

TOWN OF ANTONITO, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2016



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FINANCIAL SECTION



JOHN CUTLER & ASSOCIATES

Honorable Mayor and Members of the Town Council
Town of Antonito
Antonito, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Antonito, 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 Antonito, 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

Management has omitted the management 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.

Accounting principles generally accepted in the United States of America require that required budgetary information on page 29, the Town's schedule of proportionate share and the Town's schedule of contributions of pages 30 and 31 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.

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 combining and 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 combining and individual fund schedules and compliance are fairly stated in all material respects in relation to the financial statements as a whole.

John Luttler & Associates, LLC

October 4, 2017

BASIC FINANCIAL STATEMENTS

TOWN OF ANTONITO, COLORADO

STATEMENT OF NET POSITION

As of December 31, 2016

	GOVERNMENTAL ACTIVITIES	BUSINESS	TOTALS	
		TYPE ACTIVITIES	2016	2015
ASSETS				
Cash and Investments	\$ 916,265	\$ 50,645	\$ 966,910	\$ 565,746
Restricted Cash and Investments	-	3,000	3,000	2,997
Receivables				
Property Taxes	97,846	-	97,846	120,322
Grants	-	89,953	89,953	164,825
Accounts	80,795	27,036	107,831	86,396
Capital Assets, not Depreciated	95,361	3,186,735	3,282,096	773,573
Capital Assets, Depreciated, Net of Accumulated Depreciation	1,304,130	897,074	2,201,204	2,077,664
Net Pension Asset	145	-	145	7,661
TOTAL ASSETS	2,494,542	4,254,443	6,748,985	3,799,184
DEFERRED OUTFLOWS OF RESOURCES				
Related to Pensions	20,538	-	20,538	5,155
LIABILITIES				
Accounts Payable	52,470	180,900	233,370	143,529
Retainage Payable	-	68,188	68,188	-
Accrued Expenses	4,946	4,777	9,723	4,259
Noncurrent Liabilities				
Due within One Year	57,640	34,242	91,882	69,218
Due in More Than One Year	242,376	947,048	1,189,424	696,960
TOTAL LIABILITIES	357,432	1,235,155	1,592,587	913,966
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	97,846	-	97,846	120,322
Related to Pensions	171	-	171	141
TOTAL DEFERRED INFLOWS OF RESOURCES	98,017	-	98,017	120,463
NET POSITION				
Net Investment in Capital Assets	1,102,504	3,107,902	4,210,406	2,094,613
Restricted for Emergencies	60,000	-	60,000	25,000
Unrestricted	897,127	(88,614)	808,513	650,297
TOTAL NET POSITION	\$ 2,059,631	\$ 3,019,288	\$ 5,078,919	\$ 2,769,910

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

TOWN OF ANTONITO, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

<u>FUNCTIONS/PROGRAMS</u>	<u>EXPENSES</u>	<u>PROGRAM REVENUES</u>		
		<u>CHARGES FOR SERVICES</u>	<u>OPERATING GRANTS AND CONTRIBUTIONS</u>	<u>CAPITAL GRANTS AND CONTRIBUTIONS</u>
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	\$ 97,779	\$ 1,823	\$ -	\$ -
Public Safety	165,152	44,146	-	-
Highways and Streets	92,998	7,093	52,472	109,914
Health and Welfare	13,481	-	-	-
Parks and Recreation	21,401	21,046	-	8,574
Solid Waste Management	78,691	116,224	-	-
Interest on Long-Term Debt	12,470	-	-	-
Total Governmental Activities	481,972	190,332	52,472	118,488
Business-Type Activities				
Water and Wastewater	317,212	193,199	-	1,900,169
Total Business-Type Activities	317,212	193,199	-	1,900,169
Total Primary Government	\$ 799,184	\$ 383,531	\$ 52,472	\$ 2,018,657

GENERAL REVENUES

Sales Taxes
Property Taxes
Specific Ownership Taxes
Franchise Taxes
Other Taxes
Interest
Other
Transfers

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND
CHANGE IN NET POSITION

GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
		2016	2015
\$ (95,956)	\$ -	\$ (95,956)	\$ (125,778)
(121,006)	-	(121,006)	(62,566)
76,481	-	76,481	20,128
(13,481)	-	(13,481)	(4,400)
8,219	-	8,219	(12,538)
37,533	-	37,533	1,210
(12,470)	-	(12,470)	(6,675)
(120,680)	-	(120,680)	(190,619)
-	1,776,156	1,776,156	(83,346)
-	1,776,156	1,776,156	(83,346)
(120,680)	1,776,156	1,655,476	(273,965)
444,067	-	444,067	267,644
118,829	-	118,829	116,908
21,610	-	21,610	22,205
18,557	-	18,557	19,011
4,700	-	4,700	241
1,260	3	1,263	1,305
44,507	-	44,507	127,783
(136,201)	136,201	-	-
517,329	136,204	653,533	555,097
396,649	1,912,360	2,309,009	281,132
1,662,982	1,106,928	2,769,910	2,488,778
<u>\$ 2,059,631</u>	<u>\$ 3,019,288</u>	<u>\$ 5,078,919</u>	<u>\$ 2,769,910</u>

