

TOWN OF WALDEN, COLORADO

ANNUAL FINANCIAL REPORT

December 31, 2016



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HAMBLIN AND ASSOCIATES, LLC

Certified Public Accountants

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Independent Auditors' Report

To the Honorable Mayor and Board of Trustees
Town of Walden, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Walden, Colorado (the Town), 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, 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 elected to omit the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 31 – 34 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 budgetary comparison schedules for the Capital Projects, Firemen's Pension, Public Utilities and Gas Funds, as well as the Local Highway Finance Report, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Local Highway Finance Report is the responsibility of management and was derived from and relate 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.

The budgetary comparison schedules for the Capital Projects, Firemen's Pension, Public Utilities and Gas Funds have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Hamblin and Associates, LLC

Evergreen, Colorado
April 3, 2017

TOWN OF WALDEN, COLORADO

STATEMENT OF NET POSITION

December 31, 2016

	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL
ASSETS			
CURRENT ASSETS			
Cash and equivalents	\$ 629,680	\$ 684,745	\$ 1,314,425
Restricted cash	1,804	160,966	162,770
Investments	20,929	-	20,929
Receivables:			
Accounts	5,633	164,761	170,394
Accrued interest	44	1,366	1,410
Property taxes	65,227	-	65,227
Due from other governments	26,499	-	26,499
Inventories	3,161	80,416	83,577
Prepays	29,335	75,441	104,776
	<u>645,144</u>	<u>4,238,434</u>	<u>4,883,578</u>
CAPITAL ASSETS, NET			
OTHER NONCURRENT ASSETS			
Internal balances	<u>(15,402)</u>	<u>15,402</u>	<u>-</u>
TOTAL ASSETS	<u>1,412,054</u>	<u>5,421,531</u>	<u>6,833,585</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding	<u>-</u>	<u>16,585</u>	<u>16,585</u>
LIABILITIES			
CURRENT LIABILITIES			
Accounts Payable, accrued liabilities and other	<u>52,304</u>	<u>148,391</u>	<u>200,695</u>
NONCURRENT LIABILITIES			
Due within one year	-	161,363	161,363
Due in more than one year	-	2,365,811	2,365,811
TOTAL NONCURRENT LIABILITIES	<u>-</u>	<u>2,527,174</u>	<u>2,527,174</u>
TOTAL LIABILITIES	<u>52,304</u>	<u>2,675,565</u>	<u>2,727,869</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>65,227</u>	<u>-</u>	<u>65,227</u>
NET POSTION			
Net investment in capital assets	645,144	1,711,260	2,356,404
Restricted for			
Debt services	-	160,966	160,966
Emergencies	18,100	-	18,100
Parks and capital asset acquisitions	329,367	-	329,367
Unrestricted	<u>301,912</u>	<u>890,325</u>	<u>1,192,237</u>
TOTAL NET POSITION	<u>\$ 1,294,523</u>	<u>\$ 2,762,551</u>	<u>\$ 4,057,074</u>

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

TOWN OF WALDEN, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		
				GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
GOVERNMENTAL ACTIVITIES						
General government	\$ 438,238	\$ 255,200	\$ -	\$ (183,038)	\$ -	\$ (183,038)
Public safety	140,845	-	-	(140,845)	-	(140,845)
Streets and highways	58,152	-	30,751	(27,401)	-	(27,401)
Culture and recreation	19,092	-	6,723	(12,369)	-	(12,369)
TOTAL GOVERNMENTAL ACTIVITIES	656,327	255,200	37,474	(363,653)	-	(363,653)
BUSINESS-TYPE ACTIVITIES						
Water and Sewer	543,158	463,737	-	-	(79,421)	(79,421)
Gas	853,177	938,110	-	-	84,933	84,933
TOTAL BUSINESS-TYPE ACTIVITIES	1,396,335	1,401,847	-	-	5,512	5,512
GENERAL REVENUES						
Property taxes				65,091	-	65,091
Specific ownership taxes				18,508	-	18,508
Sales tax				368,760	-	368,760
Franchise taxes				16,076	-	16,076
Other taxes				25,909	-	25,909
License and permits				5,815	-	5,815
Other miscellaneous revenue				3,395	28,619	32,014
Unrestricted interest income				1,573	-	1,573
Transfers				(249,794)	249,794	-
TOTAL GENERAL REVENUES				255,333	278,413	533,746
CHANGE IN NET POSITION				(108,320)	283,925	175,605
NET POSITION - Beginning				1,402,843	2,478,626	3,881,469
NET POSITION - Ending				\$ 1,294,523	\$ 2,762,551	\$ 4,057,074

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

TOWN OF WALDEN, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016

	<u>General</u>	<u>Streets And Alleys</u>	<u>Conservation Trust</u>	<u>Sales Tax Capital Improvement</u>	<u>Capital Projects</u>	<u>Total Governmental Funds</u>
ASSETS						
Cash and equivalents	\$ 149,586	\$ 88,926	\$ 80,713	\$ 240,794	\$ 69,661	\$ 629,680
Restricted cash	1,804	-	-	-	-	1,804
Investments	20,929	-	-	-	-	20,929
Receivables:						
Property taxes	58,176	-	-	-	7,051	65,227
Accounts	5,633	-	-	-	-	5,633
Accrued interest	44	-	-	-	-	44
Due from other governments	18,467	-	-	7,860	172	26,499
Prepays	29,335	-	-	-	-	29,335
Inventories	-	3,161	-	-	-	3,161
Total Assets	<u>\$ 283,974</u>	<u>\$ 92,087</u>	<u>\$ 80,713</u>	<u>\$ 248,654</u>	<u>\$ 76,884</u>	<u>\$ 782,312</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts Payable, accrued liabilities and other	\$ 33,367	\$ 18,937	\$ -	\$ -	\$ -	\$ 52,304
Due to other funds	15,188	214	-	-	-	15,402
TOTAL LIABILITIES	<u>48,555</u>	<u>19,151</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>67,706</u>
DEFERRED INFLOWS OF RESOURCES						
Unearned revenue - property taxes	58,176	-	-	-	7,051	65,227
FUND BALANCES						
Nonspendable						
Inventories	-	3,161	-	-	-	3,161
Restricted						
Parks	-	-	80,713	-	-	80,713
Capital asset acquisition	-	-	-	248,654	-	248,654
Emergencies	17,100	1,000	-	-	-	18,100
Assigned						
Streets and alleys maintenance	-	68,775	-	-	-	68,775
Capital asset acquisition	-	-	-	-	69,833	69,833
Unassigned	<u>160,143</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>160,143</u>
TOTAL FUND BALANCES	<u>177,243</u>	<u>72,936</u>	<u>80,713</u>	<u>248,654</u>	<u>69,833</u>	<u>649,379</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	<u>\$ 283,974</u>	<u>\$ 92,087</u>	<u>\$ 80,713</u>	<u>\$ 248,654</u>	<u>\$ 76,884</u>	<u>\$ 782,312</u>
TOTAL FUND BALANCE - GOVERNMENTAL FUNDS						\$ 649,379
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:						
Net Capital Assets						<u>645,144</u>
NET POSITION OF GOVERNMENTAL ACTIVITIES						<u>\$ 1,294,523</u>

