it is probable that the employee will be compensated for the benefits through cash payments upon death or retirement. The term retirement includes age 65 or after 20 years of employment. The sick leave liability is estimated based on the Town's past experience in making termination payments for sick leave and its termination payment policy (termination payment method).

Accumulated vacation leave and termination payments for sick leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and a fund liability of the governmental fund that will pay the benefit. Accumulated vacation leave and sick leave termination payments for proprietary fund types are recorded as fund liabilities.

M. Long-term Obligations

In the government-wide financial statements, and proprietary fund types 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 statements of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest rate method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt.

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 while discounts on debt issuances are reported as other financing uses. Issuance cost, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

N. Fund Equity

As of December 31, 2016, fund equity balances of the governmental funds are classified as follows:

Non-spendable - amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

Restricted - amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed - amounts that can only be used for specific purposes determined by a formal action of the Board of Directors.

Assigned - amounts intended to be used for specific purposes that are neither restricted nor committed.

Unassigned - all other spendable amounts.

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

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

O. Inter-fund Transactions

Quasi-external transactions are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditure/ expense initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or non-routine permanent transfers are reported as operating transfers.

P. Net Position

Net position comprises the various net earnings from operating income, non-operating revenues and expenses, and capital contributions. Net position is classified in the following three components:

Invested in capital assets, net of related debt – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in capital assets, net of related debt. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provision or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

Q. Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates that affect amounts reported in the financial statements during the reporting period. Actual results could differ from such estimates.

R. Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position reports 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/expenditures) until then. The Town does not have any deferred outflows.

In addition to liabilities, the statement of financial position reports a separate section for 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 one item that qualifies for reporting in this category: Deferred property tax assessment revenue which is based on current year land values but will not be recognized as revenue until the following year.

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

NOTE 2 – CASH AND INVESTMENTS

A. Deposits

Custodial Credit Risk – Deposits – Custodial credit risk is the risk that, in the event of a bank failure, the Town’s deposits might not be recovered. However, the Colorado Public Deposit Protection Act (PDPA) requires that deposits of all units of local governments be held at eligible public depositories, whose eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution of 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 aggregate uninsured deposits.

Federal Deposit Insurance Corporation (FDIC) coverage totaled \$250,000 per institution. The balance held over this limit in any of the institutions falls under the provisions of the PDPA. At December 31, 2016, the carrying amount of the Town’s deposits of the Governmental Activities totaled \$826,049, held in several institutions. Of that amount, all was covered by the FDIC. The carrying amount of the Town’s deposits of the Business-type Activities totaled \$284,241, all covered by the PDPA. The carrying amount of the Town’s deposits of the Fiduciary Fund totaled \$123,692, all covered by the PDPA. The Town has not formally adopted policies regarding interest rate risk or credit risk.

B. Investments

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The Colorado Revised Statutes (C.R.S.) 24-75-601 limits investment maturities to five years or less. All deposits are reported at cost plus accrued interest. All the Town’s certificates of deposit mature within one year.

NOTE 3 – FIXED ASSETS

Capital asset activities for the year ended December 31, 2016 were as follows:

	Balance December 31, 2015	Additions	Deletions and Adjustments	Balance December 31, 2016
<u>Governmental Activities</u>				
Non-depreciable Assets:				
Land	\$ 126,953	\$ -	\$ -	\$ 126,953
Depreciable Assets:				
Property and Equipment	9,131,905	483,548	-	9,615,453
Infrastructure	294,531	-	-	294,531
Less: Accumulated Depreciation	(6,116,596)	(238,194)	-	(6,354,790)
Net Depreciable Capital Assets	3,309,840	245,354	-	3,555,194
Total Assets – Governmental Activities	\$ 3,436,793	\$ 245,354	\$ -	\$ 3,682,147
<u>Business-type Activities</u>				
Non-depreciable Assets:				
Land	\$ 184,447	\$ -	\$ -	\$ 184,447
Depreciable Assets:				
Property, Equipment and Systems	5,782,482	35,052	-	5,817,534
Less: Accumulated Depreciation	(2,095,390)	(159,501)	-	(2,254,891)
Net Depreciable Capital Assets	3,687,092	(124,449)	-	3,562,643
Total Assets – Business-type Activities	\$ 3,871,539	\$ (124,449)	\$ -	\$ 3,747,090

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

NOTE 3 – FIXED ASSETS (continued)

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

General Government	\$ 20,497
Public Safety	9,877
Public Works	42,725
Culture and Recreation	27,626
Airport	137,469
	<u>\$ 238,184</u>