TOWN OF ANTONITO, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2016

	GENERAL FUND	CAPITAL PROJECTS FUND	NON-MAJOR	GOVERNMENTAL FUNDS	
			CONSERVATION TRUST FUND	2016	2015
ASSETS					
Cash and Investments	\$ 490,075	\$ 383,337	\$ 42,853	\$ 916,265	\$ 539,284
Taxes Receivable	58,095	39,751	-	97,846	120,322
Due from Other Funds	-	-	-	-	100,201
Accounts Receivable	62,916	17,879	-	80,795	59,361
TOTAL ASSETS	\$ 611,086	\$ 440,967	\$ 42,853	\$ 1,094,906	\$ 819,168
LIABILITIES AND FUND EQUITY					
LIABILITIES					
Accounts Payable	\$ 6,994	\$ 45,476	\$ -	\$ 52,470	\$ 13,465
Accrued Expenses	4,946	-	-	4,946	4,119
TOTAL LIABILITIES	11,940	45,476	-	57,416	17,584
DEFERRED INFLOWS					
Deferred Property Taxes	58,095	39,751	-	97,846	120,322
Fund Balance					
Restricted	60,000	355,740	42,853	458,593	342,528
Unassigned	481,051	-	-	481,051	338,734
TOTAL FUND EQUITY	541,051	355,740	42,853	939,644	681,262
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND EQUITY	\$ 611,086	\$ 440,967	\$ 42,853		

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.	1,399,491	1,225,565
Long-term liabilities are not due and payable in the current period and are not reported in the funds. This includes Capital Leases (\$294,026), accrued compensated absences (\$5,990), net pension asset \$145, deferred outflows related to pensions \$20,538 and deferred inflows related to pensions (\$171).	(279,504)	(243,845)
Net position of governmental activities	\$ 2,059,631	\$ 1,662,982

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

TOWN OF ANTONITO, COLORADO

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

	GENERAL FUND	CAPITAL PROJECTS FUND	NON-MAJOR	GOVERNMENTAL FUNDS	
			CONSERVATION TRUST FUND	2016	2015
REVENUES					
Property Taxes	\$ 56,070	\$ 62,759	\$ -	\$ 118,829	\$ 116,908
Sales Taxes	345,251	98,816	-	444,067	267,644
Specific Ownership Taxes	10,382	11,228	-	21,610	22,205
Franchise Taxes	18,557	-	-	18,557	19,011
Intergovernmental	57,172	109,914	8,574	175,660	125,829
Licenses and Permits	1,555	-	-	1,555	9,020
Charges for Services	144,631	-	-	144,631	108,990
Fines and Forfeitures	44,146	-	-	44,146	69,475
Interest	578	644	38	1,260	1,302
Miscellaneous	11,047	33,460	-	44,507	1,826
TOTAL REVENUES	689,389	316,821	8,612	1,014,822	742,210
EXPENDITURES					
General Government	82,997	6,250	-	89,247	136,172
Public Safety	172,131	-	-	172,131	133,462
Highways and Streets	72,768	-	-	72,768	73,903
Health and Welfare	13,481	-	-	13,481	4,400
Parks and Recreation	6,580	-	722	7,302	9,295
Solid Waste Management	78,691	-	-	78,691	100,601
Debt Service					
Principal	33,050	20,605	-	53,655	51,559
Interest	5,333	7,137	-	12,470	6,675
Capital Outlay	107,041	109,453	-	216,494	408,547
TOTAL EXPENDITURES	572,072	143,445	722	716,239	924,614
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	117,317	173,376	7,890	298,583	(182,404)
OTHER FINANCING USES					
Proceeds from Capital Lease	96,000	-	-	96,000	195,300
Transfer In	-	-	-	-	50,000
Transfer Out	(36,000)	(100,201)	-	(136,201)	(50,000)
TOTAL OTHER FINANCING USES	60,000	(100,201)	-	(40,201)	195,300
NET CHANGE IN FUND BALANCES	177,317	73,175	7,890	258,382	12,896
FUND BALANCES, Beginning	363,734	282,565	34,963	681,262	668,366
FUND BALANCES, Ending	\$ 541,051	\$ 355,740	\$ 42,853	\$ 939,644	\$ 681,262

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

TOWN OF ANTONITO, 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	\$ 258,382
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay \$225,423 exceeded depreciation (\$51,497), in the current period.	173,926
Capital lease proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide statements, however, issuing debt increases long-term liabilities in the statement of net position and does not effect the statement of activities.	(96,000)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include a payments of loan payable of \$1,887, capital lease payable \$51,768 and change in Accrued Compensated Absences of (\$1,151).	52,504
Deferred charges related to pensions are not recognized in the governmental funds. However, for the government-wide financial statements, these amounts are capitalized and amortized.	<u>7,837</u>
Change in Net Position of Governmental Activities	<u><u>\$ 396,649</u></u>

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

TOWN OF ANTONITO, COLORADO

STATEMENT OF NET POSITION
 PROPRIETARY FUND TYPE
 As of December 31, 2016

	<u>2016</u>	<u>2015</u>
ASSETS		
Current Assets		
Cash and Investments	\$ 50,645	\$ 26,462
Restricted Cash and Investments	3,000	2,997
Grants Receivable	89,953	164,825
Accounts Receivable	<u>27,036</u>	<u>27,035</u>
Total Current Assets	<u>170,634</u>	<u>221,319</u>
Noncurrent Assets		
Capital Assets, net of accumulated depreciation	<u>4,083,809</u>	<u>1,625,672</u>
Total Noncurrent Assets	<u>4,083,809</u>	<u>1,625,672</u>
TOTAL ASSETS	<u>4,254,443</u>	<u>1,846,991</u>
LIABILITIES		
Current Liabilities		
Accounts Payable	180,900	130,064
Retainage Payable	68,188	-
Accrued Expenses	4,777	140
Due to Other Funds	-	100,201
Loan Payable, Current	<u>34,242</u>	<u>34,242</u>
Total Current Liabilities	<u>288,107</u>	<u>264,647</u>
Noncurrent Liabilities		
Accrued Compensated Absences	5,383	6,525
Loan Payable, Long Term	<u>941,665</u>	<u>468,891</u>
Total Noncurrent Liabilities	<u>947,048</u>	<u>475,416</u>
TOTAL LIABILITIES	<u>1,235,155</u>	<u>740,063</u>
NET POSITION		
Net Investment in Capital Assets	3,107,902	1,122,539
Unreserved	<u>(88,614)</u>	<u>(15,611)</u>
TOTAL NET POSITION	<u>\$ 3,019,288</u>	<u>\$ 1,106,928</u>