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

TOWN OF WALDEN, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

Year Ended December 31, 2016

	General	Streets And Alleys	Conservation Trust	Sales Tax Capital Improvement	Capital Projects	Total Governmental Funds
REVENUES						
Taxes	\$ 332,703	\$ -	\$ -	123,911	8,305	\$ 464,919
Licenses and Permits	5,815	-	-	-	-	5,815
Intergovernmental Revenue	25,910	34,266	6,723	-	-	66,899
Charges for Services	255,200	-	-	-	-	255,200
Investment Income	1,573	-	-	-	-	1,573
Miscellaneous	3,395	-	-	-	-	3,395
TOTAL REVENUES	<u>624,596</u>	<u>34,266</u>	<u>6,723</u>	<u>123,911</u>	<u>8,305</u>	<u>797,801</u>
EXPENDITURES						
Current						
General Government	418,285	-	-	-	129	418,414
Public Safety	135,483	-	-	-	-	135,483
Streets and Highways	11,829	32,370	2,500	-	-	46,699
Health and Welfare	36	-	-	-	-	36
Culture and Recreation	4,558	-	-	-	-	4,558
TOTAL EXPENDITURES	<u>570,191</u>	<u>32,370</u>	<u>2,500</u>	<u>-</u>	<u>129</u>	<u>605,190</u>
REVENUE OVER (UNDER) EXPENDITURES	<u>54,405</u>	<u>1,896</u>	<u>4,223</u>	<u>123,911</u>	<u>8,176</u>	<u>192,611</u>
OTHER FINANCING SOURCES (USES)						
Transfers In (out)	-	-	-	(249,794)	-	(249,794)
NET CHANGE IN FUND BALANCES	54,405	1,896	4,223	(125,883)	8,176	(57,183)
FUND BALANCES - Beginning	<u>122,838</u>	<u>71,040</u>	<u>76,490</u>	<u>374,537</u>	<u>61,657</u>	<u>706,562</u>
FUND BALANCE - Ending	<u>\$ 177,243</u>	<u>\$ 72,936</u>	<u>\$ 80,713</u>	<u>\$ 248,654</u>	<u>\$ 69,833</u>	<u>\$ 649,379</u>
Net Change in Fund Balances - Total Governmental Funds						\$ (57,183)
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 the useful lives as annual depreciation expense.						
Depreciation expense						(51,137)
Change in Net Position - Governmental Activities						<u>\$ (108,320)</u>

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

TOWN OF WALDEN, COLORADO

**STATEMENT OF NET POSITION
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS**

December 31, 2016

	<u>Public Utility Fund</u>	<u>Gas Utility Fund</u>	<u>Total</u>
ASSETS			
CURRENT ASSETS			
Cash and equivalents	\$ 406,742	\$ 278,003	\$ 684,745
Cash restricted with fiscal agent	-	160,966	160,966
Receivables			
Accounts	37,377	127,384	164,761
Accrued interest	-	1,366	1,366
Due from Other Funds	3,873	11,529	15,402
Prepays	-	75,441	75,441
Inventories	66,323	14,093	80,416
TOTAL CURRENT ASSETS	<u>514,315</u>	<u>668,782</u>	<u>1,183,097</u>
CAPITAL ASSETS			
Property, plant and equipment	6,066,186	3,708,136	9,774,322
Accumulated depreciation	<u>(3,584,636)</u>	<u>(1,951,252)</u>	<u>(5,535,888)</u>
TOTAL CAPITAL ASSETS	<u>2,481,550</u>	<u>1,756,884</u>	<u>4,238,434</u>
TOTAL ASSETS	<u>2,995,865</u>	<u>2,425,666</u>	<u>5,421,531</u>
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding	-	16,585	16,585
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable, accrued expenses and other	17,869	130,522	148,391
Notes payable	-	73,227	73,227
Contract payable	18,627	-	18,627
Bonds payable	34,509	35,000	69,509
TOTAL CURRENT LIABILITIES	<u>71,005</u>	<u>238,749</u>	<u>309,754</u>
NONCURRENT LIABILITIES			
Notes payable	-	686,023	686,023
Contract payable	84,044	-	84,044
Bonds payable	550,744	1,045,000	1,595,744
TOTAL NONCURRENT LIABILITIES	<u>634,788</u>	<u>1,731,023</u>	<u>2,365,811</u>
TOTAL LIABILITIES	<u>705,793</u>	<u>1,969,772</u>	<u>2,675,565</u>
NET POSITION			
Net investment in capital assets	1,793,626	(82,366)	1,711,260
Restricted for debt services	-	160,966	160,966
Unrestricted	496,446	393,879	890,325
TOTAL NET POSITION	<u>\$ 2,290,072</u>	<u>\$ 472,479</u>	<u>\$ 2,762,551</u>

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

TOWN OF WALDEN, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS

Year Ended December 31, 2016

	<u>Public Utility Fund</u>	<u>Gas Utility Fund</u>	<u>Total</u>
OPERATING REVENUES			
Charges for services	\$ 396,346	\$ 938,110	\$ 1,334,456
TOTAL OPERATING REVENUES	<u>463,737</u>	<u>938,110</u>	<u>1,401,847</u>
OPERATING EXPENSES			
General and administrative	172,190	-	172,190
Water plant operations	69,035	-	69,035
Sewer plant operations	106,899	-	106,899
Cost of gas purchased	-	265,391	265,391
Gas utility operations	-	415,869	415,869
Depreciation	179,631	91,861	271,492
TOTAL OPERATING EXPENSES	<u>527,755</u>	<u>773,121</u>	<u>1,300,876</u>
OPERATING INCOME (LOSS)	<u>(64,018)</u>	<u>164,989</u>	<u>100,971</u>
NONOPERATING REVENUE (EXPENSES)			
Transfers in (out)	249,794	-	249,794
Other nonoperating income	6,664	21,955	28,619
Interest Expense	(15,403)	(80,056)	(95,459)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>241,055</u>	<u>(58,101)</u>	<u>182,954</u>
CHANGE IN NET POSITION	177,037	106,888	283,925
NET POSITION - Beginning	<u>2,113,035</u>	<u>365,591</u>	<u>2,478,626</u>
NET POSITION - Ending	<u>\$ 2,290,072</u>	<u>\$ 472,479</u>	<u>\$ 2,762,551</u>