NOTE 4 – NOTES PAYABLE

Business-type Activity

Well Project

On March 17, 2003 the Colorado Water conservation Board awarded a loan to the Town in the amount of \$349,799. The funds were to be used for the construction of the Hoyer and Thomas/Kusel wells and pipeline project. The loan is to be repaid over 30 years at an interest rate of 3.75%. The annual payments are in the amount of \$19,619.39. The loan contract states the first payment is due one year after the project has been completed. The project was completed September 1, 2006. Payments on the note are due as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2017	3.75%	\$ 13,125.96	\$ 6,493.43	\$ 19,619.39
2018	3.75%	13,618.19	6,001.20	19,619.39
2019	3.75%	14,128.87	5,490.52	19,619.39
2020	3.75%	14,658.70	4,960.69	19,619.39
2021	3.75%	15,208.40	4,410.99	19,619.39
2022-2026	3.75%	85,036.69	13,060.26	98,096.95
2027	3.75%	17,381.24	651.80	18,033.04
		<u>\$ 173,158.05</u>	<u>\$ 41,068.89</u>	<u>\$ 214,226.94</u>

A component of the note agreement requires the Town to establish a reserve of revenue amounts pertaining to note repayment. In addition, the note agreement requires the Town to establish a debt service reserve account. The debt service reserve amount will be equal to one note payment with one-tenth of the payment amount deposited on the due date of the first payment and annually thereafter for the first ten years. The Town has earmarked the appropriate amounts in the water fund budget for compliance with the rate covenants and the debt service requirements. The amount of the reserve at December 31, 2016 is \$19,619. The current principal portion of \$13,126 has also been reserved as of December 31, 2016.

Waste Water Treatment Facility

On September 4, 2002, the United States Department of Agriculture (USDA), Office of Rural Development awarded a loan of \$1,850,000 to the Town for the purpose of constructing a new waste water treatment plant.

On October 22, 2002, the Town approved an interim financing agreement with the Bank of Colorado for \$1,850,000. The interim note agreement had an interest rate of 5% and a maturity date of November 8, 2006. As of April 19, 2006, the Town received principal advances of \$1,582,255 on the interim financing note. The interim loan was repaid June 9, 2006 through the issuance of the permanent loan through the USDA.

The note agreement requires the Town to establish a debt service reserve account. The debt service reserve amount will be equal to one note payment with one-tenth of the payment amount deposited on the due date of the first payment and annually thereafter for the first ten years. The Town has earmarked the appropriate amounts in the water fund budget for compliance with the rate covenants and the debt service requirements. The amount of the reserve at December 31, 2016 is \$100,160. The current principal portion of \$27,776 has also been reserved as of December 31, 2016.

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

NOTE 4 – NOTES PAYABLE (CONTINUED)

Waste Water Treatment Facility (Continued)

The USDA loan is due in semi-annual installments of \$49,192, and payments are due as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2017	4.375%	27,776.42	70,607.58	98,384.00
2018	4.375%	29,004.93	69,379.07	98,384.00
2019	4.375%	30,287.79	68,096.21	98,384.00
2020	4.375%	31,627.36	66,756.64	98,384.00
2021	4.375%	33,026.20	65,357.80	98,384.00
2022-2026	4.375%	188,377.21	303,542.79	491,920.00
2027-2031	4.375%	223,887.00	258,033.00	491,920.00
2032-2036	4.375%	290,391.45	201,528.55	491,920.00
2037-2041	4.375%	360,546.75	131,373.25	491,920.00
2042-2046	4.375%	395,811.43	44,326.05	440,137.48
		<u>\$ 1,620,736.54</u>	<u>\$ 1,279,000.94</u>	<u>\$ 2,899,737.48</u>

Electronic Water Meters

In 2014, the Town obtained a capital project loan from NorthStar Bank to fund the purchase of electronic well meters for the Town. The loan is to be repaid over 5 years at an interest rate of 2.525%. The annual payments are \$31,938.29, with the first payment due June 23, 2015. Payments on the note are due as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2017	2.525%	29,605.60	2,332.69	31,938.29
2018	2.525%	30,363.53	1,574.76	31,938.29
2019	2.525%	1,105.93	797.44	1,903.37
		<u>\$ 61,075.06</u>	<u>\$ 4,704.89</u>	<u>\$ 65,779.95</u>

The current principal portion of \$29,606 has also been reserved as of December 31, 2015