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

TOWN OF ANTONITO, COLORADO

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

	<u>2016</u>	<u>2015</u>
OPERATING REVENUES		
Charges for services	\$ 193,199	\$ 212,405
Other Revenues	-	125,957
	<u>193,199</u>	<u>338,362</u>
OPERATING EXPENSES		
Water and Wastewater Operations	<u>317,212</u>	<u>295,751</u>
	<u>317,212</u>	<u>295,751</u>
OPERATING INCOME (LOSS)	<u>(124,013)</u>	<u>42,611</u>
NON-OPERATING REVENUES (EXPENSES)		
Transfer In	136,201	-
Grant Revenue	1,900,169	-
Interest Income	<u>3</u>	<u>3</u>
	<u>2,036,373</u>	<u>3</u>
NET INCOME	1,912,360	42,614
NET POSITION, Beginning	<u>1,106,928</u>	<u>1,064,314</u>
NET POSITION, Ending	<u>\$ 3,019,288</u>	<u>\$ 1,106,928</u>

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

TOWN OF ANTONITO, COLORADO

STATEMENT OF CASH FLOWS

PROPRIETARY FUND TYPE

Year Ended December 31, 2016

Increase (Decrease) in Cash and Cash Equivalents

	<u>2016</u>	<u>2015</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 268,070	\$ 173,538
Cash Paid to Suppliers	(153,403)	(72,298)
Cash Paid to Employees	(91,105)	(86,585)
Net Cash Provided by Operating Activities	<u>23,562</u>	<u>14,655</u>
 CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchase of Fixed Assets	(2,508,523)	(515,752)
Grant Revenue	1,900,169	-
Loan Proceeds	507,016	520,254
Loan Principal Payments	(34,242)	(17,121)
Transfers	136,201	-
Net Cash Used by Capital and Related Financing Activities	<u>621</u>	<u>(12,619)</u>
 CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	<u>3</u>	<u>3</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	24,186	2,039
 CASH AND CASH EQUIVALENTS, Beginning	<u>29,459</u>	<u>27,420</u>
 CASH AND CASH EQUIVALENTS, Ending	<u>\$ 53,645</u>	<u>\$ 29,459</u>
 RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	<u>\$ (124,013)</u>	<u>\$ 42,611</u>
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities		
Depreciation	50,386	50,208
Changes in Assets and Liabilities		
Grants Receivable	74,872	(164,825)
Accounts Receivable	(1)	1
Accounts Payable	50,836	106,597
Retainage Payable	68,188	-
Accrued Expenses	4,637	(1,114)
Accrued Compensated Absences	(1,142)	2,978
Due To Other Funds	(100,201)	(21,801)
Total Adjustments	<u>147,575</u>	<u>(27,956)</u>
 Net Cash Provided by Operating Activities	<u>\$ 23,562</u>	<u>\$ 14,655</u>

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

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Antonito, Colorado was founded in 1889. The Town operates under a Town Council form of government and provides the following services: public safety, highway and street maintenance, water and sewer, culture and recreation, debt service and general government activities, including financial administration, planning and zoning and municipal court services. The Town is governed by a Mayor and six-member council elected by the residents.

The accounting policies of the Town of Antonito, 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 Antonito 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 are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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.

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 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. 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 non-operating 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 ANTONITO, 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 *Capital Projects Fund* accounts for revenues and expenditures of the Town dedicated to the Town's street projects as well as other capital equipment and improvement projects

The Town reports the following major proprietary fund:

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

Cash and Investments

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

Investments are recorded at fair value.

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 \$5,000 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.

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

Buildings and Improvements	10 - 40 years
Water and Sewer Plants	10 - 50 years
Water and Sewer Lines	10 - 50 years
Machinery and Equipment	5 - 40 years
Infrastructure	10 - 20 years

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Compensated Absences

Eligible employees can earn vacation leave and sick leave. The vacation pay is paid upon termination of employment. In Governmental funds, only liabilities for compensated absences of employees terminated prior to the close of the calendar year that was not paid until the subsequent year is reported as an expenditure and fund liability. The remainder of the unpaid compensated absences liability is only recognized in the Government-wide report. In proprietary funds, compensated absences are recorded as an expense and liability of the fund.

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.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds 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. The Town does not report any amounts as nonspendable at December 31, 2016.
- 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 the following amounts as restricted as of December 31, 2016

Emergency Reserves	\$ 60,000
Capital Projects	355,740
Park and Recreation	<u>42,853</u>
Total	<u>\$ 458,593</u>

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors 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 have any committed fund balances 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 Town Council or a Town official delegated that Town by Town Charter or ordinance. The Town does not have any assigned fund balances as of December 31, 2016.
- 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.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15, or in full on April 30. The Conejos County Treasurer bills and collects all property taxes for the Town. Monthly remittances are sent to the Town of Antonito. Property tax revenue is recognized when it becomes available. Available includes property taxes expected to be collected within 30 days. Delinquent taxes are considered fully collectible; therefore, no allowance for uncollectible taxes is provided.