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

TOWN OF WALDEN, COLORADO

STATEMENT OF CASH FLOWS
BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
Year Ended December 31, 2016

	<u>Public Utility Fund</u>	<u>Gas Utility Fund</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 462,311	\$ 969,188	\$ 1,431,499
Payments to suppliers	(356,038)	(707,197)	(1,063,235)
Due to/due from reconciliations	234,700	(165,916)	68,784
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>340,973</u>	<u>96,075</u>	<u>437,048</u>
Cash Flows From Noncapital Financing Activities:			
Tap fees and other non-operating income	6,664	21,955	28,619
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal paid on long-term obligations	(50,456)	(100,750)	(151,206)
Interest paid on long-term obligations	(15,403)	(80,056)	(95,459)
NET CASH (USED IN) PROVIDED BY CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(84,154)</u>	<u>(180,806)</u>	<u>(264,960)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	263,483	(62,776)	200,707
CASH AND CASH EQUIVALENTS, Beginning	<u>143,259</u>	<u>501,745</u>	<u>645,004</u>
CASH AND CASH EQUIVALENTS, Ending	<u>\$ 406,742</u>	<u>\$ 438,969</u>	<u>\$ 845,711</u>
RECONCILIATION OF OPERATING INCOME(LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (64,018)	\$ 164,989	\$ 100,971
Adjustments to Reconcile Operating Income (Loss) to net cash provided (used) by operating activities:			
Depreciation	179,631	91,861	271,492
Changes in assets and liabilities:			
(Increase) Decrease in accounts receivable	(1,246)	31,078	29,832
(Increase) Decrease in due from other funds	234,700	-	234,700
Decrease in loss on refunding	-	1,843	1,843
Increase (decrease) in accounts payable	(7,914)	(27,780)	(35,694)
Increase (decrease) in deferred revenue	(180)	-	(180)
Increase (Decrease) in due to other funds	-	(165,916)	(165,916)
Total Adjustments	<u>404,991</u>	<u>(68,914)</u>	<u>336,077</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 340,973</u>	<u>\$ 96,075</u>	<u>\$ 437,048</u>

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

TOWN OF WALDEN, COLORADO
FIREMAN'S PENSION FUND
STATEMENT OF FIDUCIARY NET POSITION
December 31, 2016

ASSETS

Cash and cash equivalents	\$	68,693
Receivables		
Accrued interest		71
Property taxes		1,761
Other receivables		-
Due from other funds		-
Due from other governments		96
		96
TOTAL ASSETS	\$	70,621
		70,621

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND PLAN NET POSITION

LIABILITIES

Accounts Payable	\$	497
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DEFERRED INFLOW OF RESOURCES

Unearned revenue - property taxes		1,761
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PLAN NET POSITION

Held in trust for pension benefits		68,363
		68,363

TOTAL LIABILITES, DEFERRED INFLOWS OF RESOURCES AND PLAN NET POSTION	\$	70,621
		70,621

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

TOWN OF WALDEN, COLORADO

FIREMEN'S PENSION FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
Year Ended December 31, 2016

ADDITIONS	
Investment earnings and other	\$ 177
General property taxes	1,763
Specific ownership taxes	406
State contribution	1,924
Jackson County contribution	3,600
TOTAL ADDITIONS	<u>7,870</u>
DEDUCTIONS	
Retirement	21,700
Treasurer's fees and other	173
TOTAL DEDUCTIONS	<u>21,873</u>
NET DECREASE	(14,003)
NET POSITION - Beginning	<u>82,366</u>
NET POSITION - Ending	<u>\$ 68,363</u>

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

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary Of Significant Accounting Policies

The Town of Walden, Colorado (the Town), operates as a statutory town under Colorado law. The Town is governed by a Board of Trustees consisting of six elected trustees and an elected mayor. The Town provides for the following services as authorized by law: public safety (police and fire), streets and highways, water, sewer, gas, health and welfare, culture and recreation, public improvements, planning and general administrative services.

The accounting policies of the Town conform to generally accepted accounting principles (GAAP). The following is a summary of the Town's significant policies:

Reporting Entity

The Town is considered a primary government for financial reporting purposes since it is a general purpose local government. A primary government consists of all funds, organizations, departments and offices that are part of the municipal corporation and not legally separate.

The financial statements include those of the Town (primary government) and organizations for which the Town is financially accountable (component units). Together, these organizations comprise the Town's reporting entity. The reporting entity includes only the financial statements of the primary government, since there are no component units.

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. Governmental activities, which are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely for the most part on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges to customers who purchase, use or benefit from goods, services or privileges provided by a given function and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. 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 and fiduciary 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 are generally 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, sales taxes, franchise taxes 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 when cash is received.

The Town reports the following major governmental funds:

General Fund - The General Fund is the operating fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than capital projects) that are legally restricted or committed to expenditures for specified purposes. The Town has three major special revenue funds: (1) the Street and Alley Fund, which is funded primarily by highway user taxes and motor vehicle special assessments; (2) the Conservation Trust Fund to account for state-shared revenues from the Colorado State Lottery and (3) the Sales Tax Capital Improvement Fund to account for a voter-approved sales tax to be used for capital improvements.

Capital Projects Fund - The Capital Projects Fund is used to account for the acquisition or construction of major capital assets (other than those financed by proprietary funds). The principal funding sources are property taxes and transfers from the General Fund. The Town maintains only one capital projects fund.

The Town reports the following major proprietary funds:

Enterprise Funds - The Town has two major enterprise funds: (1) the Public Utilities Fund, which is used to account for the furnishing of water, sewer and waste disposal services and (2) the Gas Utility Fund, which is used to separately account for the operations of the gas utility owned and operated by the Town.

The Town reports the following fiduciary fund:

Pension Trust Fund - The Firemen's Pension Fund is used to account for assets held by the Town in a trustee capacity for pension benefits to qualified personnel.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. The major exception to this rule is administrative charges between the general governmental and water and sewer functions. Elimination of these charges would distort the direct costs and program revenues reported for these functions.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Town's enterprise funds are charges to customers for sales and services.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Property taxes are levied by the Board of Trustees in accordance with the Town's budget development procedures. Property assessments are performed by the Jackson County Assessor, while property taxes are collected by the Jackson County Treasurer. Property taxes are collected in the year after the property is assessed and the taxes levied.

The property taxes are an ad valorem (according to value) tax levied on taxable real and personal property on the basis of assessed valuation. Real property consists of land and associated improvements. Personal property includes any portable property used to generate income (inventories, equipment, etc.). Two factors account for the income derived from property taxes: (1) the calculation of assessed valuation and (2) the mill levy.