Governmental Activity

Street Sweeper

On April 19, 2012, the Town purchased a Faris Machinery Street Sweeper by securing a loan at the Bank of Colorado with a principal amount of \$45,000 at an interest rate of 2.925%. The loan is to be repaid over five years, with the first payment made April 19, 2013. The note is due in annual installments of \$9,816.61 as follows:

<u>Year Ending December 31</u>	<u>Interest Rate</u>	<u>Principal Maturity</u>	<u>Interest Requirements</u>	<u>Total Debt Requirements</u>
2017	2.925%	9,513.42	303.19	9,816.61
		<u>\$ 9,513.42</u>	<u>\$ 303.19</u>	<u>\$ 19,633.22</u>

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

NOTE 5 – CHANGES IN LONG-TERM DEBT

The following is a summary of debt obligations and activity for those obligations of the Town for the year ending December 31, 2016:

	Balance 12/31/15	Additions	Reductions	Balance 12/31/16	Due in one year
Governmental Activities					
Compensated Absences	\$ 63,701	\$ -	\$ 10,964	\$ 52,737	\$ 52,737
Note Payable – Street Sweeper	18,771	-	9,258	9,513	9,513
Total Governmental	<u>82,772</u>	<u>-</u>	<u>20,222</u>	<u>62,250</u>	
Business-type Activities					
Compensated Absences	31,395	-	1,117	30,278	30,278
Note Payable – Water Project	185,810	-	12,652	173,158	12,651
Note Payable – Water Meters	90,274	-	29,199	61,075	28,858
Note Payable – Sewer Expansion Project	1,647,336	-	26,599	1,620,737	26,600
Total Business-type	<u>1,954,815</u>	<u>-</u>	<u>69,567</u>	<u>1,885,248</u>	
	<u>\$ 2,037,287</u>	<u>\$ -</u>	<u>\$ 89,789</u>	<u>\$ 1,947,498</u>	

Interest expense of \$559 has been included in the direct expenses of public works on the government-wide statement of activities.

NOTE 6 – RISK MANAGEMENT

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. The Town carries commercial insurance for airport liability and surety bond with risk of loss transferring to the carriers. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past four fiscal years, and there were no material changes in coverage for 2016. All other risks have been provided for by the following risk pool.

Colorado Intergovernmental Risk Sharing Agency (herewith referred to as “CIRSA”) – CIRSA is a separate legal entity established by member municipalities pursuant to the provision of CRS and the Colorado Constitution.

The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

The Town recognizes as an expense/expenditure the amounts paid to CIRSA annually for these coverages. Contingent liability claims for the coverage have not been recognized to date after reviewing claims history and the remoteness of potential loss in excess of actual contributions by the Town.

NOTE 7 – PENSION FUNDS

Firemen’s Pension Fund

Plan Description – The Firemen’s Pension Program (the Program) is a single-employer defined benefit plan administered by a Board of Directors appointed by the Town Council. The Program provides a monthly retirement benefit to retired volunteer firemen who have attained age 50 and who have 20 years of continuous service. Currently, the monthly benefit is \$160. Benefits paid during 2016 amounted to \$51,480. Details of this plan are included within the fiduciary fund types of this audit report.

The Program is funded by a property tax levy set annually by the Town Council and contributions from the Rural Fire District and the State of Colorado (the State). As set by state statute, the Town may contribute an amount based on ½ mill on the assessed valuation of the Town. The State makes an annual contribution to the Program as set by state statute. The contribution by the State toward fire pension funds has been established by the legislature and allocated to all fire pension funds in the State, based upon the amounts contributed by the municipality. The State currently matches 90% of all amounts levied, appropriated and contributed by the Town up to a maximum of ½ mill on the assessed valuation.

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

NOTE 7 – PENSION FUNDS (CONTINUED)

Firemen's Pension Fund (Continued)

The Rural Fire District and State contributions for 2016 were \$18,283 and \$18,729, respectively. The Program consists of volunteer firemen, and therefore there is not a required contribution from plan members. Currently, there is no actuarial study available for the Program.

NOTE 8 – RETIREMENT PLAN

The Town's employees participate in the statewide Colorado County Officials and Employees Retirement Association (the Association) Retirement Plan (the Plan), a multiple-employer defined contribution plan. The Town's payroll for the employees covered by the Plan for the year ended December 31, 2016 was \$375,068.