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.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 2: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

The Town of Antonito follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- 1) Preparation of budget documents by administrative staff which shall be submitted to the Board in October of each year.
- 2) Publication of a notice stating that the budget is available for public inspection.
- 3) Discussion of the budget in a meeting open to the public.
- 4) Adoptions of the budget in a public meeting by appropriate resolution.

Formal budgetary integration is employed as a management control device for all funds of the Town. General Fund and Special Revenue Fund budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Proprietary Fund budget is adopted using the same accounting methods as governmental fund types; this procedure follows Colorado statute but is not in accordance with GAAP.

- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Council.
- Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The Budgetary comparisons presented for the Water Fund is presented on a non-GAAP budgetary basis. Capital outlay is budgeted as an expenditure and depreciation is not budgeted.
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Town Council. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations by fund.

Legal Compliance

The actual expenditures of the General Fund, Capital Projects Fund, and Water Fund exceeded its budgeted amount by \$69,628, \$184,084, and \$489,618, respectively. This may be a violation of state statute.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 3: DEPOSITS AND INVESTMENTS

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

Cash Deposits	<u>\$ 969,910</u>
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The above amounts are classified in the statement of Net Position as follows:

Governmental Activities	\$ 916,265
Business-Type Activities –Unrestricted	50,645
Business-Type Activities - Restricted	<u>3,000</u>
Total	<u>\$ 969,910</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 town does not have a deposit policy for custodial credit risk. 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.

At December 31, 2016, the Town had deposits with financial institutions with a carrying amount of \$969,910. The bank balances with the financial institutions were \$1,180,449. Of these balances, \$500,000 was covered by federal depository insurance and \$680,449 was covered by collateral held by authorized escrow agents in the financial institution's name (PDPA).

Restricted Cash

As of December 31, 2016, cash in the amount \$3,000 is restricted in the Water Fund to comply with USDA loan covenants.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 3: DEPOSITS AND INVESTMENTS (Continued)

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. Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

The Town does not have any investments as of December 31, 2016.

NOTE 4: CAPITAL ASSETS

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

	<u>Balances</u> <u>12/31/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/16</u>
Governmental Activities				
Capital Assets, not depreciated				
Land	\$ 95,361	\$ -	\$ -	\$ 95,361
Capital Assets, depreciated				
Buildings	542,873	98,155	-	641,028
Machinery and Equipment	426,669	116,970	19,160	524,479
Infrastructure	538,506	10,298	-	548,804
Total Capital Assets, depreciated	<u>1,508,048</u>	<u>225,423</u>	<u>19,160</u>	<u>1,714,311</u>
Less Accumulated Depreciation				
Buildings	165,448	17,701	-	183,149
Machinery and Equipment	126,280	22,922	19,160	130,042
Infrastructure	86,116	10,874	-	96,990
Total Accumulated Depreciation	<u>377,844</u>	<u>51,497</u>	<u>19,160</u>	<u>410,181</u>
Total Capital Assets, depreciated, Net	<u>1,130,204</u>	<u>173,926</u>	<u>-</u>	<u>1,304,130</u>
Governmental Activities, Capital Assets, Net	<u>\$ 1,225,565</u>	<u>\$ 173,926</u>	<u>\$ -</u>	<u>\$ 1,399,491</u>

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 4: CAPITAL ASSETS (Continued)

	<u>Balances</u> <u>12/31/15</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/16</u>
Business-Type Activities				
Capital Assets, not depreciated				
Land	\$ 9,824	\$ -	\$ -	\$ 9,824
Construction in Process	<u>668,388</u>	<u>2,508,523</u>	<u>-</u>	<u>3,176,911</u>
Total Capital Assets, not depreciated	<u>678,212</u>	<u>2,508,523</u>	<u>-</u>	<u>3,186,735</u>
Capital Assets, depreciated				
Water / Sewer System	2,447,488	-	-	2,447,488
Machinery and Equipment	<u>57,944</u>	<u>-</u>	<u>-</u>	<u>57,944</u>
Total Capital Assets, depreciated	<u>2,505,432</u>	<u>-</u>	<u>-</u>	<u>2,505,432</u>
Less: Accumulated Depreciation				
Water / Sewer	1,514,342	46,578	-	1,561,220
Machinery and Equipment	<u>43,630</u>	<u>3,508</u>	<u>-</u>	<u>47,138</u>
Total Accumulated Depreciation	<u>1,557,972</u>	<u>50,386</u>	<u>-</u>	<u>1,608,358</u>
Total Capital Assets, depreciated, Net	<u>947,460</u>	<u>(50,386)</u>	<u>-</u>	<u>897,074</u>
Business-Type Activities, Capital Assets, Net	<u>\$ 1,625,672</u>	<u>\$ 2,458,137</u>	<u>\$ -</u>	<u>\$ 4,083,809</u>

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

Governmental Activities

General Government	\$ 7,381
Public Streets	29,159
Public Safety	858
Parks and Recreation	<u>14,099</u>
 Total	 <u>\$ 51,497</u>

Business-type Activities

Water / Sewer System	<u>\$ 50,386</u>
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The Town owns numerous parcels of land that were acquired by the Town by either purchases or donations. According to GASB Statement No. 34 capital assets should be valued at historical cost or estimated historical cost for items purchased, or if they are donated they should be recorded at the estimated acquisition value. Many of these parcels were under the Town's threshold of \$5,000 and they are not included in the land value total.