	Tax Year
Beginning of fiscal year for taxes	January 1
Assessed valuation certified by County Assessor	August 25
Property tax levy by Board of Trustees	December 15
Tax levy certified to County Commissioners	December 15
County Commissioners certify levy to County Assessor	December 22
	Ensuing Collection Year
Taxes attach as an enforceable lien on property	January 1
County Assessor delivers tax warrant to County Treasurer	January 10
Tax notices rendered	January 10
First installment due date (one-half of taxes due)	February 28
Taxes due in full (unless installments elected by taxpayer)	April 30
Second installment due date (second half due)	June 15

Stewardship, Compliance and Accountability

Annual budgets are established for all funds of the Town. Budgetary comparisons are included in the appropriate financial statements and schedules as required by law. The legal level of budgetary control for all funds is at the individual fund level. All appropriations unexpended at the end of the year lapse to the applicable fund. Encumbrance accounting is not used by the Town for budget or financial reporting purposes.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

The following is a summary of the procedures used in establishing budgetary data reflected in the financial statements:

1. On or before October 15, the Town Clerk submits to the Board of Trustees a proposed budget for the next year.
2. A public hearing is conducted to obtain taxpayer comments.
3. Prior to December 1, the Board adopts the budget and passes the appropriation and mill levy ordinances.
4. After commencement of the fiscal year, the appropriation ordinance is non-repealable. However, the Board may adopt supplemental appropriations by ordinance or resolution due to circumstances which could not be foreseen at the time of adoption of the original budget.

Investments

The Town has stated its investments at fair value in accordance with Governmental Accounting Standards Board (GASB) Statement No. 31. Investments in money market funds, U.S. Treasury funds and local government investment pools are at fair value, which is determined by the fund trustee using quoted market prices. The fair value of the Town's position in the pool is the same as the value of the pool shares.

Receivables

Accounts and loans receivable are expressed net of allowances for doubtful accounts.

Inventory

Inventories are valued at cost using the first-in, first-out method and are expensed as they are used.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government- wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an estimate useful life in excess of two years.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

In the case of capitalization of general *infrastructure* capital assets (i.e., those reported by governmental activities) at transition, the Town chose to include such assets *prospectively* beginning at the effective date of GASB Statement No. 34. As a Phase 3 government, the Town is not required to, and therefore has chosen not to, report major general infrastructure assets retroactively.

Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Asset Type</u>	<u>Years</u>
Buildings	40 - 50
Building improvements	15 - 20
Public domain infrastructure	10 - 50
Water and sewer system infrastructure	15 - 50
Gas system infrastructure	40
Machinery and equipment	5 - 20

Compensated Absences

Vacation and sick pay are expensed when paid. Accumulated unpaid vacation is not accrued at December 31 since it is considered immaterial. Accumulated unpaid sick leave is not accrued since it does not meet the criteria for accrual.

Statement of Cash Flows

For purposes of the statement of cash flows, the Town considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Time deposits are not considered cash equivalents for the statement of cash flows.

Refundings of Long-Term Debt

For refunding resulting in defeasance of debt in proprietary funds, the difference between the reacquisition price and the net carrying amount of the refunded debt is deferred and amortized using the straight-line method to interest expense over the life of the new debt or the refunded debt, whichever is shorter.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resource

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until that period. The Town has a deferred loss on refunding, which is recorded as a deferred outflow. The deferred loss results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is reported in the statement of net position and is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position 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 or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Net Position

Net position is comprised of the various net earnings from operating income, nonoperating revenues and expenses and capital contributions. Net position is classified into the following three components:

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

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

Unrestricted - This component of net position consists of amounts that do not meet the definition of "restricted" or "net investment in capital assets."

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary Of Significant Accounting Policies (Continued)

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

Fund Balance

In the fund financial statements, governmental funds report fund balances based on GASB reporting standards that establish criteria for classifying fund balances into specifically defined classifications to make the nature and extent of constraints both useful and understandable. The classifications comprise a hierarchy based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified in the financial statements as follows:

Nonspendable fund balance - those amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact, such as inventories or revolving loans.

Restricted fund balance - those amounts that are restricted for specific purposes due to externally imposed constraints imposed by creditors, grantors, constitutional provisions, laws or regulations of other governments or enabling legislation of the Town that is legally enforceable, such as Conservation Trust Fund balances or TABOR emergency reserves.

Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Trustees, the Town's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Trustees.

Assigned fund balance - those amounts that are constrained by the Town's intent to use for specific purposes, but are neither restricted nor committed, such as capital projects. Only the Board of Trustees has authority to assign funds.

Unassigned fund balance - those amounts that are remaining after amounts are set aside using the above classifications.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

1. Summary of Significant Accounting Policies (Continued)

Use of Estimates

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

2. Cash and Investments

The Town's pooled cash checking account is available for use by all funds of the Town. Each fund type's portion of this pooled account is reflected on the balance sheet. Investments held separately by several of the Town's funds included U.S. government agency securities and participation in the Colorado Government Liquid Asset Trust (COLOTRUST), a Colorado local government investment pool authorized by state statutes. During 2016, the Town closed these investment accounts.

Cash Deposits

Colorado statutes require protection of public moneys in banks and savings and loans beyond that provided by federal depository insurance. The Public Deposit Protection Act (PDPA) in Section 11-10.5-107(5), C.R.S., requires all units of local government to deposit cash in eligible public depositories. Eligible public depositories are required to pledge designated eligible collateral that has a market value equal to at least 102% of the deposits exceeding those amounts insured by federal insurance. Upon liquidation of a defaulting eligible depository, the statute requires the State Banking Board to seize the eligible collateral, liquidate the collateral and repay the public deposits to the depositing government.

PDPA allows financial institutions to create a single collateral pool for all public funds. The pool for all the uninsured deposits is to be maintained by a third-party custodian. The custodian is required to hold the securities in the name of the collateral pool (that is, collectively for the governments secured by the collateral). The eligible collateral is defined by PDPA. The State Division of Banking monitors the naming of eligible public depositories and the reporting of uninsured deposits and assets maintained in the collateral pools. Under PDPA, the local government's responsibility is to ensure that the bank is a PDPA-eligible depository, register with the Division of Banking to obtain an Official Custodian Identification Number and provide the bank with the assigned number before funds are deposited.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

2. Cash and Investments (Continued)

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover collateral securities that are in the possession of a third party. Pursuant to Statement No. 40 of GASB, deposits are exposed to custodial credit risk if they are not covered by federal depository insurance and the deposits are:

(1) Uncollateralized, (2) collateralized with securities held by the pledging financial institution or (3) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor- government's name. If a government has deposits at the end of the fiscal year that are exposed to custodial credit risk, the amount of those deposits must be disclosed.

Since the Town's deposits are in an eligible public depository and its deposits are recognized by the custodian as one of the governments covered by the financial institution's collateral pool, the Town's deposits are fully collateralized, and there is no custodial credit risk.