Employer contributions to the Plan are a minimum of 3% of compensation. Employer contributions match employee contribution and are funded on a current basis. Employees may make additional voluntary contributions, not to exceed certain statutory limits. In 2011, a Section 157 Roth IRA option was added to the plan, under which employees may make voluntary contributions not to exceed certain statutory limits. In 2016, both the Town and the covered employees made the required 3% contributions, which amounted to \$10,877, and \$10,877, respectively. Additionally, \$36,258 in voluntary contributions were made by the employees to the Roth and regular portions of the plan.

Participants vest in employer contributions and in the earnings, losses, and changes in fair market value of plan assets at a rate of 10% per year, 20% per year, or immediately, depending on the vesting schedule adopted by the member entity. Participants are immediately vested 100% in their own contributions and earnings. Any employer contribution forfeited by a participant due to termination of employment prior to becoming fully vested is returned to the Town.

The Association may at any time elect to terminate the Plan. In the event of such termination, each participant shall become 100% vested.

Net earnings or losses are allocated quarterly to Plan participants. The allocation is based on each participant's balance as of the beginning of that quarter. Participants receiving benefit payments upon retirement or termination are allocated earnings through the date of the distribution.

Benefit payments are made as of the effective date of each participant's retirement or termination. At retirement, each participant has the option of receiving their vested balance in cash or having the Association place the funds in a bank account maintained under the joint control of the Associations and the retiring individual.

NOTE 9 – CONTINGENCIES

Grants

The Town receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds.

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

NOTE 10 – FUND BALANCE/ RETAINED EARNINGS APPROPRIATIONS AND RESERVES

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue, and debt limitations which apply to the State, all local governments, and special districts.

The Town’s financial activity for the year ended December 31, 2016 will provide the basis for the calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 2016, revenue in excess of the Town’s “spending limit” must be refunded unless voters approve the retainage of such excess revenues. TABOR generally requires voter approval for any new tax, tax increases, and new debt.

In November 1995, the Town’s electorate approved a resolution to permit the Town to increase revenues and spending by the full amount from interest on invested funds, existing sales and use tax rates, non-federal grants, building permit fees, existing user fees and charges, and severance taxes which are received or receivable in the current fiscal year or in any future fiscal year with the stipulation that all such receipts shall be spent for fire protection, police protection, snow removal, street maintenance, and construction, town lawns, trees, parks and recreation, and other basic town services and lawful municipal purposes.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance.

The Town has made the following fund balance reservations as a result of Article X, Section 20 of the Colorado Constitution (TABOR):

Emergency Reserve – The Article requires an emergency reserve be set aside for 2016 in the amount of 3% or more of its fiscal year spending. At December 31, 2016, the Town had reserved the following for emergencies:

General Fund \$48,200

The management of the Town believes it is in complete compliance with TABOR.

Ending fund balances/ retained earnings have been appropriated or assigned through adoption of the 2017 budget in order to provide for the anticipated excess of expenditures over revenue during the 2016 budget year. For governmental fund types these amounts are shown as assigned fund balances. The appropriations in excess of revenues for the 2016 budget year are as follows:

Fund	December 31, 2016 Appropriations
Governmental Fund Types	
General Fund	\$ 135,085
Cemetery Trust Fund	\$ 21,855
Conservation Trust Fund	\$ -
Business-type Activity	
Water Fund	\$ 66,355
Sewer Fund	\$ 284,853

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

NOTE 11 – INTERFUND RECEIVABLES AND PAYABLES

At December 31, 2016, amount due from and to other funds are as follows:

	Due From	Due To
General Fund	\$ 3,005	\$ 23,351
Water Fund	-0-	1,941
Sewer Fund	20,000	1,064
Cemetery Trust Fund	21,000	20,000
Firemen's Pension Fund	2,351	-0-
	\$ 46,356	\$ 46,356

During 2002, the Cemetery Trust Fund entered into a note agreement with the Sewer Fund. The funds were used to finance the sewer expansion project and were to be repaid from permanent funding sources. The interest rate on the note was 2.6%, which was the average rate of return on the Town's certificate of deposit determined at the time the agreement was made. The balance of the note at December 31, 2004 was \$109,000. The Sewer Fund repaid the note in 2005 in the amount of \$119,000. In 2014, an additional \$10,000 was paid to the Sewer Fund from the Cemetery Trust Fund. The \$20,000 overpayment is a Due From in the Sewer Fund and a Due To in the Cemetery Trust Fund.

NOTE 12 – SUBSEQUENT EVENTS

The Town has evaluated subsequent events through the date of the report, which is the date the financial statements were available to be issued. No events were noted that would require adjustment to or disclosure in the financial statements.

TOWN OF AKRON, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues			
Taxes			
Current property (net of \$9,56			
Treasurer's fees)	\$ 422,272	\$ 415,240	\$ (7,032)
Senior center property	12,118	11,915	(203)
Recreation program property	35,556	34,963	(593)
Specific ownership	61,550	56,664	(4,886)
General sales	407,000	371,839	(35,161)
Cigarette	2,045	2,399	354
Franchise	72,400	73,625	1,225
Licenses and Permits			
License fees	7,700	8,025	325
Liquor licenses	2,250	4,200	1,950
Building permits	10,000	4,126	(5,874)
Animal licenses	1,300	1,078	(222)
Other licenses	1,250	1,450	200
Intergovernmental			
County - Road and Bridge	4,800	4,981	181
Severance	16,000	7,317	(8,683)
Highway users'	64,000	66,915	2,915
Rural Fire District	16,500	20,746	4,246
State grants	16,000	3,365	(12,635)
Federal grants	288,000	40,314	(247,686)
Fines and Forfeits	35,400	22,853	(12,547)
Charges for services			
Sanitation fees	213,000	213,254	254
Recycling fees	12,650	12,867	217
Swimming pool/ Recreation fees	12,900	12,857	(43)
Late fees	6,200	11,948	5,748
Interest	1,050	1,416	366
Miscellaneous			
Rents	4,000	3,301	(699)
Refunds	9,000	14,857	5,857
Sale of assets	5,000	11,624	6,624
Miscellaneous	300	772	472
Total Revenues	1,740,241	1,434,911	(305,330)
Expenditures			
General government	240,056	192,868	47,188
Public safety	251,714	243,589	8,125
Public works	661,610	589,188	72,422
Culture and recreation	243,664	234,404	9,260
Miscellaneous	38,080	36,320	1,760
Capital outlay	577,000	264,888	312,112
Debt service	30,534	30,534	-
Total Expenditures	2,042,658	1,591,791	450,867
Expenditures in Excess of Revenues	(302,417)	(156,880)	145,537
Net Change in Fund Balance	\$ (302,417)	(156,880)	\$ 145,537
Net Position at Beginning of Year		557,813	
Net Position at End of Year		\$ 400,933	

TOWN OF AKRON, COLORADO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
General Government			
Administration			
Salaries	\$ 96,086	\$ 92,899	\$ 3,187
Benefits	47,836	29,363	18,473
Payroll taxes	6,495	7,107	(612)
Publishing and legal	25,000	17,633	7,367
Community development	2,500	1,056	1,444
Dues	3,600	3,636	(36)
Office expense	15,000	9,165	5,835
Audit	7,750	7,750	-
Liquor license transfer	2,115	2,636	(521)
Election expense	5,000	602	4,398
Insurance and bonds	1,674	1,803	(129)
Municipal court	16,500	15,321	1,179
Miscellaneous	1,500	562	938
Building, maintenance, and expense	8,000	3,335	4,665
Senior center property tax	-	-	-
Insurance deductible	1,000	-	1,000
	<u>240,056</u>	<u>192,868</u>	<u>47,188</u>
Subtotal	240,056	192,868	47,188
Capital Outlay - Administration	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total General Government	<u>\$ 240,056</u>	<u>\$ 192,868</u>	<u>\$ 47,188</u>
Public Safety			
Police			
Police contract	\$ 211,152	\$ 211,152	\$ -
Dog pound	3,500	1,902	1,598
Fire Department			
Operating supplies	8,000	3,382	4,618
Vehicle expense	8,000	8,120	(120)
Equipment	10,000	9,100	900
Amortization	-	-	-
Utilities	5,500	5,184	316
Insurance and bonds	2,762	2,525	237
Office expense	1,800	1,724	76
Miscellaneous	1,000	500	500
	<u>251,714</u>	<u>243,589</u>	<u>8,125</u>
Subtotal	251,714	243,589	8,125
Capital Outlay - Fire	-	-	-
Debt Service - Fire	7,280	7,280	-
	<u>7,280</u>	<u>7,280</u>	<u>-</u>
Total Public Safety	<u>\$ 258,994</u>	<u>\$ 250,869</u>	<u>\$ 8,125</u>

TOWN OF AKRON, COLORADO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Public Works			
Building inspections			
Operating expense	\$ 1,400	\$ 899	\$ 501
Insurance and bonds	325	133	192
Utilities	4,515	3,959	556
Sanitation Department			
Salaries	88,266	79,317	8,949
Benefits	31,530	30,439	1,091
Payroll taxes	6,753	6,068	685
Operating expense	34,000	31,231	2,769
Recycling costs	31,000	28,530	2,470
Vehicle expense	8,500	7,824	676
Amortization	-	-	-
Insurance and bonds	25,565	17,497	8,068
Utilities	1,260	870	390
Office expense	1,500	1,493	7
Street Department			
Salaries	96,819	95,255	1,564
Benefits	44,740	34,893	9,847
Payroll taxes	7,407	7,287	120
Road repairs and maintenance	184,340	163,440	20,900
Utilities and street lighting	42,000	36,062	5,938
Operating expense	18,000	12,231	5,769
Vehicle expense	18,000	19,014	(1,014)
Insurance and bonds	15,190	12,362	2,828
Office expense	500	384	116
Subtotal	661,610	589,188	72,422
Capital outlay - Sanitation	60,000	-	60,000
Capital outlay - Street	-	-	-
Debt Service - Sanitation	13,437	13,437	-
Debt Service - Street	9,817	9,817	-
Total Public Works	<u>\$ 744,864</u>	<u>\$ 612,442</u>	<u>\$ 132,422</u>

TOWN OF AKRON, COLORADO
GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (Continued)
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Culture and Recreation			
Parks			
Salaries	49,505	47,942	1,563
Benefits	20,425	20,798	(373)
Payroll taxes	3,787	3,668	119
Operating expense	24,000	21,394	2,606
Vehicle expense	3,800	3,534	266
Insurance and bonds	2,100	3,035	(935)
Utilities	2,310	1,914	396
Telephone and postage	500	410	90
Recreation			
Salaries	15,500	14,513	987
Benefits	50	32	18
Payroll taxes	1,186	1,110	76
Insurance and bonds	2,180	1,650	530
Operating expense	7,500	6,304	1,196
Swimming Pool			
Salaries	22,000	20,971	1,029
Benefits	90	47	43
Payroll taxes	1,683	1,604	79
Operating expense	9,000	9,776	(776)
Utilities	8,000	8,056	(56)
Insurance and bonds	2,525	1,951	574
Amortization	-	-	-
Library			
Salaries	35,400	34,512	888
Benefits	12,515	12,459	56
Payroll taxes	2,708	2,640	68
Operating expense	16,000	15,460	540
Insurance and bonds	900	624	276
Subtotal	243,664	234,404	9,260
Capital outlay - Swimming Pool	197,000	197,000	-
Total Culture and Recreation	<u>\$ 440,664</u>	<u>\$ 431,404</u>	<u>\$ 9,260</u>
Miscellaneous			
Airport			
Operating expense	26,000	26,139	(139)
Insurance and bonds	9,430	7,717	1,713
Utilities	2,650	2,464	186
Subtotal	38,080	36,320	1,760
Capital outlay	320,000	67,888	252,112
Total Miscellaneous	<u>\$ 358,080</u>	<u>\$ 104,208</u>	<u>\$ 253,872</u>
Summary of Capital Outlay - all departments			
General Administration	\$ -	\$ -	\$ -
Public Safety	-	-	-
Public Works	60,000	-	60,000
Culture and Recreation	197,000	197,000	-
Airport	320,000	67,888	252,112
Total Capital Outlay	<u>\$ 577,000</u>	<u>\$ 264,888</u>	<u>\$ 312,112</u>
Summary of Debt Service - all departments			
Public Safety	\$ 7,280	\$ 7,280	\$ -
Public Works	23,254	23,254	-
Total Debt Service	<u>\$ 30,534</u>	<u>\$ 30,534</u>	<u>\$ -</u>

TOWN OF AKRON, COLORADO
CEMETERY TRUST FUND
SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues			
Perpetual care charges	\$ -	\$ 1,280	\$ 1,280
Miscellaneous	7,000	7,400	400
Interest on investments	750	750	-
Total Revenues	<u>7,750</u>	<u>9,430</u>	<u>1,680</u>
Expenses			
Insurance and bonds	1,591	1,907	(316)
Operating expense	10,000	5,035	4,965
Capital outlay	57,159	36,103	21,056
Total Expenses	<u>68,750</u>	<u>43,045</u>	<u>25,705</u>
Net Income	<u>\$ (61,000)</u>	<u>(33,615)</u>	<u>\$ 27,385</u>
Fund Balance at Beginning of Year		<u>158,338</u>	
Fund Balance at End of Year		<u>\$ 124,723</u>	

TOWN OF AKRON, COLORADO
 CONSERVATION TRUST FUND
 SCHEDULE OF REVENUES, EXPENSES, AND
 CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Revenues			
Lottery proceeds	\$ 17,000	\$ 18,787	\$ 1,787
Interest on investments	300	41	(259)
Total Revenues	<u>17,300</u>	<u>18,828</u>	<u>1,528</u>
Expenses			
Contingency	-	-	-
Capital outlay	<u>182,557</u>	<u>182,557</u>	-
Total Expenses	<u>182,557</u>	<u>182,557</u>	<u>-</u>
Revenues in Excess (Deficiency) of Expenditures	<u>\$ (165,257)</u>	(163,729)	<u>\$ 1,528</u>
Fund Balance at Beginning of Year		<u>163,457</u>	
Fund Balance at End of Year		<u>\$ (272)</u>	

TOWN OF AKRON, COLORADO
WATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL - NON GAAP
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues			
Water sales	\$ 321,700	323,830	\$ 2,130
Delinquent fees	735	495	(240)
Miscellaneous	485	145	(340)
Total Operating Revenues	<u>322,920</u>	<u>324,470</u>	<u>1,550</u>
Operating Expenses			
Salaries	51,659	50,283	1,376
Administration salaries	42,634	25,143	17,491
Employee benefits	29,100	41,849	(12,749)
Payroll taxes	7,215	5,770	1,445
Insurance and bonds	5,850	5,373	477
Operating expense and supplies	39,000	37,135	1,865
Vehicle expense	7,300	4,406	2,894
Office expense	4,400	3,829	571
Power purchases	73,500	64,116	9,384
Capital outlay	35,000	19,659	15,341
Miscellaneous	-	-	-
Reserve for deductible	1,000	-	1,000
Contingency	67,666	-	67,666
Testing expense	2,763	-	2,763
Utilities	1,260	1,379	(119)
Total Operating Expenses	<u>368,347</u>	<u>258,942</u>	<u>109,405</u>
Operating Income (Loss)	<u>(45,427)</u>	<u>65,528</u>	<u>110,955</u>
Non-Operating Income (Expense)			
Interest on investments	215	340	125
Tap fees	2,225	2,225	-
Debt service - principal	(42,400)	(42,400)	-
- interest	(9,159)	(9,158)	1
Debt service reserves	(3,924)	-	3,924
Total Non-Operating Income (Loss)	<u>(53,043)</u>	<u>(48,993)</u>	<u>4,050</u>
Net Income (Loss) - Budgetary Basis	<u>\$ (98,470)</u>	<u>16,535</u>	<u>\$ 115,005</u>
Adjustments for GAAP Basis			
Principal payment		42,400	
Capital outlay		19,659	
Depreciation		<u>(64,875)</u>	
Total GAAP Adjustments		<u>(2,816)</u>	
Net Income (Loss) - GAAP Basis		13,719	
Net Position at Beginning of Year		<u>812,884</u>	
Net Position at End of Year		<u>\$ 826,603</u>	

TOWN OF AKRON, COLORADO
SEWER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL - NON GAAP
For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues			
Sewer charges	\$ 290,500	293,321	\$ 2,821
Grants and loans	-	-	-
Miscellaneous	1,000	-	(1,000)
Total Operating Revenues	<u>291,500</u>	<u>293,321</u>	<u>1,821</u>
Operating Expenses			
Salaries	92,793	91,983	810
Employee benefits	38,283	32,578	5,705
Payroll taxes	7,099	7,037	62
Insurance and bonds	4,761	5,909	(1,148)
Office expense	1,800	2,292	(492)
Operating expense and supplies	55,000	52,950	2,050
Vehicle expense	2,000	1,458	542
Capital outlay	30,000	15,393	14,607
Amortization	30,000	-	30,000
Reserve for deductible	1,000	-	1,000
Contingency	147,061	-	147,061
Utilities	16,275	21,885	(5,610)
Total Operating Expenses	<u>426,072</u>	<u>231,485</u>	<u>194,587</u>
Operating Income (Loss)	<u>(134,572)</u>	<u>61,836</u>	<u>196,408</u>
Non-Operating Income (Expense)			
Interest on investments	600	749	149
Farming income	2,500	3,917	1,417
Tap fees			-
Debt service - principal	(26,674)	(26,674)	-
- interest	(71,710)	(71,710)	-
Debt service reserves	(90,144)	-	90,144
Total Non-Operating Income (Loss)	<u>(185,428)</u>	<u>(93,718)</u>	<u>91,710</u>
Net Income (Loss) - Budgetary Basis	<u>\$ (320,000)</u>	<u>(31,882)</u>	<u>\$ 288,118</u>
Adjustments for GAAP Basis			
Principal payment		26,674	
Capital Outlay		15,393	
Depreciation		(94,624)	
Total GAAP Adjustments		<u>(52,557)</u>	
Net Income (Loss) - GAAP Basis		(84,439)	
Net Position at Beginning of Year		<u>1,467,040</u>	
Net Position at End of Year		<u>\$ 1,382,601</u>	

TOWN OF AKRON, COLORADO
 FIREMEN'S PENSION FUND
 SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
 For the Year Ended December 31, 2016

	Original and Final Budgeted Amounts	Actual Amounts	Variance Favorable (Unfavorable)
Operating Revenues			
Property taxes (net of Treasurer's fees)	\$ 18,803	18,490	\$ (313)
State remittance	20,975	18,729	(2,246)
Rural Fire District	18,803	18,283	(520)
AVFD contributions	1,500	1,976	476
Interest on investments	150	531	381
Total Operating Revenues	<u>60,231</u>	<u>58,009</u>	<u>(2,222)</u>
Operating Expenses			
Pension payments	51,300	51,480	(180)
Contingency	8,931	-	8,931
Total Operating Expenses	<u>60,231</u>	<u>51,480</u>	<u>8,751</u>
Net Income	<u>\$ -</u>	<u>6,529</u>	<u>\$ (10,973)</u>
Fund Balance at Beginning of Year		<u>157,110</u>	
Fund Balance at End of Year		<u>\$ 163,639</u>	

Calendar Year 2016

LOCAL HIGHWAY FINANCE REPORT

COUNTY/CITY: Akron

II - RECEIPTS FOR ROAD AND STREET PURPOSES

A. Receipts from local sources

2. General Fund Appropriations:	\$	246,141.00
3. Other local imposts: <i>from A.3. Total' below)</i>	\$	65,319.00
4. Miscellaneous local receipts: <i>from A.4. Total' below)</i>	\$	26,129.00
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00

SubTotal: \$ 337,589.00

B. Private Contributions

\$ 0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	0.00
2. Infrastructure and Impact Fees:	\$	0.00
3. Liens:	\$	0.00
4. Licenses:	\$	8,025.00
5. Specific Ownership and/or Other:	\$	57,294.00
Total: <i>(a + b) carried to 'Other local imposts' above)</i>	\$	65,319.00

A.4. Miscellaneous local receipts

a. Interest on Investments:	\$	0.00
b. Traffic fines & Penalties:	\$	21,183.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	0.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	0.00
g. Other Misc. Receipts:	\$	4,946.00
h. Other:	\$	0.00
Total: <i>(a through h) carried to 'Misc local receipts' above)</i>	\$	26,129.00

C. Receipts from State Government

1. Highway User Taxes:	\$	66,694.00
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	0.00
d. Other:		
Comments: undefined	\$	0.00
e. Other:		
Comments: undefined	\$	0.00
Total: (1+3c,d,e)	\$	66,694.00

D. Receipts from Federal Government

2. Other Federal Agencies		
a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	0.00
Total: (2a-f)	\$	0.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

A. Local highway disbursements

1. Capital outlay: (from A.1.d. Total Capital Outlay below)	\$	0.00
2. Maintenance:	\$	337,763.00
3. Road and street services		
a. Traffic control operations:	\$	42,062.00
b. Snow and ice removal:	\$	11,713.00
c. Other:	\$	0.00
4. General administration & miscellaneous	\$	12,745.00
5. Highway law enforcement and safety	\$	0.00
Total: (A.1-5)	\$	404,283.00

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
	SubTotal: (1+2)	\$ 0.00
C. Payments to State for Highways:	\$	0.00
D. Payments to Toll Facilities:	\$	0.00
	Total Disbursements: (A+B+C+D)	\$ 404,283.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00
b. Engineering Costs:	\$ 0.00	\$ 0.00	\$ 0.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 0.00	\$ 0.00
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:			\$ 0.00
d. Total Capital Outlay: (Lines A.1.a. + 1.b. + 1.c.5)			\$ 0.00

IV. LOCAL HIGHWAY DEBT STATUS

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 404,283.00	\$ 404,283.00	\$ 0.00	\$ 0.00

Notes & Comments:
undefined

Date Submitted: 05/31/2017