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

NOTE 5: LONG-TERM DEBT

Governmental Activities

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

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/16</u>	<u>Due In</u> <u>One Year</u>
Alamosa State Bank Loan	\$ 1,887	\$ -	\$ 1,887	\$ -	\$ -
Capital Leases	249,794	96,000	51,768	294,026	57,640
Accrued Compensated Absences	4,839	1,151	-	5,990	-
Total	<u>\$ 256,520</u>	<u>\$ 97,151</u>	<u>\$ 53,655</u>	<u>\$ 300,016</u>	<u>\$ 57,640</u>

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

Note Payable

Long term debt consists of a \$421,000 note payable to Alamosa State Bank. Interest rate for the note is a fixed 4.85%. This debt was recorded and serviced in the Capital Improvement Fund and was paid in full in 2016.

Capital Leases

The Town has entered into capital lease agreements to purchase equipment which will be paid from revenues of the General Fund and Capital Improvement Fund. These leases require payments ranging from monthly payments of \$2,147 to annual payments of \$16,491. Interest rates range from 3.50% to 4.25%. The leases mature in March 2019 and July 2024.

Following is a schedule of the future minimum lease payments required under the capital lease obligation at December 31, 2016:

Year Ended December 31,

2017	\$ 68,395
2018	68,395
2019	68,395
2020	30,120
2021	25,764
Thereafter	<u>68,704</u>
Total Minimum Lease Payments	329,773
Less: Interest	<u>(35,747)</u>
 Present Value of Minimum Lease Payments	 <u>\$ 294,026</u>

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 5: LONG-TERM DEBT (Continued)

Business-Type Activities

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

	<u>Balance</u> <u>12/31/15</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/16</u>	<u>Due In</u> <u>One Year</u>
2015 CWRPD Loan	\$ 503,133	\$ 507,016	\$ 34,242	\$ 975,907	\$ 34,242
Accrued Compensated Absences	<u>6,525</u>	<u>-</u>	<u>1,142</u>	<u>5,383</u>	<u>-</u>
Total	<u>\$ 509,658</u>	<u>\$ 507,016</u>	<u>\$ 35,384</u>	<u>\$ 981,290</u>	<u>\$ 34,242</u>

2015 Colorado Water Resources and Power Development Authority (CWRPD) Loan

In February 2015 the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority (“CWRPD”). Proceeds of the loan/grant are used to improve the Town’s water and sewer facilities. Under the terms of the agreement, the Town received a combination of loan and grant funds totaling \$3,400,000. \$2,372,730 of the proceeds are subject to principal forgiveness and do not require repayment by the Town. The remaining balance of \$1,027,270 are subject to repayment by the Town. Loan proceeds in the amount of \$520,254 and \$507,016 were drawn by the Town during the years ended December 31, 2015 and 2016, respectively. The loan carries no interest. Semi-annual principal payments in the amount of \$17,121 are due on November 1 and May 1, beginning in 2015 and ending in 2045.

Future Debt Service Requirements

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

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 34,242	\$ -	\$ 34,242
2018	34,242	-	34,242
2019	34,242	-	34,242
2020	34,242	-	34,242
2021	34,242	-	34,242
2022-2026	171,210	-	171,210
2027-2031	171,210	-	171,210
2032-2036	171,210	-	171,210
2036-2041	171,210	-	171,210
2042-2045	<u>119,857</u>	<u>-</u>	<u>119,857</u>
Totals	<u>\$ 975,907</u>	<u>\$ -</u>	<u>\$ 975,907</u>

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS

Statewide Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. The Town contributes to the Statewide Defined Benefit Pension Plan (“SWDB Plan”), a cost-sharing multiple employer defined benefit pension plan, which is administered by the FPPA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the SWDB Plan have been determined using the economic resources measurement focus and the accrual basis of accounting. Assets of the SWDB Plan are commingled for investment purposes in the Fire and Police Member's Benefit Fund.

General Information about the Pension Plan

Plan description. The SWDB Plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by FPPA’s Pension Fund Board of Trustees. Colorado Revised Statutes ("CRS"), as amended, establishes basic benefit provisions under the SWDB Plan. FPPA issues an annual, publicly-available financial report that includes the assets of the SWDB Plan. That report may be obtained on FPPA’s website at <http://www.fppaco.org>.

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

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

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS (Continued)

General Information about the Pension Plan (Continued)

Alternatively, a member with a least five years of accredited service may leave contributions with the SWDP Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

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

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

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

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

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

At December 31, 2016 the Town reported an asset in the amount of \$145 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS (Continued)

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

The Town's proportion of the net pension asset was based on the Town's contributions to the SWDB Plan for the calendar year 2015 relative to the total contributions of participating employers to the SWDB Plan.

At December 31, 2015, the Town's proportion was 0.00820%, which was an increase of 0.00141% from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016 the Town recognized pension income of \$557. At December 31, 2016, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$1,169	\$ 171
Net difference between projected and actual earnings on pension plan investments	\$ 7,359	N/A
Changes in proportion and differences between contributions recognized and proportionate share of contributions	\$2,459	N/A
Changes in assumptions and other inputs	\$2,271	N/A
Contributions subsequent to the measurement date	\$ 7,280	N/A
Total	\$ 20,538	\$ 171

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS (Continued)

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

\$7,280 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31	
2017	\$ 2,514
2018	\$ 2,514
2019	\$ 2,514
2020	\$ 2,332
2021	\$ 629
Thereafter	\$ 2,584

Actuarial assumptions. The actuarial valuations for the SWBP were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2015. The valuations used the following actuarial assumptions and other inputs:

Total Pension Liability:

Actuarial Valuation Date	January 1, 2016
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term investment Rate of Return*	7.50 percent
Projected salary increases*	4.0 – 14.0 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 2%	

Actuarially Determined Contributions:

Actuarial Valuation Date	January 1, 2015
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term investment Rate of Return*	7.50 percent
Projected salary increases*	4.0 – 14.0 percent
Cost of Living Adjustments (COLA)	0.00 percent
*Includes Inflation at 3%	

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS (Continued)

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

For determining the pension liability, the RP-2014 Combined Mortality Table for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2014 Mortality Table for Blue Collar Employees, projected with Scale BB is used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used. For post-retirement members ages 55 through 64, a blend of the previous tables is used.

For determining the actuarially determined contributions, the RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA, 40 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2000 Combined Mortality Table with Blue Collar Adjustment, project with Scale AA is used in the projection of post-retirement benefits.

At least every five years the Fire & Police Pension Association's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the Fire & Police Pension Association's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future.

The assumption changes were effective for actuarial valuations beginning January 1, 2016 and were used in the roll-forward calculation of the total pension liability as of December 31, 2015. Actuarial assumptions effective for actuarial valuations prior to January 1, 2016 were used in the determination of the actuarially determined contributions as of December 31, 2015. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2015 are summarized in the following table:

Asset Class	Target Allocation	10 Year Expected Geometric Real Rate of Return
Global Equity	37.0%	6.50%
Equity Long/Short	10.0%	4.70%
Illiquid Alternatives	20.0%	8.00%
Fixed Income	16.0%	1.50%
Absolute Return	11.0%	4.10%
Managed Futures	4.0%	3.00%
Cash	1.0%	0.00%
Total	100.0%	

The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment!) to determine the total pension liability.

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

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 6: DEFINED BENEFIT PENSION PLANS (Continued)

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

For the purpose of this valuation, the expected rate of return on pension plan investments is +7.50%; the municipal bond rate is 3.57% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability (asset) calculated using the discount rate of 7.50 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50 percent) or 1-percentage-point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension liability (asset)	\$ 20,256	(\$145)	(\$17,066)

Pension plan fiduciary net position. Detailed information about the SWDB Plan's fiduciary net position is available in FPPA's comprehensive annual financial report which can be obtained at <http://www.fppaco.org>.

NOTE 7: PUBLIC ENTITY RISK POOL

The Town of Antonito is exposed to various risks of loss related to torts; theft of or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town carries workers compensation coverage through Pinnacol Assurance. The Town participates in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). This public entity risk pool does not meet the criteria for inclusion within the reporting entity because CIRSA is:

- Financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- Has a separate governing board from that of the Town,
- Has a separate management, which is responsible for day to day operations and is accountable to a separate governing board,

TOWN OF ANTONITO, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 7: PUBLIC ENTITY RISK POOL (Continued)

- The governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or disposition of matters affecting the recipients of services provided, and
- Has absolute authority over all funds and fiscal responsibility including budgetary responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

The purpose of the risk pool is to provide members the coverage's authorized by law, through joint self-insurance, reinsurance, or any combination thereof, to provide claims services related to such coverage's and to provide risk management and loss control services to assist members in preventing and reducing losses and injuries.

There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

NOTE 8: 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 governments. The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The amendment also requires that Emergency Reserves be established. These reserves must be a least three percent of the current year spending base. This Emergency Reserve has been presented as a restricted net position in the financial statements. The Town is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The voters have elected to allow the Town to exceed the fiscal year spending limitations 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 \$60,000 was recorded in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ANTONITO, COLORADO
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Property Taxes	\$ 56,855	\$ 56,070	\$ (785)	\$ 57,321
Sales Taxes	152,000	345,251	193,251	201,511
Specific Ownership Taxes	9,000	10,382	1,382	11,034
Franchise Taxes	17,000	18,557	1,557	19,011
Intergovernmental	42,877	57,172	14,295	51,249
Licenses and Permits	4,665	1,555	(3,110)	9,020
Charges for Services	116,111	144,631	28,520	108,990
Fines and Forfeitures	40,000	44,146	4,146	69,475
Miscellaneous	-	11,047	11,047	1,800
Interest	350	578	228	466
TOTAL REVENUES	<u>438,858</u>	<u>689,389</u>	<u>250,531</u>	<u>529,877</u>
EXPENDITURES				
Current				
General Government	112,585	82,997	29,588	97,993
Public Safety	181,835	172,131	9,704	133,462
Highways and Streets	113,765	72,768	40,997	73,903
Health and Welfare	-	13,481	(13,481)	4,400
Parks and Recreation	4,000	6,580	(2,580)	4,075
Solid Waste Management	72,500	78,691	(6,191)	100,601
Capital Outlay	-	107,041	(107,041)	-
Debt Service				
Principal	38,585	33,050	5,535	13,947
Interest	-	5,333	(5,333)	2,545
Contingency	15,174	-	15,174	-
TOTAL EXPENDITURES	<u>538,444</u>	<u>572,072</u>	<u>(33,628)</u>	<u>430,926</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(99,586)</u>	<u>117,317</u>	<u>216,903</u>	<u>98,951</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Capital Lease	-	96,000	96,000	-
Transfer Out	-	(36,000)	(36,000)	(50,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>60,000</u>	<u>60,000</u>	<u>(50,000)</u>
NET CHANGE IN FUND BALANCE	(99,586)	177,317	276,903	48,951
FUND BALANCE, Beginning	<u>211,124</u>	<u>363,734</u>	<u>152,610</u>	<u>314,783</u>
FUND BALANCE, Ending	<u>\$ 111,538</u>	<u>\$ 541,051</u>	<u>\$ 429,513</u>	<u>\$ 363,734</u>

See the accompanying independent auditors' report.

TOWN OF ANTONITO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>
Town's proportionate share of the Net Pension Liability (Asset)	0.010%	0.007%	0.008%
Town's proportionate share of the Net Pension Liability (Asset)	\$ (8,917)	\$ (7,661)	\$ (145)
Town's covered-employee payroll	\$ 58,594	\$ 34,607	\$ 39,764
Town's proportionate share of the Net Pension Liability (Asset) as a percentage of its covered-employee payroll	-15.2%	-22.1%	-0.4%
Plan fiduciary net position as a percentage of the total pension liability	106.8%	105.8%	100.1%

Notes:

This schedule is reported as of December 31, as that is the plan year end.

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

TOWN OF ANTONITO

SCHEDULE OF THE TOWN'S CONTRIBUTIONS
STATEWIDE DEFINED BENEFIT PLAN

Years Ended December 31,

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Statutorily required contributions	\$ 3,465	\$ 2,442	\$ 3,180	\$ 7,280
Contributions in relation to the Statutorily required contributions	<u>3,465</u>	<u>2,442</u>	<u>3,180</u>	<u>7,280</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered-employee payroll	\$ 43,313	\$ 30,524	\$ 39,764	\$ 91,000
Contributions as a percentage of covered-employee payroll	8.00%	8.00%	8.00%	8.00%

Notes:

This schedule will report ten years of data when it is available.

See the accompanying independent auditors' report.

INDIVIDUAL FUND SCHEDULES

TOWN OF ANTONITO, COLORADO

CONSERVATION TRUST FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Intergovernmental	\$ 7,500	\$ 8,574	\$ 1,074	\$ 9,378
Interest	30	38	8	33
TOTAL REVENUES	<u>7,530</u>	<u>8,612</u>	<u>1,082</u>	<u>9,411</u>
EXPENDITURES				
Parks and Recreation	<u>16,400</u>	<u>722</u>	<u>15,678</u>	<u>5,220</u>
NET CHANGE IN FUND BALANCE	(8,870)	7,890	16,760	4,191
FUND BALANCE, Beginning	<u>33,270</u>	<u>34,963</u>	<u>1,693</u>	<u>30,772</u>
FUND BALANCE, Ending	<u>\$ 24,400</u>	<u>\$ 42,853</u>	<u>\$ 18,453</u>	<u>\$ 34,963</u>

See the accompanying independent auditors' report.

TOWN OF ANTONITO, COLORADO

CAPITAL PROJECTS FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Property Taxes	\$ 64,112	\$ 62,759	\$ (1,353)	\$ 59,587
Sales Taxes	50,000	98,816	48,816	66,133
Specific Ownership Taxes	9,000	11,228	2,228	11,171
Intergovernmental	-	109,914	109,914	65,202
Interest Income	750	644	(106)	803
Miscellaneous	5,000	33,460	28,460	26
TOTAL REVENUES	128,862	316,821	187,959	202,922
EXPENDITURES				
Current				
General Government	9,200	6,250	2,950	38,179
Debt Service				
Principal	33,154	20,605	12,549	37,612
Interest	-	7,137	(7,137)	4,130
Capital Outlay	17,208	109,453	(92,245)	408,547
TOTAL EXPENDITURES	59,562	143,445	(83,883)	488,468
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	69,300	173,376	104,076	(285,546)
OTHER FINANCING SOURCES (USES)				
Proceeds from Capital Lease	-	-	-	195,300
Transfer Out	-	(100,201)	(100,201)	-
Transfer In	-	-	-	50,000
TOTAL OTHER FINANCING SOURCES (USES)	-	(100,201)	(100,201)	245,300
NET CHANGE IN FUND BALANCE	69,300	73,175	3,875	(40,246)
FUND BALANCE, Beginning	98,791	282,565	183,774	322,811
FUND BALANCE, Ending	\$ 168,091	\$ 355,740	\$ 187,649	\$ 282,565

See the accompanying independent auditors' report.

TOWN OF ANTONITO, COLORADO

WATER FUND
 BUDGETARY COMPARISON SCHEDULE
 Year Ended December 31, 2016

	2016		VARIANCE Positive (Negative)	2015 ACTUAL
	ORIGINAL AND FINAL BUDGET	ACTUAL		
REVENUES				
Charges for Services	\$ 200,700	\$ 193,199	\$ (7,501)	\$ 212,405
Tap Fees and Contributions	45,000	-	(45,000)	-
Interest Income	-	3	3	3
Loan Proceeds	1,000,000	1,479,216	479,216	520,254
Other Revenues	1,000,000	927,969	(72,031)	125,957
Transfer In	25,000	136,201	111,201	-
TOTAL REVENUES	<u>2,270,700</u>	<u>2,736,588</u>	<u>465,888</u>	<u>858,619</u>
EXPENDITURES				
Water and Wastewater Operations	285,731	266,826	18,905	245,543
Capital Outlay	<u>2,000,000</u>	<u>2,508,523</u>	<u>(508,523)</u>	<u>515,752</u>
TOTAL EXPENDITURES	<u>2,285,731</u>	<u>2,775,349</u>	<u>(489,618)</u>	<u>761,295</u>
NET INCOME, Budget Basis	<u>\$ (15,031)</u>	(38,761)	<u>\$ (23,730)</u>	97,324
GAAP BASIS ADJUSTMENTS				
Capital Outlay		2,508,523		515,752
Loan Proceeds		(507,016)		(520,254)
Depreciation		<u>(50,386)</u>		<u>(50,208)</u>
NET INCOME, GAAP Basis		1,912,360		42,614
NET POSITION, Beginning		<u>1,106,928</u>		<u>1,064,314</u>
NET POSITION, Ending		<u>\$ 3,019,288</u>		<u>\$ 1,106,928</u>

See the accompanying independent auditors' report.

COMPLIANCE

ANNUAL HIGHWAY FINANCE REPORT - CY16

- Step 1:** Enter your email and select your City or County from the list below.
Step 2: Click on "Start" to edit/update your data.
Step 3: Click on "Submit" at the bottom of the form to edit/update your data.

Your Email Address: satruj1@yahoo.com

Select City: Antonito ▼

Start

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	\$ <input style="width: 100px;" type="text" value="0"/>
3. Other local imposts: <i>from A.3. Total' below)</i>	\$ 63,442.00
4. Miscellaneous local receipts: <i>from A.4. Total' below)</i>	\$ 0.00
5. Transfers from toll facilities	\$ <input style="width: 100px;" type="text" value="0.00"/>
6. Proceeds of sale of bonds and notes	
a. Bonds - Original Issues:	\$ <input style="width: 100px;" type="text" value="0.00"/>
b. Bonds - Refunding Issues:	\$ <input style="width: 100px;" type="text" value="0.00"/>
c. Notes:	\$ <input style="width: 100px;" type="text" value="0.00"/>

SubTotal: \$ 63,442.00

B. Private Contributions \$

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	\$ <input style="width: 100px;" type="text" value="0.00"/>
b. Other Local Imposts	

1. Sales Taxes:	\$	<input type="text" value="52214.00"/>
2. Infrastructure and Impact Fees:	\$	<input type="text" value="0.00"/>
3. Liens:	\$	<input type="text" value="0.00"/>
4. Licenses:	\$	<input type="text" value="0.00"/>
5. Specific Ownership and/or Other:	\$	<input type="text" value="11228.00"/>
Total: <i>(a + b) carried to 'Other local imposts' above</i>		\$ <input type="text" value="63,442.00"/>

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	<input type="text" value="0.00"/>
b. Traffic fines & Penalties:	\$	<input type="text" value="0.00"/>
c. Parking Garage Fees:	\$	<input type="text" value="0.00"/>
d. Parking Meter Fees:	\$	<input type="text" value="0.00"/>
e. Sale of Surplus Property:	\$	<input type="text" value="0.00"/>
f. Charges for Services:	\$	<input type="text" value="0.00"/>
g. Other Misc. Receipts:	\$	<input type="text" value="0.00"/>
h. Other:	\$	<input type="text" value="0.00"/>
Total: <i>(a through h) carried to 'Misc local receipts' above</i>		\$ <input type="text" value="0.00"/>

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$	<input type="text" value="50526.00"/>
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	<input type="text" value="0.00"/>
d. Other (Specify):		
Comments: <input type="text" value="undefined"/>	\$	<input type="text" value="0.00"/>
e. Other (Specify):		
Comments: <input type="text" value="undefined"/>	\$	<input type="text" value="0.00"/>
Total: <i>(1+3c,d,e)</i>		\$ <input type="text" value="50,526.00"/>

D. Receipts from Federal Government

Please no commas or dollar signs for the input

2. Other Federal Agencies		
a. Forest Service:	\$	<input type="text" value="0.00"/>
b. FEMA:	\$	<input type="text" value="0.00"/>
c. HUD:	\$	<input type="text" value="0.00"/>

d. Federal Transit Administration:	\$	<input type="text" value="0.00"/>
e. U.S. Corp of Engineers	\$	<input type="text" value="0.00"/>
f. Other Federal:	\$	<input type="text" value="0.00"/>
Total: (2a-f)		\$ <u>0.00</u>

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: (from A.1.d. Total Capital Outlay below)	\$	11,041.00
2. Maintenance:	\$	<input type="text" value="7634.00"/>
3. Road and street services		
a. Traffic control operations:	\$	<input type="text" value="0.00"/>
b. Snow and ice removal:	\$	<input type="text" value="0.00"/>
c. Other:	\$	<input type="text" value="42150.00"/>
4. General administration & miscellaneous	\$	<input type="text" value="24401.00"/>
5. Highway law enforcement and safety	\$	<input type="text" value="0.00"/>
Total: (A.1-5)		\$ <u>85,226.00</u>

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	<input type="text" value="0.00"/>
b. Redemption	\$	<input type="text" value="0.00"/>
2. Notes		
a. Interest	\$	<input type="text" value="2132.00"/>
b. Redemption	\$	<input type="text" value="26610.00"/>
SubTotal: (1+2)		\$ <u>28,742.00</u>

Please no commas or dollar signs for the input

C. Payments to State for Highways:	\$	<input type="text" value="0.00"/>
------------------------------------	----	-----------------------------------

D. Payments to Toll Facilities:

\$

Total Disbursements: *(A+B+C+D)* \$ 113,968.00

Please no commas or dollar signs for the input

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

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.
b. Engineering Costs:	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.
c. Construction			
1. New Facilities:	\$ <input type="text" value="11041.00"/>	\$ <input type="text" value="0.00"/>	\$ 11,041.
2. Capacity Improvements:	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.
3. System Preservation:	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.
4. System Enhancement:	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.
5. Total Construction:			<u>\$ 11,041.</u>
d. Total Capital Outlay: <i>(Lines A.1.a. + 1.b. + 1.c.5)</i>			<u>\$ 11,041.</u>

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DE
A. Bonds (Total)	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.0
1. Bonds (Refunding Portion)		\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.0
B. Notes (Total):	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ <input type="text" value="0.00"/>	\$ 0.0

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliati
\$ <input type="text" value="0.00"/>	\$ 113,968.00	\$ 113,968.00	\$ <input type="text" value="0.00"/>	\$ 0.0

Notes & Comments:

Please enter your name:

Please provide a telephone number where you may be reached:

Note: Printing your form will *NOT* save it. Save *BEFORE* printing.

FORM FHWA-536e (Version 3.00) - CY16