At December 31, 2016, the carrying value of the Town's deposits was \$1,566,817, and the bank balances were \$1,604,526. Of the bank balances, \$270,010 was covered by federal deposit insurance, and \$1,334,516 was collateralized under PDPA.

Money market certificates held by the Town are subject to penalties for early withdrawal.

Investment policies are governed by Colorado statute and the Town's own investment policies. Investments of the Town may include the following (certain limitations apply):

- Obligations of the United States and its agencies
- Obligations which are guaranteed by the United States government
- Obligations of the World Bank, Inter-American Development Bank and African Development Bank
- General obligation bonds of any state, District of Columbia, U.S. territory or any of their subdivisions
- Revenue bonds of any state, District of Columbia, U.S. territory or any of their subdivisions
- Bankers acceptances issued by state or national banks
- Commercial paper
- The Town's own obligations
- Repurchase agreements in U.S. government and U.S. government agency securities
- Money market funds
- Guaranteed investment contracts
- Designated local government investment pools

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

2. Cash and Investments (Continued)

Custodial Credit Risk

Investments of the Town are exposed to custodial credit risk if the securities are uninsured, are not registered in the Town's name and are held by either the counterparty to the investment purchase or the counterparty's trust department or agent but not in the Town's name. As of December 31, 2016, none of the Town's investments are subject to custodial credit risk.

Credit Quality Risk

Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligations. This risk is assessed by national rating agencies which assign a credit quality rating for many investments. Credit quality ratings for obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government are not reported; however, credit quality ratings are reported for obligations of U.S. government agencies that are not explicitly guaranteed by the U.S. government. Based on these parameters, as of December 31, 2016, the Town has no investments that are subject to credit quality risk reporting.

Concentration of Credit Risk

The Town has no 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.

Foreign Currency Risk

The Town's investments were not subject to foreign currency risk.

Restricted Cash

Restricted cash consists of certificates of deposit pledged as collateral to secure funds for the revolving loan program.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

3. Capital Assets

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

	<u>Balance</u> <u>1/1/2016</u>	<u>Additions</u>	<u>Transfers /</u> <u>Deletions</u>	<u>Balance</u> <u>12/31/2016</u>
Governmental Activities				
Capital assets not being depreciated:				
Land	\$ 45,114	\$ -	\$ -	\$ 45,114
Capital assets being depreciated:				
Buildings	219,303	-	-	219,303
Improvements other than buildings	1,050,388	-	-	1,050,388
Infrastructure	66,275	-	-	66,275
Vehicles and equipment	258,582	-	-	258,582
Total Capital Assets Being Depreciated	<u>1,594,548</u>	<u>-</u>	<u>-</u>	<u>1,594,548</u>
Less accumulated depreciation:				
Buildings	(130,367)	(4,026)	-	(134,393)
Improvements other than buildings	(555,148)	(31,407)	-	(586,555)
Infrastructure	(48,156)	(2,105)	-	(50,261)
Vehicles and equipment	(209,710)	(13,599)	-	(223,309)
Total accumulated depreciation	<u>(943,381)</u>	<u>(51,137)</u>	<u>-</u>	<u>(994,518)</u>
Net Capital Assets Being Depreciated	<u>651,167</u>	<u>(51,137)</u>	<u>-</u>	<u>600,030</u>
Net Governmental Activities Capital Assets	<u>\$ 696,281</u>	<u>\$ (51,137)</u>	<u>\$ -</u>	<u>\$ 645,144</u>
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 2,742	\$ -	\$ -	\$ 2,742
Water rights	60,220	-	-	60,220
Total Capital Assets Not Being Depreciated	<u>62,962</u>	<u>-</u>	<u>-</u>	<u>62,962</u>
Capital assets being depreciated:				
Water plant and system	4,676,412	-	-	4,676,412
Sewer plant and system	1,243,972	-	-	1,243,972
Gas plant and system	3,559,840	-	-	3,559,840
Vehicles and equipment	266,816	18,295	53,975	231,136
Total Capital Assets Being Depreciated	<u>9,747,040</u>	<u>18,295</u>	<u>53,975</u>	<u>9,711,360</u>
Less accumulated depreciation:				
Water plant and system	(2,488,915)	(146,963)	-	(2,635,878)
Sewer plant and system	(869,845)	(24,225)	-	(894,070)
Gas plant and system	(1,723,049)	(88,997)	-	(1,812,046)
Vehicles and equipment	(236,562)	(11,307)	(53,975)	(193,894)
Total accumulated depreciation	<u>(5,318,371)</u>	<u>(271,492)</u>	<u>(53,975)</u>	<u>(5,535,888)</u>
Net Capital Assets Being Depreciated	<u>4,428,669</u>	<u>(253,197)</u>	<u>-</u>	<u>4,175,472</u>
Net Business-Type Activities Capital Assets	<u>\$ 4,491,631</u>	<u>\$ (253,197)</u>	<u>\$ -</u>	<u>\$ 4,238,434</u>

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

3. Capital Assets (Continued)

Depreciation expense was charged to functions as follows:

Governmental Activities	
General government	\$ 19,788
Public safety	5,362
Streets and highways	11,453
Culture and recreation	14,534
Governmental Activities Total	<u>\$ 51,137</u>
Business-Type Activities	
Public Utilities (Water & Sewer)	\$ 179,631
Gas Utilities	91,861
Business-type Activities Total	<u>\$ 271,492</u>

4. Interfund Balances

The following is a summary of individual fund receivables and payables at December 31, 2016, all of which are not expected to be collected within one year. The purpose of these internal balances was to finance capital improvements in the recipient funds.

	<u>Advances From</u>	<u>Advances To</u>
General Fund	\$ -	\$ 15,188
Streets & Alleys Fund	-	214
Public Utilities Fund	3,873	-
Gas Utilities Fund	<u>11,529</u>	-
Totals	<u>\$ 15,402</u>	<u>\$ 15,402</u>

5. Long-Term Debt

Contract Payable

During 1981, the Town entered into a contract with the State of Colorado, acting through the Colorado Water Conservation Board (CWCB), to provide \$450,000 of long-term financing for construction of improvements to the Town's water distribution system. Under the terms of the contract, the Town pledged the water treatment plant as collateral for a long-term obligation. The Town must repay the obligation in 40 annual installments of \$22,734 (which includes principal and interest at 4%) beginning July 15, 1982, and yearly thereafter until the entire principal sum is paid. The Town is required to manage, operate and maintain the water system without expense to the State and assumes all legal liability for these requirements. The balance of the obligation at December 31, 2016 is \$102,671.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

5. Long-Term Debt (Continued)

The requirements to amortize the long-term contract payable to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 18,627	\$ 4,107	\$ 22,734
2018	19,372	3,362	22,734
2019	20,147	2,587	22,734
2020	20,953	1,781	22,734
2021	21,791	943	22,734
2022	1,781	36	1,816
	<u>\$ 102,671</u>	<u>\$ 12,815</u>	<u>\$ 115,486</u>

Bonds Payable

During 2006, the Town issued its Public Utility Enterprise Water Revenue Bond, Series 2006, in the amount of \$900,000 to help pay for upgrades to the Town's water treatment facilities. As part of the transaction, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority (CWRPDA). Under the terms of the loan agreement, the Town is obligated to repay the loan plus interest at 1.75% in annual installments of \$44,602. The Town pledged its net revenue from the operation of the water utility for repayment of the loan and is required to provide rates and charges in order to maintain coverage of 110% on its Public Utility Enterprise obligations. The loan is payable from and collateralized by the Town's water and sewer revenues in the amount of \$758,386 through 2031. Principal and interest paid for the current year and pledged revenue received was \$44,602. The proportion of the pledged revenue to total water revenues is not estimable because annual fees and usage fluctuate. The balance of the bond at December 31, 2016 is \$585,253.

