Town of Mead

Financial Statements
with
Independent Auditors' Report

December 31, 2016

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Town of Mead, Colorado

Elected Officials

Name	Position
Gary Shields	Mayor
Herman Schranz	Mayor Pro tempore
Debra Brodhead	Trustee
Chris Cartwright	Trustee
Terri Hatch	Trustee
Joyce Palaszewski	Trustee
Colleen Whitlow	Trustee

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Management’s Discussion and Analysis

Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) is designed to provide an easy-to-read discussion of the Town's financial condition and operating results, and to disclose to the reader important financial activities and issues related to the Town's basic operations and mission. The MD&A should be read in conjunction with a review of the Town's basic financial statements.

The Town has two separate financial categories or activities - governmental activities, and those activities referred to as business-type activities. Within the governmental activities, the Town has a General Fund and several Special Revenue Funds. The governmental activities are funded primarily through the Town's ad-valorem property tax, sales taxes, and charges for services. The business-type activities consist of the sanitation fund. This business-type activity is funded primarily through charges for services.

DESCRIPTION OF FINANCIAL STATEMENTS

This annual report consists of four parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, *Required Supplementary Information, and Other Supplemental Schedules*. The basic financial statements include two kinds of statements that present different views of the Town:

- The first two statements are *government-wide financial statements* that provide both *long-term* and *short-term* information about the Town's overall financial status.

- The remaining statements are *fund financial statements* that focus on individual parts of the Town government, reporting on the Town's operations in more detail than the government-wide statements.

The basic financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data.

The basic financial statements are followed by a section of *required supplementary information* (required under generally accepted accounting principles) that further explains and supports the information in the financial statements.

Following the required supplementary information is *other supplemental schedules.* These schedules are not required by generally accepted accounting principles but present information that is required by the state of Colorado.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the Town as a whole and include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's *Net Position* and changes in them. The Town's Net Position – the difference between assets and liabilities – is one way to measure the Town's financial health, or *financial position*. Over time, increases or decreases in the Town's Net Position are one indicator of whether its financial health, including liquidity and financial flexibility, is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base, growth prospects, citizen involvement, revisions to laws, and similar indicators need to be reviewed in order to assess the overall health of the Town.

The Statement of Net Position reports information by fund type. The Statement of Activities reports information by function, program, or service.

In the Statement of Net Position and the Statement of Activities, the Town is divided into two kinds of activities:

- **Governmental Activities** – The activities of the Town for its General Fund and Special Revenue Funds are reported here. Property taxes, sales taxes, and charges for services finance most of these activities.
- **Business-Type Activities** – The activities of the Town's Sanitation Fund are reported here. This fund is financed primarily by charges for services.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Town's funds, focusing on its most significant funds – not on the Town as a whole. The Town's two kinds of funds – *governmental and proprietary* – use different accounting approaches.

Governmental funds – The Town's activities in its General Fund and Special Revenue Funds are reported as governmental funds, which focus on how money flows into and out of these funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the Town's general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs and services.

Proprietary (Enterprise) funds – The activity of the Town's enterprise fund, its Sanitation Fund, is reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

HIGHLIGHTS

GOVERNMENTAL ACTIVITIES

- Sales tax collections were 17.1% above 2015 actual and 27.9% above 2016 budget;

- Use tax collections were 19.6% below 2015 actual and 41.0% below 2016 budget;
- Building permit fees were 7.6% below 2015 actual and 25.0% below 2016 budget;
- Severance Tax and Federal Mineral Lease Direct Distributions declined sharply (-45.8%) due to slow down in oil & gas development;
- Development slowed with 11 single family dwelling permits issued vs 17 issued in 2015;
- Issued 2 commercial permits, up from 1 in 2015;
- Collected 11 sewer plant investment fees (tap fees) vs. 17 in 2015.

BUSINESS-TYPE ACTIVITIES

- As of December 31, 2016, total assets of the business type activity was $6,278,000. This decreased by $302,000 from December 31, 2015. Likewise liabilities decreased by $152,000.

STATEMENT OF NET POSITION

The perspective of the Statement of Net Position is of the Town as a whole. The following is a summary of the Town's Net Position for 2016 compared to 2015:

	Governmental Activities		Business-Type Activities		Total Government	
	2016	2015	2016	2015	2016	2015
Current and other assets	$ 6,766,831	$ 6,977,395	$ 953,005	$ 990,675	$ 7,719,836	$ 7,968,070
Capital assets	11,808,454	11,207,867	5,324,566	5,588,996	17,133,020	16,796,863
Other noncurrent assets	1,691,726	1,552,524	-	-	1,691,726	1,552,524
Total assets	20,267,011	19,737,786	6,277,571	6,579,671	26,544,582	26,317,457
Long-term debt outstanding	(99,589)	(101,594)	(2,002,571)	(2,138,619)	(2,102,160)	(2,240,213)
Other liabilities	(360,102)	(452,112)	(49,558)	(65,174)	(409,660)	(517,286)
Total liabilities	(459,691)	(553,706)	(2,052,129)	(2,203,793)	(2,511,820)	(2,757,499)
Deferred inflow of resources	(1,296,350)	(1,276,751)	-	-	(1,296,350)	(1,276,751)
Net position:						
Invested in capital assets, net of related debt	11,708,865	11,106,273	3,321,995	3,450,377	15,030,860	14,556,650
Restricted	2,677,137	3,361,548	-	-	2,677,137	3,361,548
Unrestricted (deficit)	4,124,968	3,439,508	903,449	925,501	5,028,417	4,365,009
Total Net Position	$ 18,510,970	$ 17,907,329	$ 4,225,444	$ 4,375,878	$ 22,736,414	$ 22,283,207

STATEMENT OF ACTIVITIES

The perspective of the Statement of Activities is of the Town as a whole. The following table reflects the change in Net Position for Fiscal Years 2016 and 2015.

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	$ 697,190	$ 809,706	$ 579,281	$ 533,357	$ 1,276,471	$ 1,343,063
Operating grants and contributions	330,535	227,256	-	-	330,535	227,256
Capital grants/contibutions	366,270	88,590	50,000	119,000	416,270	207,590
Total Program Revenues	1,393,995	1,125,552	629,281	652,357	2,023,276	1,777,909
General Revenues:						
Property taxes	1,252,820	861,501	-	-	1,252,820	861,501
Sales and use taxes	1,939,138	1,657,659	-	-	1,939,138	1,657,659
Other taxes	92,882	148,250	-	-	92,882	148,250
Impact fees	155,487	167,484	-	-	155,487	167,484
Other general revenues	102,875	351,158	2,322	2,078	105,197	353,236
Total General Revenues	3,543,202	3,186,052	2,322	2,078	3,545,524	3,188,130
Total Revenue	4,937,197	4,311,604	631,603	654,435	5,568,800	4,966,039
Program Expenses:						
General Government	1,793,819	1,466,844	-	-	1,793,819	1,466,844
Public safety	477,509	395,041	-	-	477,509	395,041
Public works	1,674,888	1,081,791	-	-	1,674,888	1,081,791
Parks and recreation	387,340	533,391	-	-	387,340	533,391
Sewer	-	-	782,037	630,622	782,037	630,622
Total Expenses	4,333,556	3,477,067	782,037	630,622	5,115,593	4,107,689
Increase (Decrease) in Net Position	$ 603,641	$ 834,537	$ (150,434)	$ 23,813	$ 453,207	$ 858,350
Beginning Net Position	17,907,329	17,072,791	4,375,878	4,352,065	22,283,207	21,424,856
Ending Net Position	$ 18,510,970	$ 17,907,328	$ 4,225,444	$ 4,375,878	$ 22,736,414	$ 22,283,206

GOVERNMENTAL ACTIVITIES

The table below presents the cost of each of the Town's four largest programs – General Government, Public Safety (primarily police protection via contract with the Weld County Sheriff's Office and building inspections), Public Works (primarily street maintenance), and Parks and Recreation, as well as each program's net cost (total cost less revenues generated by the activities). The net cost of services shows the financial contribution by the Town's taxpayers for each of these functions.

	For the Year Ended			
	December 31, 2016		December 31, 2015	
	Cost of Services	Net Cost of Services	Cost of Services	Net Cost of Services
General government	$ 1,793,819	528,285	1,466,844	696,190
Public safety	477,509	463,528	395,041	377,433
Public works	1,674,888	1,674,888	1,081,791	857,590
Parks and recreation	387,340	272,860	533,391	420,302
Totals	$ 4,333,556	$ 2,939,561	$ 3,477,067	$ 2,351,515

The net cost of services for the general government function is significantly lower than the cost of services due to the fact that certain sources of revenue are considered charges for services. These most significant charges for services during 2016 are building permits, royalties, and franchise fees.

The two significant Public Safety charges for services are for law enforcement and building inspection. The Town contracts with the Weld County Sheriff to provide police patrol and a school resource officer ($302,704). The 2016 law enforcement budget is $331,500 (57% more than 2015 actual). Building inspection fees decreased significantly as a result of the decreased number of single family dwelling permits issued. Building inspection fees decreased over 14% vs. 2015 ($79,893 vs. $93,292).

The significant Public Works charges for services are for road repairs and capital improvement projects. Road Fund expenditures included asphalt and sealcoating totaled $383,086 in 2016 down from $453,873 in 2015.

BUSINESS-TYPE ACTIVITIES

Charges for services from the Town's business-type activity were $579,000 in 2016 which is an increase of 8.7% from 2015. Plant investment fees (tap fees) in 2016 were $50,000 compared to $119,000 in 2015.

THE TOWN'S FUNDS

The Town has several funds that are used to provide financial accountability. The most significant is the general fund which accounts for all activity that is not accounted for in another fund. This includes general government activities (legislative, administrative, etc.) as well as public safety, parks, and capital expenditures that benefit the Town as whole. The other significant funds include the sanitation fund.

In addition the Town has several funds that account for the revenues and expenses related to various impact fees.

As the Town completed the year, its governmental funds reported a combined fund balance of $6,802,000, which is virtually unchanged from the previous year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Unlike prior years, the Town's 2016 General Fund budget includes the Road, Park and Drainage Funds as departments within the General Fund.

General Fund actual total revenues excluding transfers were $354,387 ($5,083,761 budget vs. $4,729,374 actual) less than budgeted due in part to the Town not commencing the Planning grant, completing the Area Trails 3 grant project, and completing the Welker Waterline grant project under budget ($301,115 actual vs. $1,037,550 budget). Sales tax collections offset the grant revenues not collected by the aforementioned projects exceeding budget by $435,802. Severance and Federal Mineral Lease Distributions were 23.5% under budget ($76,530 actual vs. $100,000 budget) due to a decline in oil and gas development. A decline in single family dwelling permits led to a decrease in building use tax and building permit / administrative fees 31.9 % under budget ($267,526 actual vs. $393,000 budget).

General Fund actual expenses excluding transfers were $1,622,769 less than 2016 budget. The largest portion of which was the budgeted match ($949,766 unexpended) for grants which were not completed or were under budget including the Areas Trails 3, Planning, and Welker Waterline grants. The Road department was $173,000 under budget due to engineering studies not completed and equipment not leased. The Park department was $191,000 under budget due to capital projects not being completed (Mead Ponds toe wall $85,000), changes to several recreation programs/events, and landscaping not completed ($25,000). The Drainage department was $200,000 under budget due to several capital projects, including culvert replacements, drainage studies, and engineering designs which were not completed ($195,000).

CAPITAL ASSETS

At year-end, the Town had $17,133,000 (net of accumulated depreciation) invested in a broad range of capital assets, including land, buildings, public works vehicles and equipment, infrastructure, sewer plants, and sewer mains (see the table below).

	Governmental Activites		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	$ 1,726,255	$ 1,726,255	$ 294,835	$ 294,835	$ 2,021,090	$ 2,021,090
Water rights	73,095	73,095	-	-	73,095	73,095
Buildings	2,202,550	2,202,550	276,966	276,966	2,479,516	2,479,516
Improvements	185,049	185,049	32,114	32,114	217,163	217,163
Machinery, equipment and vehicles	937,411	686,158	146,510	118,066	1,083,921	804,224
Sewer mains	-	-	415,788	415,788	415,788	415,788
Sewer treatment plant	-	-	6,091,787	6,091,787	6,091,787	6,091,787
Infrastructure	8,552,610	6,880,320	-	-	8,552,610	6,880,320
Construction in progress	828,535	1,719,311	-	64,571	828,535	1,783,882
Less accumulated depreciation	(2,697,051)	(2,264,871)	(1,933,434)	(1,705,131)	(4,630,485)	(3,970,002)
Net Capital Assets	$ 11,808,454	$ 11,207,867	$ 5,324,566	$ 5,588,996	$ 17,133,020	$ 16,796,863

The most significant addition made during the year was the expenditure of $679,000 for parks and open space, primarily for purchase of surface rights and surrounding property at Highland Lake.

	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Due within One Year
Governmental Activities					
Lease purchase obligations	$101,594	$39,004	($41,009)	$99,589	$41,863
Business -type Activities					
Waste Water Treatment Plant Loan	2,060,000	-	(130,000)	1,930,000	100,077
Total All Activities	$2,161,594	$39,004	($171,009)	$2,029,589	$141,940

ECONOMIC AND OTHER FACTORS AND NEXT YEAR'S BUDGET

The Board of Trustees for the Town of Mead will continue to use a balanced budget approach to developing the annual budget. Expenses will be based on the available resources and the highest priority needs. Following the adoption of the new impact fund study, several impact funds were combined and others were eliminated in the 2017 budget. Funds removed included the Police and Downtown Funds. The Park System and Open Space were combined into a new Parks & Open Space fund and the Municipal, Capital Equipment and Recreation funds were combined into the Municipal fund. Several new funds were funded for the first time in 2017, including the Art in Public Places Fund, the Mead Urban Renewal Fund, and the Capital Improvements Fund. 2017 will see an increase in capital project spending as several grants will be pursued (recreation facility and skate park) and on-going grant funded projects are expected to be completed. The 2017 Budget also includes several studies to better prepare the Town for future growth.

Several major annexations are winding up, the local economy continues to improve, and the Town continues to work with local developers while also trying to attract more businesses. All of these factors bode well for future residential / commercial growth.

2016 sales tax collections ($1,835,802) exceeded our prior high in 2015 ($1,529,206), and we expect collections to remain steady through 2017. The Town's revenue stream, especially sales and property tax, continues to be unpredictable and will continue to be monitored closely. The addition of several new businesses is helping to even out sales tax revenue and reduce our concentration in one vendor. We will experience increased property tax collections in 2017 due to increased oil and gas activity in Weld County. However, both the State and the County Assessor have warned of volatile property tax and severance and federal mineral lease distribution revenues due to the oil and gas industry. As in the past, if revenues fail to meet the projections, the Town will reduce expenditures accordingly.

We look forward to completing the Area Trails 3 Project funded in part by a Colorado Department of Transportation grant and the Planning Grant to update the Mead Comprehensive Plan funded in part by a Department of Local Affairs grant. We also look forward to the establishment of the Mead Police Department. The Town will no longer contract with the Weld County Sheriff's department for law enforcement or school resource services. Finally, the Town, via revenue sharing agreements with the St. Vrain Valley School District, the Mountain View

Fire Protection District, and Weld County hopes to begin projects under the newly established Town of Mead Urban Renewal Authority.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide the general public with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact either the Town Manager or the Town Treasurer at:

Town of Mead
P.O. Box 626 (mailing address)
441 Third Street (street address)
Mead, Colorado 80542
Tel: 970/535-4477, Fax: 970/535-0831

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Independent Auditors’ Report

Holscher, Mayberry & Company, LLC
Certified Public Accountants
Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Independent Auditors' Report

Town Board of Trustees
Town of Mead, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business activity, each major fund, and the aggregate remaining fund information of the Town of Mead, 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, business type activity, each major fund, and the aggregate remaining fund information of the Town of Mead, Colorado, as of December 31, 2016, 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.

Report on Summarized Comparative Information

We have previously audited the Town of Mead's 2015 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 1, 2015. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2015 is consistent, in all material respects, with the audited financial statements from which it has been derived.

8310 South Valley Highway – Suite 300
Englewood, Colorado 80112
Voice (303) 907 – 1463
Fax (303) 496 – 0978

Other Matters

Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages M-1–M-8 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 *Management's Discussion and Analysis* 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.

Required Supplementary Information and Combining and Individual Fund Financial Statements and Schedules

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Mead's *Basic Financial Statements*. The *Required Supplementary Information – Budget to Actual Comparisons* are presented for purposes of additional analysis and are not a required part of the *Basic Financial Statements*. The *Required Supplementary 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.

The *Combining and Individual Fund Financial Statements and Schedules* are presented for purposes of additional analysis and are not a required part of the *Basic Financial Statements*.

The *Required Supplementary Information* and the *Combining and Individual Fund Financial Statements and Schedules* is the responsibility of management and was derived from and relates 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 *Required Supplementary Information* and *Combining and Individual Fund Financial Statements and Schedules* are fairly stated, in all material respects, in relation to the *Basic Financial Statements* as a whole.

State Compliance Section – Local Highway Finance Report

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Mead's *Basic Financial Statements*. The *Local Highway Finance Report* is presented for purposes of additional analysis and is not a required part of the *Basic Financial Statements*.

The *Local Highway Finance Report* presented in the State Compliance Section is the responsibility of management and was derived from and relates 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 *Local Highway Finance Report* is fairly stated, in all material respects, in relation to the *Basic Financial Statements* as a whole.

Holscher, Mayberry + Company, LLC

Englewood, Colorado
May 10, 2017

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Basic Financial Statements

Statement of Net Position

December 31, 2016

Assets	Governmental Activities	Business-Type Activities	Total
Current Assets			
Cash and cash equivalents	$ 4,821,533	$ 782,383	$ 5,603,916
Restricted Cash	-	104,000	104,000
Accounts receivable	16,953	66,622	83,575
Due from other governments	631,995	-	631,995
Taxes receivable	1,296,350	-	1,296,350
Total Current Assets	6,766,831	953,005	7,719,836
Capital Assets:			
Capital Assets Not Being Depreciated			
Land	1,726,255	294,835	2,021,090
Water rights	73,095	-	73,095
Construction in process	828,535	-	828,535
Capital Assets Being Depreciated			
Land improvements	-	32,114	32,114
Buildings	2,202,550	276,966	2,479,516
Improvements	185,049	-	185,049
Equipment and vehicles	937,411	146,510	1,083,921
Sewer mains	-	415,788	415,788
Treatment plant	-	6,091,787	6,091,787
Infrastructure	8,552,610	-	8,552,610
Less accumulated depreciation	(2,697,051)	(1,933,434)	(4,630,485)
Net Capital Assets	11,808,454	5,324,566	17,133,020
Other Noncurrent Assets			
Investments	1,691,726	-	1,691,726
Total Assets	$ 20,267,011	$ 6,277,571	$ 26,544,582
Liabilities			
Current Liabilities			
Accounts payable	$ 271,973	$ 12,478	$ 284,451
Current maturities on long-term debt	41,863	100,077	141,940
Accrued payroll	88,129	4,501	92,630
Accrued interest	-	32,579	32,579
Total Current Liabilities	401,965	149,635	551,600
Noncurrent Liabilities			
Capital leases payable	57,726	-	57,726
Note payable	-	1,902,494	1,902,494
Total long-term liabilities	57,726	1,902,494	1,960,220
Total Liabilities	$ 459,691	$ 2,052,129	$ 2,511,820
Deferred Inflow of Resources			
Deferred property taxes	$ 1,296,350	$ -	$ 1,296,350
Net Position			
Net investment in capital assets	$ 11,708,865	$ 3,321,995	$ 15,030,860
Net Position restricted for:			
Emergencies	148,100	-	148,100
Capital outlay and construction	2,517,496	-	2,517,496
Park construction and improvements	11,541	-	11,541
Unrestricted	4,124,968	903,449	5,028,417
Total Net Position	$ 18,510,970	$ 4,225,444	$ 22,736,414

Statement of Activities

For the Year Ended December 31, 2016

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental Activities							
General Government	$ 1,793,819	$ 639,811	$ 303,025	$ 322,698	$ (528,285)	$ -	$ (528,285)
Public Safety	477,509	13,981	-	-	(463,528)	-	(463,528)
Public Works	1,674,888	-	-	-	(1,674,888)	-	(1,674,888)
Parks and Recreation	387,340	43,398	27,510	43,572	(272,860)	-	(272,860)
Total Governmental Activities	4,333,556	697,190	330,535	366,270	(2,939,561)	-	(2,939,561)
Business-Type Activity							
Sewer	782,037	579,281	-	50,000	-	(152,756)	(152,756)
Total	$ 5,115,593	$ 1,276,471	$ 330,535	$ 416,270	(2,939,561)	(152,756)	(3,092,317)

	Governmental Activities	Business-Type Activities	Total
General Revenues			
Taxes			
Sales and use tax	1,939,138	-	1,939,138
Property taxes	1,252,820	-	1,252,820
Other taxes	92,882	-	92,882
Impact fees	155,487	-	155,487
Interest and investment earnings	16,640	2,322	18,962
Miscellaneous	86,235	-	86,235
Total General Revenues	3,543,202	2,322	3,545,524
Changes in Net Position	603,641	(150,434)	453,207
Net Position - Beginning of the Year	17,907,329	4,375,878	22,283,207
Net Position - End of the Year	$ 18,510,970	$ 4,225,444	$ 22,736,414

Balance Sheet - Governmental Funds
December 31, 2016

Assets	General Fund	Municipal Facilities	Parks and Open Space
Cash and investments	$ 3,979,302	$ 1,692,250	$ 725,444
Accounts receivable	16,953	-	-
Due from other governments	631,995	-	-
Taxes receivable	1,296,350	-	-
Total Assets	$ 5,924,600	$ 1,692,250	$ 725,444
Liabilities			
Accounts payable	$ 267,070	$ 191	$ 85
Accrued liabilities	88,129	-	-
Total Liabilities	355,199	191	85
Deferred Inflows of Resources			
Deferred property taxes	1,296,350	-	-
Fund Balances:			
Restricted			
Emergencies	148,100	-	-
Capital outlay and construction	-	1,692,059	725,359
Park construction and improvements	-	-	-
Urban renewal			
Assigned			
Park expenditures	321,612	-	-
Drainage expenditures	503,989	-	-
Subsequent year budget appropriations of fund balance	1,482,245	-	-
Unassigned	1,817,105	-	-
Total Fund Equity	4,273,051	1,692,059	725,359
Total Liabilities, Deferred Inflows and Fund Balance	$ 5,924,600	$ 1,692,250	$ 725,444

Reconciliation of the Governmental Funds Balance Sheet with the Statement of Net Position
December 31, 2016

Total Fund Balance - Governmental Funds

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 are therefore not reported in the governmental funds

Long-term debt is not due and payable in the current period and is therefore not reportable as liabilities in the funds

Total Net Position - Governmental Activities

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

	All Other Governmental	Total Governmental Funds
	$ 116,263	$ 6,513,259
	-	16,953
	-	631,995
	-	1,296,350
	$ 116,263	$ 8,458,557
	$ 4,627	$ 271,973
	-	88,129
	4,627	360,102
	-	1,296,350
	-	148,100
	100,078	2,517,496
	11,541	11,541
	17	17
	-	321,612
	-	503,989
	-	1,482,245
	-	1,817,105
	111,636	6,802,105
	$ 116,263	$ 8,458,557
		$ 6,802,105
		11,808,454
		(99,589)
		$ 18,510,970

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds

For the Year Ended December 31, 2016

	General Fund	Municipal Facilities	Parks and Open Space
Revenues			
Property tax	$ 1,252,820	$ -	$ -
Sales tax	1,835,802	-	-
Use tax	103,336	-	-
Other taxes and assessments	92,882	-	-
Charges for Services	697,190	-	-
Interest	7,878	4,192	3,755
Intergovernmental - operating	303,025	-	-
Intergovernmental - capital	322,698	-	-
Impact fees	-	68,304	38,381
Contributions for operating purposes	27,510	-	-
Miscellaneous revenue	86,233	-	-
Total Revenues	4,729,374	72,496	42,136
Expenditures			
Current Operating			
General government	1,644,204	28,711	-
Public safety	464,836	-	-
Public works	1,351,020	-	-
Parks and recreation	298,735	-	7,859
Debt Service			
Principal	41,009	-	-
Interest	3,530	-	-
Capital Outlay	195,298	83,590	678,819
Total Expenditures	3,998,632	112,301	686,678
Excess of Revenues Over (Under) Expenditures	730,742	(39,805)	(644,542)
Other Financing Sources (Uses)			
Sale of assets	-	-	-
Proceeds from debt issue	-	-	-
Transfers in	35,000	-	-
Transfers out	(61,500)	-	-
Other	-	-	
Total Other Financing Sources (Uses)	(26,500)	-	-
Net Change in Fund Balance	704,242	(39,805)	(644,542)
Fund Balance			
Fund Balances - Beginning of Year	3,568,809	1,731,864	1,369,901
Fund Balances - End of Year	$ 4,273,051	$ 1,692,059	$ 725,359

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

All Other Governmental	Total Governmental Funds
$ -	$ 1,252,820
-	1,835,802
-	103,336
-	92,882
-	697,190
815	16,640
-	303,025
43,572	366,270
48,802	155,487
-	27,510
-	86,233
93,189	4,937,195
61,484	1,734,399
170	465,006
7,038	1,358,058
-	306,594
-	41,009
-	3,530
108,849	1,066,556
177,541	4,975,152
(84,352)	(37,957)
-	-
39,004	39,004
61,500	96,500
(35,000)	(96,500)
-	-
65,504	39,004
(18,848)	1,047
130,484	6,801,058
$ 111,636	$ 6,802,105

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances with the Statement of Activities

For the Year Ended December 31, 2016

Total Change in Fund Balances - Governmental Funds	1,047
Amounts Reported for governmental activities in the statement of Activities are different because:	
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 expenses in the statement of activities.	1,066,556
Depreciation expense is not reported in governmental funds. However, for governmental activities depreciation is charged to the applicable activity.	(435,296)
Write off of amounts of construction in progress that do not have a future value to the Town.	(30,673)
Repayment of principal on long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and does not affect the statement of activities.	41,009
Change in Net Position of Governmental Activities	$ 603,641

Statement of Net Position - Sanitation Fund (Proprietary Fund)

December 31, 2016
(With Comparative Balances for 2015)

Assets	2016	2015
Cash and investments	$ 782,383	$ 826,772
Restricted cash	104,000	102,000
Accounts receivable	66,622	61,903
Total current assets	953,005	990,675
Capital Assets		
Capital Assets Not Being Depreciated		
Land	294,835	294,835
Construction in progress	-	64,571
Capital Assets Being Depreciated		
Land improvements	32,114	32,114
Buildings	276,966	276,966
Machinery, equipment, and vehicles	146,510	118,066
Sewer mains	415,788	415,788
Treatment plant	6,091,787	6,091,787
Less accumulated depreciation	(1,933,434)	(1,705,131)
Net property, plant, and equipment	5,324,566	5,588,996
Total Assets	$ 6,277,571	$ 6,579,671
Liabilities and Fund Equity		
Current Liabilities		
Accounts payable	$ 12,476	$ 26,714
Current maturities on long-term debt	100,077	130,000
Accrued interest	32,579	34,186
Accrued payroll	4,501	4,274
Total current liabilities	149,633	195,174
Long-term Liabilities (net of current maturities)		
Notes payable (net of bond premium)	1,902,494	2,008,619
Total Liabilities	2,052,127	2,203,793
Net Position		
Net investment in capital assets	3,321,995	3,450,377
Unrestricted	903,449	925,501
Total net position	4,225,444	4,375,878
Total Liabilities and Net Position	$ 6,277,571	$ 6,579,671

Statement of Revenues, Expenses and Changes in Fund Net Position - Sanitation Fund

For the Year Ended December 31, 2016
(With Comparative Balances for 2015)

Operating Revenues	2016	2015
Charges for services	$ 579,281	$ 533,357
Operating Expenses		
Operations	230,416	221,841
Administration	248,927	104,201
Depreciation	228,303	220,372
Total Operating Expenses	707,646	546,414
Operating Income	(128,365)	(13,057)
Nonoperating Revenues (Expenses)		
Interest income	2,322	2,078
Interest expense	(74,391)	(84,208)
Total Nonoperating Revenues (Expenses)	(72,069)	(82,130)
Income (loss) before contributions and transfers	(200,434)	(95,187)
Contributions and Transfers		
Tap fees	50,000	119,000
Change in net position	(150,434)	23,813
Net position, beginning of the year	4,375,878	4,352,065
Net position, end of the year	$ 4,225,444	$ 4,375,878

Statement of Cash Flows - Sanitation Fund

For the Year Ended December 31, 2016
(With Comparative Balances for 2015)

	2016	2015
Cash Flows From Operating Activities		
Cash received from customers	$ 574,562	$ 530,865
Cash paid to or on behalf of employees	(82,052)	(59,441)
Cash paid to suppliers	(411,301)	(331,813)
Net cash provided by operating activities	81,209	139,611
Cash Flows From Capital and Related Financing Activities		
Receipt of capital contributions	50,000	119,000
Payment for capital acquisitions	(28,444)	(52,103)
Writeoff construction in progress	64,572	-
Principal paid on long-term debt	(130,000)	(125,000)
Interest on long-term debt	(82,046)	(85,753)
Net cash used for capital and related financing activities	(125,918)	(143,856)
Cash Flows From Investing Activities		
Interest income	2,320	2,081
Net increase (decrease) in cash	(42,389)	(2,164)
Cash, beginning of year	928,772	930,936
Cash, end of year	$ 886,383	$ 928,772
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating income (loss)	$ (128,365)	$ (13,057)
Adjustments to reconcile net operating income to net cash provided by operating activities		
Depreciation	228,303	220,372
(Increase) decrease in accounts receivable	(4,719)	(2,492)
Increase (decrease) in accounts payable	(14,010)	(65,212)
Net cash provided by (used in) operating activities	$ 81,209	$ 139,611

Summary of Significant Accounting Policies

Reporting Entity

The accompanying financial statements present the Town's primary government. There is one component unit over which the Town exercises significant influence which is the Town of Mead Urban Renewal Authority. Significant influence or accountability is based primarily on operational or financial relationships with the Town (as distinct from legal relationships). This component unit is reported as a fund of the Town.

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 a 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.*

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise 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 a 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 collectible 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. 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 and claims and judgments, are recorded only when payment is due.

Property taxes 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 government.

The Town reports the following major governmental funds:

- The G*eneral Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund..
- *The Municipal Fund account for the municipal, capital equipment and recreation of the Town.*
- The *Sanitation Fund* accounts for all the sewer activities of the Town.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Assets, Liabilities, Deferred Inflows, and Net Position/Fund Balance

Deposits and Investments

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes govern the Town's deposits of cash and investments.

Investments consist of U.S. Treasuries, U.S. Agencies and Commercial Paper. The Town pools the fund's investments in the treasuries and does not make a distinction between cash and investments in the fund financial statements. However, for purposes of the Statement of Net Position in the government-wide financial statements these investments are separately identified in other noncurrent assets.

Accounts Receivable and Allowance for Doubtful Accounts

Governmental Funds – Accounts receivable in the governmental funds are considered past due after 60 days. At December 31, 2016 the Town had no significant past due accounts receivable. In estimating the allowance for doubtful accounts management reviews each past due balance and evaluates the likelihood of eventual collection. If an account is deemed uncollectable and should be written off, it is taken to the Board of Trustees for approval.

Noncurrent accounts receivable is an amount due from a metropolitan district for the construction of a recreation path. The account receivable is expected to be collected after the development of the metropolitan district. Management expects this will be done between 2019 and 2021.

Sanitation Fund – The Town has the ability to lien the property for unpaid amounts in this fund. Accordingly, no allowance for doubtful accounts is deemed necessary.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than $2,500 and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Infrastructure is being recorded and depreciated on a prospective basis at historical cost.

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

Buildings	30 - 40 years
Plant	40 years
Sewer Mains	20 – 25 years
Machinery, Equipment, and Vehicles	5 – 20 years
Infrastructure	25 years

Compensated Absences

The Town has the following policy for compensated personal days off (PDO).

Years of Employment	PDO Days Per Year
Up to 1	17
2 through 5	22
6 through 10	27
More than 10	32

PDO is used for vacation, illness, and other personal time. There is no separate vacation leave and sick leave. Employees are allowed to carry-over up to 240 hours of PDO. Hours in excess of 240 must be used by January of the following year.

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.

Deferred Inflows

In addition to liabilities, the statement of Net Position reports a separate section for Deferred Inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position/Fund Balance

The Town has adopted GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions. This Statement establishes criteria for classifying governmental fund balances into specifically defined classifications. Classifications are hierarchical and are based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. Application of the Statement requires the Town to classify and report amounts in the appropriate fund balance classifications. The Town's accounting and finance policies are used to interpret the nature and/or requirements of the funds and their corresponding assignment of restricted, committed, assigned, or unassigned. The Board permits funds to be expended in the following order: Committed, Assigned, and Unassigned.

The Town reports the following classifications:

- Restricted Fund Balance—Restricted fund balances are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. Restrictions are placed on fund balances when legally enforceable legislation establishes the Town's right to assess, levy, or charge fees to be used for a specific purpose. Legal enforceability means that the Town can be compelled by an external party (e.g., citizens, public interest groups, the judiciary) to use resources created by enabling legislation only for the purposes specified by the legislation.

- Committed Fund Balance—Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by the Town Board of Trustees. Committed amounts cannot be used for any other purpose unless Board removes those constraints by taking the same type of action (e.g., legislation, resolution, ordinance). Amounts in the committed fund balance classification may be used for other purposes with appropriate due process by the Board. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- Assigned - This classification includes amounts that are constrained by the Town's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Trustees or through the Board delegating this responsibility to another individual through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund. Appropriated Assigned Fund Balance is an appropriation of existing fund balance to eliminate a projected budgetary deficit in the subsequent year's budget in an amount no greater than the projected excess of expected expenditures over expected revenues.
- Unassigned Fund Balance—Unassigned fund balance is the residual classification for the General Fund. This classification represents General Fund balance that has not been assigned to other funds, and that has not been restricted, committed, or assigned to specific purposes within the General Fund.

Fund Balance Flow Assumptions

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Revenues and Expenditures

Program Revenues

Amounts reported as *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 (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid in two equal payments. To avoid penalties, the first half must be paid before March 1, and the second half must be paid on or before June 15.

Alternatively, the taxes may be paid in full by April 30. All unpaid tax becomes delinquent June 16. Property taxes are levied and collected on behalf of the Town by Weld County and are reported as revenue when received by the County Treasurer.

Property taxes which have been levied for 2016 and will not be collected until 2017 have been accrued as a receivable at December 31, 2016. An offsetting deferred inflow of resources has been recorded in each of the affected funds.

Operating and Nonoperating Revenue

Operating revenue is defined as revenue that is derived from ordinary monthly billings to customers of the Town and other incidental charges of a routine nature. All other revenue, including tap fees are considered nonoperating revenue.

Budgets and Encumbrances

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. All annual appropriations lapse at fiscal year end.

Encumbrances are not employed by the Town.

Risk Management

The Town is exposed to various risks of loss related to injuries of employees while on the job, property loss, and torts committed by the Town or its employees. The Town has joined together with other municipalities in the State of Colorado to form the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for members. The Town pays an annual contribution for its property and liability insurance coverage. The intergovernmental agreement provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the pool will purchase insurance through commercial companies for members' claims in excess of specified self-insured retention, which is determined each policy year.

Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (also known as Amendment 1 or TABOR Amendment), 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. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

Concentrations

A significant portion of the Town's sales tax is derived from one vendor.

1. Deposits With Financial Institutions

Deposits of the Town at each bank where the funds are maintained are insured up to $250,000, either by the Federal Deposit Insurance Corporation (FDIC) or by the Federal Savings and Loan Insurance Corporation (FSLIC). Colorado's Public Deposit Protection Act of 1975 enables any eligible public depository to elect to secure public deposits by pledging eligible collateral having a market value at all times equal to at least one hundred two percent (102%) of the aggregate of said deposits not insured.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. Uninsured deposits in financial institutions are placed into three categories depending on the custody credit risk. The categories are as follows:

a. Uncollateralized
b. Collateralized with securities held by the pledging financial institution
c. Collateralized with securities held by the pledging financial institution's trust department, or agent but not in the entity's name.

Notes to Financial Statements
December 31, 2016

The following is a schedule of the Town's cash and temporary investment balances categorized by custody credit risk and a reconciliation to the statement of Net Position for the year ending December 31, 2016:

Description	Insured	Custody Credit Risk Category c	Total Institutional Balance	Carrying Value
TBK Bank	$ 250,000	$ 57,115	$ 307,115	$ 307,115
Guaranty Bank & Trust	250,000	5,159,860	5,358,821	5,126,219
Capital One	245,470	-	245,470	245,470
Xpress	25,521	-	25,521	26,256
Petty cash and other	N/A	N/A	N/A	275
				$ 5,705,335

Shown on the Statement of Net Position:	
Cash and cash equivalents	5,601,335
Restricted cash	104,000
Total cash on the statement of net position	$ 5,705,335

Investments

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the year ended June 30, 2016 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3):

Investment Type	Level 1	Level 2	Level 3	Total	Weighted Maturity In Years	Rating
U.S. Treasuries	$ -	$ 446,465	$ -	$ 446,465	1.55	-
U.S. Agencies	-	843,985	-	843,985	2.24	S&P AA+
Commerical Paper	-	401,276	-	401,276	0.98	S&P AA-
Mutual Funds	-	6,397	-	6,397	-	N/A
Total Investments	**$ -**	**$ 1,698,123**	**$ -**	**$ 1,698,123**	**1.75**	

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

Investment Pools: Valued at the proportionate share of ownership of the quoted market prices of the underlying assets.

The Town recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. During 2016, there were no changes in methods or assumptions utilized to derive the fair value of the Town's assets and liabilities.

Interest Rate Risk

The Town's investment policy generally limits investment maturities to 5 years. Interest rate risk is limited by structuring the investment portfolio such that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds in short-term securities such as investment pools.

Credit Risk

The Town's investment policy conforms to state statute that limits investments to the following:

1. Direct obligations of the U.S. Government, its agencies, and instrumentalities to which the full faith and credit of the U.S. Government is pledged or obligations to the payment of which the full faith and credit of the State is pledged;
2. Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out of state financial institutions;
3. With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper, and repurchase agreements with certain limitations;
4. Town, municipal, or school district tax supported debt obligations; bond or revenue anticipation notes; money; or bond or revenue anticipation notes of public trusts whose beneficiary is a town, municipality, or school district;
5. Notes or bonds secured by a mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and obligations of the National Mortgage Association; and
6. Money market funds regulated by the Securities and Exchange Commission in which investments consist of the investments in 1, 2, 3, and 4 above.

Concentrations of Credit Risk

Credit risk is limited by restricting the credit ratings on securities that may be purchased and through diversification of investments to reduce exposure to any one security type, issuer or account.

The Town invests excess funds under the prudent investor rule. Criteria for selection of investments and their order of priority are: 1) Safety; 2) liquidity; and 3) yield.

The Town has the following investments that exceed 5% of its investment portfolio:

Notes to Financial Statements
December 31, 2016

	Fair Value	% of Portfolio
U.S. Agencies		
FHLMC	$ 298,733	17.59%
FNMA	545,252	32.11%
Total U.S. Agencies	**$ 843,985**	
Commercial Paper		
Westpac Banking Corp	$ 199,822	11.77%
Royal Bank of Canada	201,454	11.86%
Total Commercial Paper	**$ 401,276**	

Restricted Cash

Under terms of the note payable to the Colorado Water Resources and Power Development Authority, cash has been restricted in an amount equivalent to three months of operation and maintenance expenses for the Sanitation Fund.

2. Capital Assets

Capital assets activity for the year ended December 31, 2016, was as follows:

Governmental Activities				
Description	*Beginning Balance*	*Additions and Reclassifications*	*Disposals and Reclassifications*	***Ending Balance***
Assets Not Being Depreciated				
Land	$ 1,726,255	$ -	$ -	$ 1,726,255
Water Rights	73,095	-	-	73,095
Construction in Progress	1,719,311	812,187	(1,702,963)	828,535
Assets Being Depreciated				
Buildings	2,202,550	-	-	2,202,550
Improvements	185,049	-	-	185,049
Equipment	546,941	128,014	-	674,955
Vehicles	139,217	126,355	(3,116)	262,456
Infrastructure	6,880,320	1,672,290	-	8,552,610
Totals General Capital Assets	13,472,738	2,738,846	(1,706,079)	14,505,505
Less Accumulated Depreciation	(2,264,871)	(435,296)	3,116	(2,697,051)
Net Capital Assets	$ 11,207,867	N/A	N/A	$ 11,808,454

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

Governmental Activities	
Function	*Amount*
General Government	$ 59,420
Public Works	282,966
Parks and Recreation	80,746
Public Safety	12,164
Total Depreciation Expense - Governmental Activities	$ 435,296

Enterprise Fund				
Description	*Beginning Balance*	*Additions*	*Disposals*	***Ending Balance***
Land	$ 294,835	$ -	$ -	$ 294,835
Contruction in Progress	64,571	-	(64,571)	-
Land improvements	32,114	-	-	32,114
Buildings	276,966	-	-	276,966
Machinery, equipment, and vehicle	118,066	28,444	-	146,510
Sewer mains	415,788	-	-	415,788
Treatment plant	6,091,787	-	-	6,091,787
Total Enterprise Funds	7,294,127	28,444	(64,571)	7,258,000
Less accumulated depreciation	(1,705,131)	(228,303)	-	(1,933,434)
Net Capital Assets	$ 5,588,996	N/A	N/A	$ 5,324,566

3. Long-term Debt

Changes in Long-term Liabilities

Changes in the Town's long-term liabilities for the year ended December 31, 2016 are as follows:

	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Due within One Year
Governmental Activities					
Lease purchase obligations	$101,594	$39,004	($41,009)	$99,589	$41,863
Business -type Activities					
Waste Water Treatment Plant Loan	2,060,000	-	(130,000)	1,930,000	100,077
Total All Activities	$2,161,594	$39,004	($171,009)	$2,029,589	$141,940

Capital Lease Obligation

The Town has entered into lease agreements for financing the acquisition of a motor grader valued at $207,600 and radio equipment for $39,004. The leases have an interest rates of approximately 3%. The equipment has an estimated useful lives of 5 – 7 years. This year $35,508 was included in depreciation expense. The net book value of the assets is $97,410 as of December 31, 2016. These lease agreements qualifies as a capital leases for accounting purposes and, therefore, have been recorded at the present value of future minimum lease payments as of the inception date. It is the policy of the Town to make the lease payments from the general fund.

The future minimum lease payments of principal and interest as of December 31, 2016, were as follows:

Year	Principal	Interest	Total
2017	$ 41,862	$ 2,677	$ 44,539
2018	43,161	1,377	44,538
2019	14,566	188	14,754
Total	$ 99,589	$ 4,242	$ 103,831

Sanitation Fund Loan

Debt outstanding as of December 31, 2016 in the sanitation fund consisted of the following:

Description	**Balance**
Note payable to the Colorado Water Resources and Power Development Authority dated May 1, 2007. Secured by the net revenues of the sewer fund. Interest at 3.49%. Due in semi-annual installments on February 1 and August 1 through 2028.	$1,930,000

This loan was restructured in April 2017 to extend the term an additional ten years.
The debt service requirements for the loan from the Colorado Water Resources and Power Development Authority is as follows:

Notes to Financial Statements
December 31, 2016

Year	Principal	Interest	Total
2017	$ 100,077	$ 36,126	$ 136,203
2018	66,869	69,333	136,202
2019	69,223	66,980	136,203
2020	71,660	64,543	136,203
2021	74,182	62,021	136,203
2022 to 2026	411,973	269,040	681,013
2027 to 2031	489,777	185,187	674,964
Total	$ 1,930,000	$ 754,346	$ 2,684,346

4. Deferred Compensation Plan

Under Resolution No. 30-R-2015 the Town has established a deferred compensation plan. Participation in the plan is at the employee's option and the Town places no limit on the amount of the employee contribution. Under the plan if the employee contributes up to 5% of their salary the Town matches that contribution. If an employee contributes more than 5% the Town does not match the additional contribution. During the year employees contributed $61,328 and the Town's matching amount was $38,610.

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Required Supplementary Information

Schedule of Revenues and Expenditures - Budget and Actual

General Fund

For the Year Ended December 31, 2016

	Original and Final Budget	Actual	Variance
Taxes			
Property taxes	$ 1,249,251	$ 1,252,820	$ 3,569
Sales tax	1,400,000	1,835,802	435,802
Use tax	175,000	103,336	(71,664)
Specific ownership tax	62,000	72,944	10,944
Cigarette tax	24,000	19,938	(4,062)
Total Taxes	2,910,251	3,284,840	374,589
Intergovernmental Revenue			
Intergovernmental Capital	997,550	322,698	(674,852)
Intergovernmental Operating	352,478	303,025	(49,453)
Total intergovernmental revenue	1,350,028	625,723	(724,305)
Charges For Services			
Building permits	218,000	164,190	(53,810)
Developer bill backs	105,000	93,644	(11,356)
Franchise fees	170,000	162,088	(7,912)
Other licenses, permits and fees	175,550	219,889	44,339
Park registration fees	66,287	43,398	(22,889)
Total Charges for Services	734,837	683,209	(51,628)
Fines and Forfeits	18,000	13,981	(4,019)
Other Income			
Interest Income	9,800	7,878	(1,922)
Contributions	43,525	27,510	(16,015)
Miscellaneous	17,320	86,233	68,913
Total Other Income	70,645	121,621	50,976
Total Revenue	5,083,761	4,729,374	(354,387)
Other financing sources:			
Transfers from other funds	35,000	35,000	-
Total Revenue and Other Financing Sources	$ 5,118,761	$ 4,764,374	$ (354,387)

Schedule of Revenues and Expenditures - Budget and Actual

General Fund (continued)

For the Year Ended December 31, 2016

	Original and Final Budget	Actual	Variance
General Government			
Legislative	$ 35,508	$ 28,231	$ 7,277
Salaries and wages	604,523	518,794	85,729
Payroll taxes and employee benefits	259,439	212,602	46,837
Insurance and bonds	34,228	35,379	(1,151)
Professional fees	358,500	480,876	(122,376)
Developer bill backs	105,000	84,093	20,907
Utilities	44,106	40,796	3,310
Elections	10,000	6,417	3,583
Supplies	39,800	35,092	4,708
Schools and conferences	40,500	29,898	10,602
Other	347,009	172,026	174,983
Total General Government	1,878,613	1,644,204	234,409
Public Safety			
Law enforcement	400,502	364,554	35,948
Municipal court	23,500	20,389	3,111
Building inspections	114,480	79,893	34,587
Total Public Safety	538,482	464,836	73,646
Public Works	1,979,392	1,351,020	628,372
Parks and Recreation	407,668	298,735	108,933
Capital Expenditures	726,050	195,298	530,752
Debt Service			
Principal	91,196	41,009	50,187
Interest	-	3,530	(3,530)
Total Debt Service	91,196	44,539	46,657
Total Expenditures	5,621,401	3,998,632	1,622,769
Other Financing Uses:			
Transfers to other funds	-	61,500	(61,500)
Total Expenditures and Other Financing Uses	$ 5,621,401	$ 4,060,132	$ 1,561,269
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses		704,242	
Fund Balance, Beginning of Year		3,568,809	
Fund Balance, End of Year		$ 4,273,051	

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Other Supplementary Information

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Conservation Trust Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Revenues			
Interest	$ -	$ 14	$ 14
Intergovernmental	37,000	43,572	6,572
Total Revenues	37,000	43,586	6,586
Other Financing Sources (Uses)			
Transfers out	(35,000)	(35,000)	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ 2,000	8,586	$ 6,586
Fund Balance, Beginning of Year		2,954	
Fund Balance, End of Year		$ 11,540	

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Police Protection Fund

For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Revenues			
Interest	$ 268	$ 136	$ (132)
Impact Fees	2,500	631	(1,869)
Total Revenues	2,768	767	(2,001)
Expenditures			
Current Operating:			
Public Safety	-	170	(170)
Contingencies	49,961	-	49,961
Capital Outlay	-	47,926	(47,926)
Total Expenditures	49,961	48,096	1,865
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (47,193)	(47,329)	$ (136)
Fund Balance, Beginning of Year		47,329	
Fund Balance, End of Year		$ -	

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Downtown Revitalization Fund

For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Revenues			
Interest	$ 337	$ 166	$ (171)
Impact Fees	15,200	2,736	(12,464)
Total Revenues	15,537	2,902	(12,635)
Expenditures			
Current Operating:			
Public works	22,169	2,007	20,162
Capital Outlay	15,000	-	15,000
Contingencies	37,517	-	37,517
Total Expenditures	74,686	2,007	72,679
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (59,149)	895	$ 60,044
Fund Balance, Beginning of Year		59,986	
Fund Balance, End of Year		$ 60,881	

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Mead Urban Renewal Authority

For the Year Ended December 31, 2016

	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Interest	$ -	$ 1	$ 1
Expenditures			
Current Operating:			
General government	61,500	61,484	16
Excess of Revenues Over (Under) Expenditures	(61,500)	(61,483)	17
Other Financing Sources (Uses)			
Operating transfers in	61,500	61,500	-
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ -	17	$ 17
Fund Balance, Beginning of Year		-	
Fund Balance, End of Year		$ 17	

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Storm Drainage Fund
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Revenues			
Interest	$ 34	$ 59	$ 25
Impact Fees	6,550	5,541	(1,009)
Total Revenues	6,584	5,600	(984)
Expenditures			
Current Operating:			
Public works	-	445	(445)
Contingencies	10,456	-	10,456
Capital Outlay	-	4,000	(4,000)
Total Expenditures	10,456	4,445	6,011
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$ (3,872)	1,155	$ 5,027
Fund Balance, Beginning of Year		4,237	
Fund Balance, End of Year		$ 5,392	

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Transportation Fund

For the Year Ended December 31, 2016

		Final Budget		Actual		Variance
Revenues						
Interest	$	310	$	439		129
Impact Fees		67,500		39,894	$	(27,606)
Total Revenues		67,810		40,333		(27,477)
Expenditures						
Current Operating:						
Contingencies		80,072		4,586		75,486
Capital Outlay		-		17,919		(17,919)
Total Expenditures		80,072		22,505		57,567
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	$	(12,262)		17,828	$	30,090
Fund Balance, Beginning of Year				15,978		
Fund Balance, End of Year			$	33,806		

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Municipal Facilities Fund

For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Revenues			
Interest	$ 9,789	$ 4,192	$ (5,597)
Impact Fees	184,800	68,304	(116,496)
Total Revenues	194,589	72,496	(122,093)
Expenditures			
Current Operating:			
General government	81,850	28,711	53,139
Contingencies	98,155	-	98,155
Capital Outlay	1,735,003	83,590	1,651,413
Total Expenditures	1,915,008	112,301	1,802,707
Excess of Revenues Over (Under) Expenditures	$ (1,720,419)	(39,805)	$ 1,680,614
Fund Balance, Beginning of Year		1,731,864	
Fund Balance, End of Year		$ 1,692,059	

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Parks and Open Spacce

For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Revenues			
Interest	$ 7,754	$ 3,755	$ (3,999)
Impact Fees	115,700	38,381	(77,319)
Total Revenues	123,454	42,136	(81,318)
Expenditures			
Current Operating:			
Parks and recreation	-	7,859	(7,859)
Capital Outlay	1,487,892	678,819	809,073
Total Expenditures	1,487,892	686,678	801,214
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(1,364,438)	(644,542)	719,896
Fund Balance, Beginning of Year		1,369,901	
Fund Balance, End of Year		$ 725,359	

Sanitation Fund
Statement of Sources and Uses-
Budget and Actual
For the Year Ended December 31, 2016

	Final Budget	Actual	Variance
Sources			
Charges for services	$ 539,900	$ 579,281	$ 39,381
Tap fees	350,000	50,000	(300,000)
Interest income	5,691	2,322	(3,369)
Total Sources	895,591	631,603	(263,988)
Uses			
Administration	1,272,275	248,927	1,023,348
Operating expenses	259,814	230,416	29,398
Capital outlay	160,000	28,444	131,556
Principal payments	130,000	130,000	-
Interest expense	82,045	74,391	7,654
Total Uses	1,904,134	712,178	1,191,956
Excess of sources over (under) uses	$ (1,008,543)	(80,575)	$ 927,968
Reconciliation of sources over (under) uses to net income			
Depreciation		(228,303)	
Principal payments		130,000	
Capital outlay		28,444	
Net income (loss)		$ (150,434)	

Combining Balance Sheet - Nonmajor Governmental Funds
December 31, 2016

	Special Revenue Funds						
Assets	Conservation Trust	Police Protection	Downtown Revitalization	Mead Urban Renewal Authority	Transportation	Storm Drainage	Total Nonmajor Governmental Funds
Cash and investments	$ 11,540	$ -	$ 60,882	$ 4,644	$ 33,806	$ 5,391	$ 116,263
Liabilities							
Accounts payable	$ -	$ -	$ -	$ 4,627	$ -	$ -	$ 4,627
Fund Balances:							
Capital outlay and construction	$ -	$ -	$ 60,882	$ 17	$ 33,806	$ 5,391	$ 100,096
Park construction and improvements	11,540	-	-	-	-	-	11,540
Total Fund Equity	11,540	-	60,882	17	33,806	5,391	111,636
Total Liabilities, Deferred Inflows and Fund Balance	$ 11,540	$ -	$ 60,882	$ 4,644	$ 33,806	$ 5,391	$ 116,263

Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds

For the Year Ended December 31, 2016

	Special Revenue Funds						
	Conservation Trust	Police Protection	Downtown Revitalization	Mead Urban Renewal Authority	Transportation	Storm Drainage	Total Nonmajor Governmental Funds
Revenues							
Interest	$ 14	$ 136	$ 166	$ 1	$ 439	$ 59	$ 815
Intergovernmental - operating	43,572	-	-	-	-	-	43,572
Impact fees	-	631	2,736	-	39,894	5,541	48,802
Total Revenues	43,586	767	2,902	1	40,333	5,600	93,189
Expenditures							
Current Operating							
General government	-	-	-	61,484	-	-	61,484
Public safety	-	170	-	-	-	-	170
Public works	-	-	2,007	-	4,586	445	7,038
Capital Outlay	-	86,930	-	-	17,919	4,000	108,849
Total Expenditures	-	87,100	2,007	61,484	22,505	4,445	177,541
Excess of Revenues Over (Under) Expenditures	43,586	(86,333)	895	(61,483)	17,828	1,155	(84,352)
Other Financing Sources (Uses)							
Proceeds from debt issue	-	39,004			-		39,004
Transfers in	-	-	-	61,500	-	-	61,500
Transfers out	(35,000)	-	-	-	-	-	(35,000)
Total Other Financing Sources (Uses)	(35,000)	39,004	-	61,500	-	-	65,504
Net Change in Fund Balance	8,586	(47,329)	895	17	17,828	1,155	(18,848)
Fund Balance							
Fund Balances - Beginning of Year	2,954	47,329	59,987	-	15,978	4,236	130,484
Fund Balances - End of Year	$ 11,540	$ -	$ 60,882	$ 17	$ 33,806	$ 5,391	$ 111,636

State Compliance Section

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

Financial Planning 02/01
Form # 350-050-36

LOCAL HIGHWAY FINANCE REPORT		City or County: Mead
		YEAR ENDING : December 2016
This Information From The Records Of (example - City of _ or County of _ Town of Mead	Prepared By: Phone:	Denise Rademacher 970-535-4477

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	733,852
3. Other local imposts (from page 2)	85,617
4. Miscellaneous local receipts (from page 2)	34,223
5. Transfers from toll facilities	0
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	853,692
B. Private Contributions	0
C. Receipts from State government (from page 2)	218,829
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	1,072,520

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	398,952
2. Maintenance:	97,053
3. Road and street services:	
a. Traffic control operations	532
b. Snow and ice removal	54,806
c. Other	23,209
d. Total (a. through c.)	78,548
4. General administration & miscellaneous	200,483
5. Highway law enforcement and safety	266,289
6. Total (1 through 5)	1,041,325
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	3,191
b. Redemption	28,005
c. Total (a. + b.)	31,196
3. Total (1.c + 2.c)	31,196
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	1,072,520

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)	101,595	0	28,005	73,590

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,072,520	1,072,520		(0)

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

See the accompanying Independent Auditors' Report

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2016

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalities	9,620
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	5,620	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	24,603
5. Specific Ownership &/or Other	79,997	g. Other Misc. Receipts	0
6. Total (1. through 5.)	85,617	h. Other	0
c. Total (a. + b.)	85,617	i. Total (a. through h.)	34,223
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	194,969	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	23,860	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	23,860	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	218,829	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		0	0
b. Engineering Costs		4,437	4,437
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		394,516	394,516
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	394,516	394,516
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	398,952	398,952
			(Carry forward to page 1)

Notes and Comments:

See the accompanying Independent Auditors' Report