The requirements to amortize the bond payable to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 34,509	\$ 10,093	\$ 44,602
2018	35,116	9,486	44,602
2019	35,733	8,869	44,602
2020	36,361	8,241	44,602
2021	37,000	7,602	44,602
2022-2026	194,988	28,023	223,011
2027-2031	211,433	10,274	221,707
2032	183	2	185
	<u>\$ 585,324</u>	<u>\$ 82,589</u>	<u>\$ 667,913</u>

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

5. Long-Term Debt (Continued)

The Town's Gas Utility Fund obligations at December 31, 2016, consist of the following:

\$1,500,000 Gas Utility Revenue Refunding Bonds, Series 1996A - These bonds were issued for the purpose of refinancing the lease obligation of the Walden Capital Leasing Corporation. The bonds bear interest of 4.875% and are payable annually on June 1 from 1997 through 2036. Interest is payable each June 1 and December 1 as long as the bonds are outstanding.

Debt service requirements for the Series 1996A gas utility revenue bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 35,000	\$ 51,797	\$ 86,797
2018	35,000	50,091	85,091
2019	35,000	48,385	83,385
2020	40,000	46,557	86,557
2021	40,000	44,607	84,607
2022-2026	230,000	191,343	421,343
2027-2031	295,000	127,359	422,359
2032-2035	370,000	46,556	13,103
	<u>\$ 1,080,000</u>	<u>\$ 606,695</u>	<u>\$ 1,283,242</u>

Jackson County \$830,000 promissory note for a loan on January 18, 2015 - This note bears interest at 3.5% and is payable annually on January 18th from 2016 through 2025. Note proceeds were used to pay off the 2002 bonds, repay monies borrowed from other funds of the Town, and repay the 1996 bond reserve.

The requirements to amortize the note payable to maturity are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 73,227	\$ 26,574	\$ 99,800
2018	75,790	24,011	99,800
2019	78,442	21,358	99,800
2020	81,188	18,613	99,800
2021	84,029	15,771	99,800
2022-2026	366,575	32,627	399,201
	<u>\$ 759,250</u>	<u>\$ 138,953</u>	<u>\$ 898,203</u>

The bond and note ordinances require \$257,000 be restricted for Debt Service Reserves.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

5. Long-Term Debt (Continued)

Interest expense of \$80,056 and \$4,716 was incurred by the Gas Utility and Public Utilities Funds, respectively, in 2016, all of which was charged to expense.

Long-term debt activity for the year ended December 31, 2016, was as follows:

	Balance January 1, 2016	Additions	Reductions	Balance December 31, 2016	Due Within One Year
Business-Type Activities					
Gas revenue bond payable -1996A	\$ 1,110,000	\$ -	\$ (30,000)	\$ 1,080,000	\$ 35,000
Jackson County note payable - Gas	830,000	-	(70,750)	759,250	73,227
Water contract payable - CWCB	119,283	-	(16,612)	102,671	18,627
Water bond payable - CWRPDA	619,097	-	(33,844)	585,253	34,509
Total Business-Type Activities	<u>\$ 2,678,380</u>	<u>\$ -</u>	<u>\$ (151,207)</u>	<u>\$ 2,527,174</u>	<u>\$ 161,363</u>

6. Pension Plan - Volunteer Firemen's Pension Plan

The Town has a Volunteer Firemen's Pension Plan (the Plan) which has characteristics of both a defined benefit plan and a defined contribution plan. The Town accounts for the plan as a defined benefit plan. The Plan is noncontributory regarding participants. Under state statutes, the Town has no obligation to keep the Plan actuarially sound.

The Plan was established pursuant to the authority of the Colorado statutes in effect at the time of inception of the Plan. The Plan is governed by the Pension Board of the North Park Volunteer Fire Department and is accounted for in the Firemen's Pension Fund.

The Plan is a defined benefit plan covering volunteer firefighters of the North Park Fire Department. The Plan provides \$100 of monthly retirement payments to volunteer firemen after they have completed 20 years of service. The Fund also provides death and disability payments to members of the volunteer fire department injured or killed in the line of duty.

Funding is provided through property taxes levied by the Town, contributions from the State of Colorado and Jackson County, when available, and interest earned on investments. None of these entities are obligated to provide funding for the Plan. Eighteen retired volunteers are currently vested members of the Plan.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

6. Pension Plan - Volunteer Firemen's Pension Plan (Continued)

Plan net assets of \$68,693 are held in cash and certificates of deposit at Mountain Valley Bank. Cash and certificates of deposit are fully insured by the Federal Deposit Insurance Corporation.

Retirement payments are recognized as an expense when current benefits are paid to retirees. A summary of additions to the Plan for the current and prior five years is as follows:

	2016	2015	2014	2013	2012	2011
Property taxes	\$ 1,770	\$ 1,721	\$ 1,681	\$ 1,770	\$ 1,082	\$ 1,120
Specific ownership taxes	406	422	465	395	627	630
State of Colorado contributions	1,924	5,105	1,810	4,778	5,115	4,441
Jackson County contributions	3,600	3,600	6,840	3,600	2,400	3,600
Investment earnings and other	171	51	163	1,337	1,676	225
Total Additions	\$ 7,871	\$ 10,899	\$ 10,959	\$ 11,880	\$ 10,900	\$ 10,016

Information that meets the parameters of GASB Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, and GASB Statement No. 27, *Accounting for Pensions by State and Local Government Employers*, regarding the annual required contributions was not available for disclosure for the years 2009 through 2015 for the Plan since an actuarial study has not been prepared.

Statewide Pension Plan

The Town contributes to the Colorado County Officials and Employees Retirement Association (CCOERA) pension plan on behalf of all full-time nonuniformed employees. Employees are required to participate in the plan after one year of service.

The plan is a defined contribution plan through which contributions of employers are combined with contributions of employees and invested in income-earning instruments for the benefit of plan participants. Any county, municipality or special district of the State of Colorado may, with the consent of CCOERA, become a member and participate in the plan by adopting it for its officers and employees. During 2016, the Town and participating employees each contributed amounts equal to 3% of compensation to the plan. The total contribution in 2016 was \$4,480. Employee contributions must match employer contributions; however, employees may make additional voluntary contributions not to exceed 10% of compensation. Participants are immediately vested 100% in their own contributions and earnings. Vesting in employer contributions and earnings occurs at the rate of 20% per year. Copies of the plan's financial statements may be obtained from CCOERA.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

7. Risk Management

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is an organization created by intergovernmental agreement in 1982 solely to provide property and casualty coverage to its members. In 1987, CIRSA/WC was formed as a separate pool by intergovernmental agreement to provide coverage to members under the Colorado Workmen's Compensation Act. Both organizations have a legal obligation for claims against members to the extent that funds are available in annually established loss funds and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so. Settled claims have not exceeded coverage in any of the past three fiscal years.

8. Tax, Spending and Debt Limitations

Colorado voters passed an amendment (the Amendment) to the State Constitution, Article X, Section 20, also known as the Taxpayer Bill of Rights or TABOR, which has several limitations, including those for revenue, expenditures, property taxes and issuance of debt. The Amendment is complex and subject to judicial interpretation. In the opinion of management, the Town is in compliance with the provisions of the Amendment.

In accordance with the Amendment, an emergency reserve has been established for the Town to use for declared emergencies. The reserve is reflected as net position/fund balance "restricted/reserved for emergencies" in the financial statements.

On November 2, 1999, voters of the Town affirmed a "Debrucing measure" passed by the Board of Trustees, which exempts the Town from the revenue and spending limits of the Amendment. The measure allowed the Town to retain excess revenue in 1998 and any derived in future years.

9. Regulatory Matters

The Town operates a public utility in Colorado but has been ruled as exempt from the jurisdiction of the Colorado Public Utilities Commission. The Town also operates a public utility in Wyoming. As such, the Town is subject to the jurisdiction of the Wyoming Public Service Commission.

TOWN OF WALDEN, COLORADO
NOTES TO BASIC FINANCIAL STATEMENTS
December 31, 2016

10. Revolving Loan Program

Several years ago, the Town received a grant for the purpose of establishing a "revolving loan" program. The Town pledges collateral as security for a local bank to make low-interest loans to local businesses in accordance with the program's guidelines. At December 31, 2016, the Town had \$83,859 available for this purpose.

11. Related-Party Transactions

During 2016, the Mayor's utility administrative fees were waived in accordance with the Town's Board Compensation Policy. Additionally, Board Members receive minimal compensation for attending monthly meetings.

12. Jointly Governed Organization

The Town, through an intergovernmental agreement with Jackson County, created a fire authority (the Authority), which provides firefighting services to the citizens of both participating governments. The Authority is an independent legal entity organized under state statutes, and the Town has no equity interest in it. The Authority's governing board is comprised of two members from each of the participating governments.

13. Subsequent Events

The Town has evaluated subsequent events through the date on which the financial statements were available to be issued.

14. Budgetary Matters

The Public Utilities Fund expenditures in 2016 exceeded the budget by \$62,441 which may be a violation of state statutes.

Required Supplementary Information

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE

GENERAL FUND

Year Ended December 31, 2016

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Taxes	\$ 298,250	\$ 292,654	\$ 332,703	\$ 40,049
Licences and permits	6,350	2,750	5,815	3,065
Intergovernmental	41,400	40,600	25,910	(14,690)
Charges for Services	250,000	250,000	255,200	5,200
Fines and forfeits	1,000	1,000	-	(1,000)
Investment earnings	800	800	1,573	773
Miscellaneous	2,000	2,000	3,395	1,395
TOTAL REVENUES	599,800	589,804	624,596	34,792
EXPENDITURES				
General government	430,645	428,645	418,285	10,360
Public safety	143,500	139,500	135,483	4,017
Streets and highways	11,000	11,000	11,829	(829)
Health and welfare	1,000	1,000	36	964
Culture and recreation	10,300	7,800	4,558	3,242
TOTAL EXPENDITURES	596,445	587,945	570,191	17,754
NET CHANGE IN FUND BALANCE	596,445	1,859	54,405	52,546
FUND BALANCE - BEGINNING	122,838	122,838	122,838	-
FUND BALANCE - ENDING	\$ 719,283	\$ 124,697	\$ 177,243	\$ 52,546

See the accompanying Independent Auditors' Report.

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE

STREETS AND ALLEYS FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 23,000	\$ 23,000	\$ 34,266	\$ 11,266
TOTAL REVENUES	<u>23,000</u>	<u>23,000</u>	<u>34,266</u>	<u>11,266</u>
EXPENDITURES				
Streets and highways	<u>112,500</u>	<u>108,500</u>	<u>32,370</u>	<u>76,130</u>
NET CHANGE IN FUND BALANCE	(89,500)	(85,500)	1,896	87,396
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>90,000</u>	<u>90,000</u>	<u>-</u>	<u>-</u>
REVENUE AND OTHER SOURCES IN EXCESS (DEFICIENCY) OF EXPENDITURES AND OTHER USES	500	4,500	1,896	87,396
FUND BALANCE - Beginning	<u>71,040</u>	<u>71,040</u>	<u>71,040</u>	<u>-</u>
FUND BALANCE - Ending	<u><u>\$ 71,540</u></u>	<u><u>\$ (14,460)</u></u>	<u><u>\$ 72,936</u></u>	<u><u>\$ 87,396</u></u>

See the accompanying Independent Auditors' Report.

TOWN OF WALDEN, COLORADO

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

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Intergovernmental	\$ 6,200	\$ 6,200	\$ 6,723	\$ 523
TOTAL REVENUES	<u>6,200</u>	<u>6,200</u>	<u>6,723</u>	<u>523</u>
EXPENDITURES				
Culture and Recreation	<u>50,000</u>	<u>30,000</u>	<u>2,500</u>	<u>27,500</u>
TOTAL EXPENDITURES	<u>50,000</u>	<u>30,000</u>	<u>2,500</u>	<u>27,500</u>
NET CHANGE IN FUND BALANCE	(43,800)	(23,800)	4,223	28,023
FUND BALANCE - Beginning	<u>76,490</u>	<u>76,490</u>	<u>76,490</u>	<u>-</u>
FUND BALANCE - Ending	<u>\$ 32,690</u>	<u>\$ 52,690</u>	<u>\$ 80,713</u>	<u>\$ 28,023</u>

See the accompanying Independent Auditors' Report.

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE
SALES TAX CAPITAL IMPROVEMENT FUND
Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Sales taxes	\$ 84,000	\$ 84,000	\$ 123,911	\$ 39,911
EXPENDITURES				
ESTIP Agreement	14,727	14,727	-	14,727
OTHER FINANCING (USES)				
Transfers in (out)	(90,000)	(321,250)	(249,794)	71,456
 NET CHANGE IN FUND BALANCE	 (20,727)	 (251,977)	 (125,883)	 126,094
FUND BALANCE - Beginning	350,897	350,897	374,537	23,640
FUND BALANCE - Ending	<u>\$ 330,170</u>	<u>\$ 98,920</u>	<u>\$ 248,654</u>	<u>\$ 149,734</u>

See the accompanying Independent Auditors' Report.

Other Supplementary Information

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE

CAPITAL PROJECTS FUND

Year Ended December 31, 2016

	<u>ORIGINAL & FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES			
Taxes	\$ 8,101	\$ 8,305	\$ 204
TOTAL REVENUES	<u>8,101</u>	<u>8,305</u>	<u>204</u>
EXPENDITURES			
General Government	<u>120</u>	<u>129</u>	<u>(9)</u>
NET CHANGE IN FUND BALANCE	(28,284)	8,176	213
FUND BALANCE - Beginning	<u>61,657</u>	<u>61,657</u>	<u>-</u>
FUND BALANCE - Ending	<u><u>\$ 33,373</u></u>	<u><u>\$ 69,833</u></u>	<u><u>\$ 213</u></u>

See the accompanying Independent Auditors' Report.

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE

FIREMAN FUND

Year Ended December 31, 2016

	ORIGINAL & FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
ADDITIONS			
Investment earnings and other	\$ 570	\$ 177	\$ (393)
General Property taxes	1,761	1,763	2
Specific ownership taxes	660	406	(254)
State contribution	5,115	1,924	(3,191)
Jackson County contribution	3,600	3,600	-
TOTAL ADDITIONS	11,706	7,870	(3,836)
DEDUCTIONS			
Retirement	19,200	21,700	(2,500)
Treasurer's fees and other	115	173	(58)
TOTAL DEDUCTIONS	19,315	21,873	(2,558)
NET DECREASE	(7,609)	(14,003)	(6,394)
NET POSITION - BEGINNING	82,366	82,366	-
NET POSITION - ENDING	\$ 74,757	\$ 68,363	\$ (6,394)

See the accompanying Independent Auditors' Report.

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE
PUBLIC UTILITY (WATER & SEWER) FUND
Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Water	\$ 290,000	\$ 250,000	\$ 260,136	\$ 10,136
Sewer	125,000	125,000	136,210	11,210
Other	20,000	20,000	6,421	(13,579)
Transfers in	-	231,250	249,794	18,544
Interest	200	200	243	43
	<u>435,200</u>	<u>626,450</u>	<u>720,195</u>	<u>93,745</u>
TOTAL REVENUES				
EXPENDITURES				
Operating expenses	201,500	161,500	172,190	(10,690)
Other expenditures - water	90,500	80,000	69,035	10,965
Other expenditures - sewer	67,000	61,000	106,899	(45,899)
Interest expense	17,987	17,987	15,403	2,584
Payment on CWCB contract	16,612	16,612	16,612	-
Payment on CWRPDA loan	32,738	32,738	33,844	(1,106)
Capital outlay	-	-	18,295	(18,295)
	<u>426,337</u>	<u>369,837</u>	<u>432,278</u>	<u>(62,441)</u>
TOTAL EXPENDITURES				
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET BASIS	<u>8,863</u>	<u>\$ 256,613</u>	287,917	<u>\$ 31,304</u>
GAAP BASIS ADJUSTMENTS:				
Capital outlay			18,295	
Depreciation expense			(179,631)	
Payments on long-term debt			50,456	
TOTAL GAAP BASIS ADJUSTMENTS:			<u>(110,880)</u>	
NET INCOME - GAAP BASIS			177,037	
NET POSITION - Beginning			<u>2,113,035</u>	
NET POSITION - Ending			<u>\$ 2,290,072</u>	

See the accompanying Independent Auditors' Report.

TOWN OF WALDEN, COLORADO

BUDGETARY COMPARISON SCHEDULE

GAS UTILITY FUND

Year Ended December 31, 2016

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Gas sales	\$ 971,900	\$ 836,900	\$ 733,925	\$ (102,975)
Monthly charges	216,000	216,000	204,185	(11,815)
Interest	500	500	1,676	1,176
Other	1,000	1,000	20,279	19,279
TOTAL REVENUES	<u>1,189,400</u>	<u>1,054,400</u>	<u>960,065</u>	<u>(94,335)</u>
EXPENDITURES				
Cost of gas purchased	576,000	396,000	265,391	130,609
Other operating expenses	397,250	402,150	397,079	5,071
Other expenditures				
Interest	-	-	80,056	(80,056)
Principal	100,000	100,000	100,750	(750)
Contingency	20,000	20,000	18,790	1,210
TOTAL EXPENDITURES	<u>1,093,250</u>	<u>918,150</u>	<u>862,066</u>	<u>56,084</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES - BUDGET AND GAAP BASIS	<u>\$ 96,150</u>	<u>\$ 136,250</u>	97,999	<u>\$ (38,251)</u>
GAAP BASIS ADJUSTMENTS				
Depreciation			(91,861)	
Principal paid			100,750	
TOTAL GAAP BASIS ADJUSTMENTS			<u>8,889</u>	
NET INCOME - GAAP BASIS			106,888	
NET POSITION - Beginning			<u>365,591</u>	
NET POSITION - Ending			<u>\$ 472,479</u>	

See the accompanying Independent Auditors' Report.

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Walden, Jackson County
	YEAR ENDING : December 2016

This Information From The Records Of - Town of Walden, CO	Prepared By: Sherry Cure Phone: 970-723-4344
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES	III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES
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ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	24,131
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	0
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations	0	b. Snow and ice removal	1,687
3. Other local imposts (from page 2)	0	c. Other	2,499
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	4,186
5. Transfers from toll facilities	0	4. General administration & miscellaneous	4,053
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	32,370
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	0	b. Redemption	0
B. Private Contributions	0	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	34,266	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	34,266	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	32,370

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0	0	0	0
1. Bonds (Refunding Portion)		0	0	
B. Notes (Total)	0	0	0	0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	71,040	34,266	32,370	72,936	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): 12/16

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 & Penalties	0
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	0	g. Other Misc. Receipts	0
6. Total (1. through 5.)	0	h. Other	0
c. Total (a. + b.)	0	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	30,012	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	4,254	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.)	4,254	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	34,266	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	0
b. Engineering Costs	0	0	0
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	0	0
(3). System Preservation	0	24,131	24,131
(4). System Enhancement & Operation	0	0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	24,131	24,131
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	24,131	24,131
			(Carry forward to page 1)

Notes and Comments: