

CITY OF ALAMOSA, COLORADO

FINANCIAL STATEMENTS

December 31, 2016



RECEIVED

By the Office of the State Auditor at 7:55 am, Jun 16, 2017



**Wall,
Smith,
Bateman** Inc.

Certified Public Accountants

CITY OF ALAMOSA, COLORADO
TABLE OF CONTENTS
December 31, 2016

	<u>PAGE</u>
Independent Auditors' Report	1
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	4
Statement of Activities	6
Governmental Fund Financial Statements:	
Balance Sheet	7
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	8
Statement of Revenues, Expenditures, and Changes in Fund Balances	9
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	10
Proprietary Fund Financial Statements:	
Statement of Net Position	11
Statement of Revenues, Expenses, and Changes in Fund Net Position	12
Statement of Cash Flows	13
Firemen's Pension Agency Fund Financial Statements:	
Statement of Fiduciary Assets and Liabilities	15
Notes to the Basic Financial Statements	16
Required Supplementary Information:	
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:	
General Fund	45
Community Recreation Fund (Major Special Revenue Fund)	48
Schedule of the Proportionate Share of the Net Pension Liability - PERA LGDTF Pension Plan	50
Schedule of Contributions - PERA LGDTF Pension Plan	51
Schedule of Changes in Net Pension Liability and Related Ratios Current Period - FPPA	
Affiliated Local Plan	52
Schedule of Contributions - FPPA Affiliated Local Plan	53
Supplementary Information:	
Combining Schedules of Nonmajor Governmental Funds:	
Combining Balance Sheet	54
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance	55
Schedules of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	
Conservation Trust Fund	56
Cemetery Endowment Fund	57
Debt Service Fund	58
Other Schedules and Reports:	
Schedule of Revenues, Expenses, and Changes in Net Position - Budget and Actual -	
Enterprise Fund	59
Employee Benefit Fund	62
Combining Balance Sheet Schedule - General Fund	63
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - General Fund	64
Local Highway Finance Report	65

INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Honorable Mayor and City Council
City of Alamosa, Colorado
Alamosa, 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 City of Alamosa, Colorado (the City), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the City'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.

Auditors' 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 auditors' 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.

Certified Public Accountants

700 Main Street, Suite 200 PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | www.wsbcpa.com

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 City of Alamosa, Colorado, as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The City has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison and pension information on pages 45-53 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 City's basic financial statements. The combining and individual fund financial statements and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules and the Local Highway Finance Report are the responsibility of management and were 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,

To the Honorable Mayor and City Council
City of Alamosa, Colorado
Page 3

the combining schedules and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

A handwritten signature in blue ink that reads "Wall, Smith, Bateman Inc." with a small dot at the end.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

May 31, 2017

CITY OF ALAMOSA, COLORADO
BASIC FINANCIAL STATEMENTS

CITY OF ALAMOSA, COLORADO
STATEMENT OF NET POSITION
December 31, 2016

	<u>Primary Government</u>		<u>TOTAL</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
ASSETS			
Current Assets:			
Cash and Investments	\$ 7,703,196	\$ 5,712,930	\$ 13,416,126
Restricted Cash and Investments	489,512	-	489,512
Accounts Receivable (net)	144,950	71,574	216,524
Property Taxes Receivable	511,385	-	511,385
Due from Other Governments	906,430	-	906,430
Internal Balances	(222,727)	222,727	-
Special Assessment Receivable	38,227	-	38,227
Inventory of Materials and Supplies	-	185,791	185,791
Total Current Assets	9,570,973	6,193,022	15,763,995
Noncurrent Assets:			
Special Assessment Receivable	533,225	-	533,225
Capital Assets:			
Construction in Progress	14,700	92,225	106,925
Land	1,072,301	888,908	1,961,209
Land Improvements	2,345,119	-	2,345,119
Buildings and Contents	15,516,116	208,515	15,724,631
Utility Plant	-	26,544,575	26,544,575
Vehicles	2,645,993	880,189	3,526,182
Equipment	2,279,247	2,165,674	4,444,921
Infrastructure	7,861,537	15,516,192	23,377,729
Less: Accumulated Depreciation	(11,600,338)	(19,115,191)	(30,715,529)
Total Noncurrent Assets	20,667,900	27,181,087	47,315,762
TOTAL ASSETS	30,238,873	33,374,109	63,612,982
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	1,247,978	354,023	1,602,001
LIABILITIES			
Current Liabilities:			
Accounts Payable	285,265	302,936	588,201
Bond Payable	28,000	557,123	585,123
Lease Purchase Agreement	308,833	-	308,833
Compensated Absences	6,730	3,013	9,743
Total Current Liabilities	628,828	863,072	1,491,900
Noncurrent Liabilities:			
Bond Payable	484,467	6,431,735	6,916,202
Lease Purchase Agreement	5,227,642	-	5,227,642
Compensated Absences	384,444	93,673	478,117
Pension Liability	3,756,029	1,276,813	5,032,842
Total Noncurrent Liabilities	9,852,582	7,802,221	17,654,803
TOTAL LIABILITIES	10,481,410	8,665,293	19,146,703

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF NET POSITION
December 31, 2016

	<u>Primary Government</u>		<u>TOTAL</u>
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Tax	511,385	-	511,385
Pensions	96,007	23,625	119,632
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>607,392</u>	<u>23,625</u>	<u>631,017</u>
NET POSITION			
Net Investment in Capital Assets	14,598,200	20,192,229	34,790,429
Restricted for:			
TABOR	291,746	27,816	319,562
Debt Service	1,064,280	-	1,064,280
Unrestricted	4,443,823	4,819,169	9,262,992
TOTAL NET POSITION	<u>\$ 20,398,049</u>	<u>\$ 25,039,214</u>	<u>\$ 45,437,263</u>

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

Functions/Programs	Program Revenues					Net (Expense) Revenue and Changes in Net Assets	
	Expenses	Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Primary Government	
						Business-Type Activities	TOTAL
Primary Government:							
Governmental Activities:							
General Government	\$ 2,730,214	\$ 189,090	\$ -	\$ -	\$ (2,541,124)	\$ -	\$ (2,541,124)
Public Safety	2,897,712	245,862	28,131	200,000	(2,423,719)	-	(2,423,719)
Highways & Streets	2,705,691	43,331	337,692	604,153	(1,720,515)	-	(1,720,515)
Health and Welfare	98,908	35,510	-	-	(63,398)	-	(63,398)
Culture and Recreation	1,880,637	236,357	186,518	-	(1,457,762)	-	(1,457,762)
Interest on Long-Term Debt	250,708	-	-	-	(250,708)	-	(250,708)
Total Governmental Activities	10,563,870	750,150	552,341	804,153	(8,457,226)	-	(8,457,226)
Business-Type Activities							
Water Services	2,341,653	1,445,654	58,369	5,000	-	(832,630)	(832,630)
Sewer Services	1,121,487	980,749	14,500	-	-	(126,238)	(126,238)
Sanitation Services	787,079	994,344	-	-	-	207,265	207,265
Total Business-Type Activities	4,250,219	3,420,747	72,869	5,000	-	(751,603)	(751,603)
Total Primary Government	\$ 14,814,089	\$ 4,170,897	\$ 625,210	\$ 809,153	(8,457,226)	(751,603)	(9,208,829)
General Revenues:							
Taxes:							
General Property Taxes - Net					488,721	-	488,721
Sales and Use Taxes					7,166,059	1,261,993	8,428,052
Franchise Taxes					369,490	-	369,490
Other Taxes					176,628	-	176,628
Investment Income					64,560	-	64,560
Miscellaneous					298,831	14,632	313,463
Transfers					449,350	(449,350)	-
Loss on Disposal					-	(33,106)	(33,106)
Sale of Fixed Assets					15,841	-	15,841
Total general revenues and transfers					9,029,480	794,169	9,823,649
Change in Net Position					572,254	42,566	614,820
Net Position, Beginning					19,825,795	24,996,648	44,822,443
Net Position, Ending					\$ 20,398,049	\$ 25,039,214	\$ 45,437,263

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2016

	GENERAL FUND	COMMUNITY RECREATION FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 5,481,827	\$ 778,540	\$ 290,967	\$ 6,551,334
Restricted Cash and Investments	-	-	489,512	489,512
Receivables (Net)				
Accounts Receivable	61,060	83,890	-	144,950
Property Taxes	511,385	-	-	511,385
Due from Other Governments	906,430	-	-	906,430
TOTAL ASSETS	\$ 6,960,702	\$ 862,430	\$ 780,479	\$ 8,603,611
LIABILITIES				
Vouchers Payable	\$ 151,277	\$ 92,979	\$ 50	\$ 244,306
TOTAL LIABILITIES	151,277	92,979	50	244,306
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue - Property Tax	511,385	-	-	511,385
FUND BALANCE				
Restricted				
TABOR	291,746	-	-	291,746
Debt Service	-	-	492,828	492,828
Assigned				
General Fund	281,755	-	-	281,755
Culture and Recreation	-	769,451	128,412	897,863
Capital Improvements	1,822,966	-	-	1,822,966
Health and Welfare	-	-	159,189	159,189
Unassigned	3,901,573	-	-	3,901,573
TOTAL FUND BALANCE	6,298,040	769,451	780,429	7,847,920
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 6,960,702	\$ 862,430	\$ 780,479	\$ 8,603,611

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2016

Total governmental fund balances		\$ 7,847,920
Amounts reported for governmental activities in the statement of net position are different because:		
Notes receivable are measurable but not available in the current period and therefore are not reported in the funds.		571,452
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		20,134,675
Deferred Results and Contributions to pension plans made after the measurement date are recorded as expenditures in the governmental funds, but must be deferred in the statement of net position.		
PERA	\$ 1,113,882	
FPPA	<u>134,096</u>	
		1,247,978
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.		
Lease Purchase Agreement	(5,536,475)	
Street Improvement District Bond Payable	(512,467)	
Compensated Absences	(391,174)	
PERA	(4,033,348)	
FPPA	<u>277,319</u>	
		(10,196,145)
Certain amounts related to the net pension liability are deferred and amortized over time. These are not reported in the funds.		
PERA	(73,849)	
FPPA	<u>(22,158)</u>	
		(96,007)
Internal service funds are used by management to charge the costs of insurance to individual funds. The assets and liabilities of the health insurance internal service fund are included in governmental activities in the statement of net position.		<u>888,176</u>
Net position of governmental activities		<u><u>\$ 20,398,049</u></u>

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended December 31, 2016

	GENERAL FUND	COMMUNITY RECREATION FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$ 6,938,906	\$ 1,261,992	\$ -	\$ 8,200,898
Licenses and Permits	78,849	-	-	78,849
Intergovernmental Revenue	395,106	84,890	101,628	581,624
Charges for Services	93,251	254,866	19,750	367,867
Fines and Forfeits	215,120	-	-	215,120
Net Investment Income/(Loss)	61,040	3,520	-	64,560
Lease Agreement Revenue	381,293	-	-	381,293
Miscellaneous Revenue	-	-	9,270	9,270
TOTAL REVENUES	8,163,565	1,605,268	130,648	9,899,481
EXPENDITURES				
General Government	2,223,103	-	-	2,223,103
Public Safety	2,726,228	-	-	2,726,228
Highways and Streets	2,188,008	-	-	2,188,008
Health and Welfare	77,766	-	15,749	93,515
Culture and Recreation	421,443	1,088,337	8,411	1,518,191
Capital Outlay	203,536	155,073	-	358,609
Debt Service	55,366	-	538,274	593,640
TOTAL EXPENDITURES	7,895,450	1,243,410	562,434	9,701,294
Excess (deficiency) of revenues over expenditures	268,115	361,858	(431,786)	198,187
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	15,841	-	-	15,841
Transfers In	604,720	88,850	484,000	1,177,570
Transfers Out	(419,130)	(309,090)	-	(728,220)
TOTAL OTHER SOURCES (USES)	201,431	(220,240)	484,000	465,191
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	469,546	141,618	52,214	663,378
Fund Balance - Beginning of Year	5,828,494	627,833	728,215	7,184,542
Fund Balance - End of Year	\$ 6,298,040	\$ 769,451	\$ 780,429	\$ 7,847,920

The accompanying notes are an integral part of this financial statement.

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

Net change in fund balances - total governmental funds \$ 663,378

Amounts reported for governmental activities in the statement of activities are different because:

Notes receivable are measurable but not available in the current period and therefore are not reported in the funds. 604,153

Revenues in the governmental funds that provide current financial resources for notes receivable accrued in the statement of net position. (32,701)

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Fixed Asset Additions	\$ 452,600	
Depreciation Expense	(1,015,757)	
Deletions Net of Accumulated Depreciation	<u>(1,673)</u>	
		(564,830)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Repayment of principal includes:

Lease Payments	302,399	
Bond Payments	<u>40,533</u>	
		342,932

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences		431
----------------------	--	-----

Certain items reported in the statement of activities do not require the use of current financial resources and are not reported as expenditures in the governmental funds. This item consists of the change in pension expenditures.

PERA	(277,920)	
FPPA	<u>58,370</u>	
		(219,550)

Internal Service Funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenues (expenses) of the health insurance internal service fund is reported with governmental activities. (221,559)

Change in net position of governmental activities \$ 572,254

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2016

	<u>ENTERPRISE FUND</u>	<u>Governmental Activities INTERNAL SERVICE FUND</u>
ASSETS		
Current Assets:		
Cash and Investments	\$ 5,712,930	\$ 1,151,862
Accounts Receivable	71,574	-
Inventory of Materials and Supplies	185,791	-
Total Current Assets	<u>5,970,295</u>	<u>1,151,862</u>
Noncurrent Assets:		
Capital Assets:		
Construction in Progress	92,225	-
Land	888,908	-
Buildings and Contents	208,515	-
Utility Plant	26,544,575	-
Vehicles	880,189	-
Equipment	2,165,674	-
Infrastructure	15,516,192	-
Less: Accumulated Depreciation	(19,115,191)	-
Total Noncurrent Assets	<u>27,181,087</u>	<u>-</u>
TOTAL ASSETS	<u>33,151,382</u>	<u>1,151,862</u>
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	354,023	-
LIABILITIES		
Current Liabilities:		
Accounts Payable	302,936	40,959
Bonds Payable-Current Portion	557,123	-
Compensated Absences - Current Portion	3,013	-
Total Current Liabilities	<u>863,072</u>	<u>40,959</u>
Noncurrent Liabilities:		
Compensated Absences	93,673	-
Bonds Payable	6,431,735	-
Pension Liability	1,276,813	-
Total Noncurrent Liabilities	<u>7,802,221</u>	<u>-</u>
TOTAL LIABILITIES	<u>8,665,293</u>	<u>40,959</u>
DEFERRED INFLOWS OF RESOURCES		
Pensions	23,625	-
NET POSITION		
Net Investment in Capital Assets	20,192,229	-
Restricted for TABOR	27,816	-
Unrestricted	4,596,442	1,110,903
TOTAL NET POSITION	<u>24,816,487</u>	<u>\$ 1,110,903</u>
Adjustment to reflect consolidation of Internal Service Funds	222,727	
NET POSITION OF BUSINESS-TYPE ACTIVITIES	<u>\$ 25,039,214</u>	

The accompanying notes are an integral part of this financial statement.

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

	ENTERPRISE FUND	Governmental Activities INTERNAL SERVICE FUND
OPERATING REVENUES		
Intergovernmental Revenue	\$ 5,000	\$ -
Charges for Services	3,420,747	-
Insurance Deposits	-	1,045,432
Miscellaneous Revenues	14,632	-
Total Operating Revenues	<u>3,440,379</u>	<u>1,045,432</u>
OPERATING EXPENSES		
Personnel Services	1,193,038	-
Supplies and Materials	210,278	-
Utilities and Telephone	328,346	-
Gas and Oil	46,394	-
Repairs and Maintenance	430,710	-
Landfill Fees	105,674	-
Professional Fees	55,130	-
Capital Outlay	61,461	-
Depreciation Expense	1,360,495	-
Insurance Premiums	-	204,450
Claims	-	1,086,763
Insurance Administration	-	28,896
Other	131,445	-
Total Operating Expenses	<u>3,922,971</u>	<u>1,320,109</u>
Operating Income (Loss)	<u>(482,592)</u>	<u>(274,677)</u>
NONOPERATING REVENUES (EXPENSES)		
Sales Tax Revenue	1,261,993	-
Bond Interest Expense	(179,210)	-
Bond Administrative Fees	(94,920)	-
Loss on Disposal	(33,106)	-
Total Nonoperating Revenues (Expenses)	<u>954,757</u>	<u>-</u>
Income Before Other Revenue and Operating Transfers	<u>472,165</u>	<u>(274,677)</u>
Capital Contributions		
Water and Sewer Taps	72,869	-
Total Capital Contributions	<u>72,869</u>	<u>-</u>
OPERATING TRANSFERS		
Transfers Out	(449,350)	-
Total Operating Transfers	<u>(449,350)</u>	<u>-</u>
Changes in Net Position	95,684	(274,677)
Net Position at beginning of year	<u>24,720,803</u>	<u>1,385,580</u>
Net Position at end of year	24,816,487	<u>\$ 1,110,903</u>
Adjustment to reflect consolidation of Internal Service Fund	222,727	
Net Position of Business-Type Activities	<u>\$ 25,039,214</u>	

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2016

	ENTERPRISE FUND	Governmental Activities INTERNAL SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash received from customers	\$ 3,442,834	\$ -
Cash received from insurance deposits	-	1,045,432
Cash received from other revenues	14,632	-
Cash paid for personnel services	(1,102,416)	-
Cash paid for supplies and materials	(112,288)	-
Cash paid for gas and oil	(46,394)	-
Cash paid for utilities	(328,346)	-
Cash paid for repairs and maintenance	(492,171)	-
Cash paid for landfill fees	(105,674)	-
Cash paid for professional fees	(55,130)	-
Cash paid for insurance claims	-	(1,128,256)
Cash paid for insurance premiums	-	(204,450)
Cash paid for insurance administration	-	(28,896)
Cash paid for other expenses	(131,445)	-
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	1,083,602	(316,170)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Cash received from sales tax	1,261,993	-
Transfers (to) from other funds	(449,350)	-
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	812,643	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(243,544)	-
Capital contributions	72,869	-
Bond Interest Expense	(179,210)	-
Bond Administrative fees	(94,920)	-
Principal paid on general obligation bonds	(540,576)	-
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(985,381)	-
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Receivable	1,967	-
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES:	1,967	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	912,831	(316,170)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	4,800,099	1,468,032
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 5,712,930	\$ 1,151,862

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2016

	ENTERPRISE FUND	Governmental Activities INTERNAL SERVICE FUND
OPERATING INCOME (LOSS)	\$ (482,592)	\$ (274,677)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation expense	1,360,495	-
Pension expense	88,921	-
Change in Assets and Liabilities		
(Increase) decrease in accounts receivable	17,087	-
(Increase) decrease in inventory	(14,328)	-
Increase (decrease) in accounts payable	224,087	(41,493)
Increase (decrease) in due to other funds	(111,769)	-
Increase (decrease) in compensated absences	1,701	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 1,083,602	\$ (316,170)

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
FIREMEN'S PENSION AGENCY FUND
For the Year Ended December 31, 2016

ASSETS

Property Taxes Receivable	\$ 39,464
---------------------------	-----------

Total Assets

39,464

DEFERRED INFLOWS OF RESOURCES

Deferred property tax revenue	39,464
-------------------------------	--------

Total Deferred Inflows of Resources

39,464

LIABILITIES - RESTRICTED FOR PENSION BENEFITS

\$ -

The accompanying notes are an integral part of this financial statement.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the City reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

The City of Alamosa was incorporated August 12, 1878. In January 1952, the City was reorganized as a Home Rule City under Article 20 of the Colorado Constitution. The current City Charter was adopted at a special election held March 12, 1957. The City operates under a Council-Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water, sanitation, health and welfare, culture and recreation, public improvements, planning and zoning, and general administrative services.

Component Units

The City's combined financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City
- the organization is financially accountable to the City
- the organization receives or holds funds that are for the benefit of the City; and the City has access to a majority of the funds held; and the funds that are accessible are also significant to the City

Based on the aforementioned criteria, the City of Alamosa has one component unit, the Alamosa Capital Leasing Corporation (a Colorado not for profit Corporation). The activity of this component unit has been blended into the City's financial statements as a Debt Service Fund.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The Government-wide financial statements include the Statement of Net Position and the Statement of Activities. Government-wide statements report information on all of the activities of the City and its component units, except for City fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

The Statement of Activities reflects 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 or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

- 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 in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental 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. This measurement is also used for 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 are recognized as revenue when all applicable eligibility requirements imposed by the provider are 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 available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City 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.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

- The *General Fund* is the general operating fund of the City. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Community Recreation Fund* is used to account for activities from the Community Recreation Facility. Sources of revenue consist of sales taxes, membership dues, and fees for programs.

The City reports the following major enterprise fund:

- The *Enterprise Fund* accounts for user charges and expenses for operating, financing, and maintaining the City's water, sewer, and sanitation systems.

Additionally, the City reports the following fund types:

- The *Employee Benefit Fund* is an internal service fund established to finance and account for the costs of health insurance for the other funds on a cost-reimbursement basis.
- The *Firemen's Pension Fund* is a fiduciary agency fund used to account for the collection of property taxes to be remitted to the Fire and Police Pension Association (FPPA) for the city's firefighters pension plan.

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.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

The principal operating revenues of the internal service fund are service fees charged to the other funds and employee contributions. Operating expenses for the internal service fund include insurance premiums. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

ASSETS, LIABILITIES, DEFERRED INFLOWS AND OUTFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash and Investments

Cash and investments for all funds, excluding investments in the Fireman's Pension and Community Recreation funds, are pooled into one common pooled account in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash account has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at the end of each quarter. An individual fund's pooled cash and investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. In addition, any marketable securities that are owned by the specific accounts noted above are also considered to be "cash equivalents". Negative balances incurred in pooled cash at year-end are treated as interfund payables or receivables.

The City'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. All investments are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the City. Property tax revenue is recognized by the City to the extent it results in a current receivable.

The 2016 property tax levy due January 1, 2017, has been recorded as a receivable and corresponding deferred inflow of resources in the financial statements.

Inventory

Inventories held by all funds except the Enterprise Fund have been recorded as expenditures at the time of purchase. Enterprise Fund inventory is stated at the lower of cost or market.

Capital Assets

Capital Assets, which include land, buildings and improvements, equipment, construction in progress, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Assets	Years
Building	15-50
Equipment	5-30
Land Improvements	10-35
Vehicles	5-10
Infrastructure	20-50

Compensated Absences

The City employees are entitled to 10 to 15 days of vacation leave each year. The number of days received depends upon the number of completed years of service. Unused vacation leave may accumulate up to approximately 32 days. Any vacation leave accrued in excess of the maximum allowable accrued vacation leave will be lost to the employee and shall not be deemed an obligation of the City.

The City employees receive 10 days of sick leave each year. Unused sick days accumulate up to 60 days. After an employee has accumulated 60 days of sick leave, the employee may convert any additional credited days into vacation leave at the ratio of three sick leave hours to one vacation hour. Upon separation from the City in good standing, an employee will be paid banked sick leave up to 480 hours at a rate of 33%.

All vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example as a result of employee resignations or retirements.

Long-Term Obligations

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as an other financing use.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (as either an expense or expenditure) until that period.

In addition to liabilities, the statement of net position and the balance sheet report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. Property taxes levied for the subsequent year are reported in the statement of net position and recognized as an inflow of resources in the period for which the taxes are levied. In the governmental funds, unavailable property taxes are reported as deferred inflows of resources until the period in which the taxes become available.

Certain amounts related to pensions must be deferred.

Pensions

The City participates in several pension plans, as described in Note 7. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the defined benefit pension plans have been determined using the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Interest Capitalization

Interest costs are capitalized when incurred by proprietary funds and similar component units on debt where proceeds were used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. No interest was capitalized in the current period.

Encumbrances

The City does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments out-standing at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as designated fund balance.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in the following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported by classification based on the extent to which the City is bound to honor constraints for the specific purposes on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance* – amounts that cannot be spent because they are not in spendable form- such as inventory and prepaid insurance.
- *Restricted Fund Balance* – amounts 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.
- *Committed Fund Balance* – amounts that can only be used for specific purposes as a result of constraints imposed through adopted ordinance by City Council, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless City Council removed those constraints by taking the same type of action. 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 Fund Balance* – amounts a government intends to use for a specific purpose; intent can be expressed by City Council or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance* – amounts that are available for any purpose; these amounts are reported only in the General Fund.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

When an expenditure is incurred for purposes for which both restricted and unrestricted net position/fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, and unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless City Council has provided otherwise in its commitment or assignment actions.

Use of Estimates

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Changes in Accounting Principle

GASB Statement No. 72

The City has adopted the provisions of GASB No. 72, *Fair Value Measurement and Application*. Those requirements result in enhanced comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This statement will also enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

- Preparation of budget documents by administrative staff, which shall be submitted to the Board no later than October 15 of each year.
- Publication of a notice stating that the budget is available for public inspection.
- Discussion of the budget in a meeting open to the public.
- Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.
- Ordinance to adopt supplemental appropriations
- Budget changes via resolution

Formal budgetary integration is employed as a management control device for all funds of the City. The governmental funds and the expendable trust funds budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP). The proprietary funds and the pension fund budgets are adopted using the same accounting methods as governmental fund types; this procedure follows Colorado State Statute, but is not in accordance with GAAP.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The City Council adopted supplemental appropriations during 2016.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Stewardship

Expenditures in the following funds exceeded appropriations during 2016. This may be a violation of Colorado State Statutes.

	Excess
Community Recreation Fund	\$ 125,305
Debt Service Fund	1,529
	\$ 126,834

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

Cash on Hand and in Banks	\$ 6,914,087
Money Market Funds	\$ 489,512
Mutual Funds	947,385
C-SAFE	1,585,949
ColoTrust	3,968,705
Cash and Investments in Custody of Others	6,991,551
Total Cash, Deposits, and Investments	\$ 13,905,638
Government-wide Statement of Net Position	\$ 13,905,638
Fiduciary Funds Statement of Net Position	-
	\$ 13,905,638

CASH AND DEPOSITS

Colorado State Statutes govern the City's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits. All deposits in 2016 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. At December 31, 2016, \$5,789,215 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

INVESTMENTS

The City's investments are subject to interest rate risk, credit risk, and concentration of credit risk. The types of investments which are authorized to be made with City funds are controlled by state statute and the investment policies of the City. Colorado statutes and the City's investment policies specify investment instruments meeting defined rating and risk criteria in which the City may invest:

- Obligations of the United States and certain U.S. government agency securities

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks.

Interest Rate Risk

Colorado Revised Statutes and the City's investment policy limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

Credit Risk

The City's investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. The City's investment policy allows for the City to invest in local government investment pools (CSAFE and Colotrust). The City also invested in money market funds that are not rated.

Fair value investments classified at Level 1 of the fair value hierarchy are value using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

<u>Investment Type</u>	<u>Rating</u>	<u>Up to 120 Days</u>	<u>121 Days to 5 Years</u>	<u>Fair Value Measurements Using:</u>
				<u>Level 2</u>
U.S. Treasury Securities	1% AAA	\$ -	\$ 56,112	\$ 56,112
Federal Home Loan Mortgage Corporation	1% AAA	-	40,249	40,249
Corporate Bonds	1% A1, A2, A3 BAA1, BAA3	-	50,615	50,615
		<u>\$ -</u>	<u>\$ 146,976</u>	<u>146,976</u>
Fidelity Government Portfolio	7% AAAM			489,512
Pershing Money Market	0% (un-rated)			7,658
Oppenheimer Mutual Funds	11% AAA			766,940
Pershing Mutual Funds	0% AAA			25,811
C-Safe	23% AAAM			1,585,949
ColoTrust	57% AAAM			3,968,705
				<u>6,844,575</u>
				<u>\$ 6,991,551</u>

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

The Colorado Government Liquid Asset Trust (COLOTRUST) is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. COLOTRUST operates in a manner similar to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. Investments of the pool consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. This investment is valued using level 2 inputs.

The Colorado Surplus Asset Fund Trust (CSAFE) investments are valued using the net asset value per share (or its equivalent) of the investments. The investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. CSAFE investments conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. CSAFE measures all of its investments at amortized cost and is valued using level 2 inputs.

NOTE 4 INTERFUND TRANSFERS

Interfund Transfers

Interfund transfers for the year ended December 31, 2016, were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
General Fund	Enterprise Fund	\$ 449,350
	Community Recreation Fund	155,370
		<u>604,720</u>
Community Recreation Fund	General Fund	88,850
Debt Service Fund	General Fund	330,280
	Community Recreation Fund	153,720
		<u>484,000</u>
	TOTALS	<u>\$ 1,177,570</u>

Transfers are routinely made between the City funds to enhance the operations of the City. Many fund operations are similar and, in some cases, City functions may be shared by several funds. For example, the Community Recreation Fund is providing recreation and culture as is the Parks and Recreation Division of the General Fund. Other routine transfers are for: 1) administrative costs performed by the General Fund on behalf of the Enterprise Fund and the Community Recreation Fund and 2) for debt service from the Community Recreation Fund to the Debt Service Fund. Non-routine transfers are typically to provide for building reserves for future purchases of equipment or special projects and to consolidate or create new funds.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

NOTE 5 CAPITAL ASSETS

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

<i>Governmental Activities</i>	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
Capital Assets not being depreciated				
Land	\$ 1,072,301	\$ -	\$ -	\$ 1,072,301
Construction in Progress	452,575	5,500	(443,375)	14,700
Total Capital Assets not being depreciated	<u>1,524,876</u>	<u>5,500</u>	<u>(443,375)</u>	<u>1,087,001</u>
Capital Assets being depreciated				
Land Improvements	2,373,379	-	(28,260)	2,345,119
Buildings and Contents	15,558,011	-	(41,895)	15,516,116
Vehicles	2,853,598	371,347	(578,952)	2,645,993
Equipment	2,692,155	75,753	(488,661)	2,279,247
Infrastructure	7,418,162	443,375	-	7,861,537
Total Capital Assets being depreciated	<u>30,895,305</u>	<u>890,475</u>	<u>(1,137,768)</u>	<u>30,648,012</u>
Less Accumulated Depreciation for				
Land Improvements	1,788,653	45,477	(28,260)	1,805,870
Buildings and Contents	4,276,234	355,588	(41,895)	4,589,927
Vehicles	1,973,037	230,710	(578,952)	1,624,795
Equipment	2,104,276	104,482	(486,988)	1,721,770
Infrastructure	1,578,476	279,500	-	1,857,976
Total Accumulated Depreciation	<u>11,720,676</u>	<u>1,015,757</u>	<u>(1,136,095)</u>	<u>11,600,338</u>
Total Capital Assets being depreciated, net	<u>19,174,629</u>	<u>(125,282)</u>	<u>(1,673)</u>	<u>19,047,674</u>
Governmental Activities Capital Assets, net	<u>\$ 20,699,505</u>	<u>\$ (119,782)</u>	<u>\$ (445,048)</u>	<u>\$ 20,134,675</u>

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
<i>Business-type Activities:</i>				
Capital Assets not being depreciated				
Land	\$ 863,714	\$ 25,194	\$ -	\$ 888,908
Construction in Progress	-	92,225	-	92,225
Total Capital Assets not being depreciated	<u>863,714</u>	<u>117,419</u>	<u>-</u>	<u>981,133</u>
Capital Assets being depreciated				
Building and Contents	176,377	50,000	(17,862)	208,515
Utility Plant	26,468,450	76,125	-	26,544,575
Vehicles	915,489	-	(35,300)	880,189
Equipment	2,337,753	-	(172,079)	2,165,674
Infrastructure	15,673,076	-	(156,884)	15,516,192
Total Capital Assets being depreciated	<u>45,571,145</u>	<u>126,125</u>	<u>(382,125)</u>	<u>45,315,145</u>
Less Accumulated Depreciation	<u>(18,103,716)</u>	<u>(1,360,495)</u>	<u>349,020</u>	<u>(19,115,191)</u>
Total Capital Assets being depreciated, net	<u>27,467,429</u>	<u>(1,234,370)</u>	<u>(33,105)</u>	<u>26,199,954</u>
Business-type Activities Capital Assets, net	<u>\$ 28,331,143</u>	<u>\$ (1,116,951)</u>	<u>\$ (33,105)</u>	<u>\$ 27,181,087</u>

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

Governmental activities:

General Government	\$ 191,519
Public Safety	212,981
Highways and Streets	436,757
Culture and Recreation	174,500
Total depreciation expense - governmental activities	<u>\$ 1,015,757</u>

Business-type activities:

Water Services	\$ 936,753
Sewer Services	373,830
Sanitation Services	49,912
Total depreciation expense - business-type activities	<u>\$ 1,360,495</u>

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

NOTE 6 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

	Beginning Balance 12/31/2015	Additions	Deletions	Ending Balance 12/31/2016	Due Within One Year
<i>Governmental activities:</i>					
Lease Purchase Agreement	\$ 5,838,874	\$ -	\$ 302,399	\$ 5,536,475	\$ 308,833
Bond Payable	553,000	-	40,533	512,467	28,000
Compensated Absences	391,605	-	431	391,174	6,730
Governmental activities long-term debt	<u>\$ 6,783,479</u>	<u>\$ -</u>	<u>\$ 343,363</u>	<u>\$ 6,440,116</u>	<u>\$ 343,563</u>
<i>Business-type activities:</i>					
Bond Payable	\$ 7,529,434	\$ -	\$ 540,574	\$ 6,988,860	\$ 557,123
Compensated Absences	94,985	1,701	-	96,686	3,013
Business-type activities long-term debt	<u>\$ 7,624,419</u>	<u>\$ 1,701</u>	<u>\$ 540,574</u>	<u>\$ 7,085,546</u>	<u>\$ 560,136</u>

GOVERNMENTAL ACTIVITIES

Lease Purchase Agreements

Municipal Complex Lease Agreement

An annually renewable Lease Purchase Agreement, dated October 5, 2010, was entered into between Alamosa Capital Leasing Corporation (the "Corporation"), as lessor, and the City of Alamosa (the "City"), as lessee. The Corporation issued \$6,525,000 of Certificates of Participation Series 2010 to construct and equip a building or buildings consisting of a municipal complex project (the "Project") on land (the "Site") owned by the City and located in Alamosa, Colorado for the use of the inhabitants of the City. The Site will be leased to the corporation under a Ground Lease Agreement, dated October 5, 2010, between the City, as lessor, and the Corporation, as lessee. The Corporation will construct and equip the Project on the Site and lease the Project to the City pursuant to the lease. The facility is recorded in the fixed assets of the government-wide financial statements at \$6,908,679 less accumulated depreciation of \$750,362 at December 31, 2016.

The City will make lease payments to the Corporation and the Corporation will use those funds to pay the principal and interest payments prescribed by the Certificates of Participation document. The interest rate starts at 2.00% and increases until it is 4.50% at maturity date.

Principal and interest payments on these Certificates of Participation will be funded from unrestricted resources of the City and is paid semi-annually in August and February. Principal repayments began February 1, 2011, and will finish on February 1, 2030. The cost of issuing the Certificates of Participation was \$26,706.

As of December 31, 2016, the City had \$489,512 in a trust account held by the trustee. This amount has been reserved for debt service in the Debt Service Fund.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Presented below are the annual requirements for repayment of the Certificates of Participation Series 2010.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 275,000	\$ 206,119	\$ 481,119
2018	285,000	198,063	483,063
2019	300,000	188,913	488,913
2020	300,000	178,788	478,788
2021	315,000	167,631	482,631
2022-2026	1,800,000	602,975	2,402,975
2027-2030	1,799,556	119,388	1,918,944
	<u>\$ 5,074,556</u>	<u>\$ 1,661,877</u>	<u>\$ 6,736,433</u>

Cattails Clubhouse Lease Agreement

Annually renewable Lease Purchase Agreement, dated January 24, 2008, was entered into between San Luis Valley Federal Bank (the "Bank"), as lessor, and the City of Alamosa (the "City"), as the lessee. The bank issued \$635,000 to the City for the completion of the Cattails Clubhouse. The City is leasing the land and title to the Cattails Clubhouse back via the Lease Purchase agreement at an amended fixed interest rate of 4.25%. The City will use the proceeds from the sale to construct and equip the new Clubhouse. Construction was completed on the Clubhouse in July 2009. The Clubhouse is recorded in the fixed assets as buildings of the government-wide financial statements at \$971,109, less accumulated depreciation of \$278,916, at December 31, 2016.

Payments on the Lease Purchase Agreement is funded from resources of the City in the Conservation Trust Fund. Payments are due to the Bank in annual installments through October 2027. The City can purchase the land and title to the Clubhouse back at any time for the Purchase Option Price included in the lease.

The annual debt service for the Lease Purchase Agreement is as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 33,833	\$ 19,637	\$ 53,470
2018	35,271	18,199	53,470
2019	36,770	16,700	53,470
2020	38,291	15,179	53,470
2021	39,960	13,510	53,470
2022-2026	226,752	40,598	267,350
2027	51,042	2,163	53,205
	<u>\$ 461,919</u>	<u>\$ 125,986</u>	<u>\$ 587,905</u>

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Bonds Payable

Special Assessment Bonds dated June 1, 2015, payable to San Luis Valley Federal Bank for the purpose of public improvements within a special improvement district with the maximum principal amount \$650,000 with an interest rate of 4.75%. Payments will be made annually over a fifteen year period and the final payment is due in 2030. The facility is recorded in the fixed assets as infrastructure of the General Fund at \$443,375, less accumulated depreciation of \$14,779, at December 31, 2016.

Principal and interest payments on the Bonds are funded from assessments to property owners within the improvement district, collected in the General Fund. A special assessment notes receivable of \$571,452 is recorded in the statement of net position for work on the improvement district. The terms of the receivable consists of annual payments, 4.75% interest rate, and final payment is due in 2030. The annual debt service for the revenue bond is as follows:

	Principal	Interest	Total
2017	\$ 28,000	\$ 24,985	\$ 52,985
2018	29,000	23,655	52,655
2019	30,000	22,278	52,278
2020	32,000	20,853	52,853
2021	33,000	19,333	52,333
2022-2026	192,000	71,483	263,483
2027-2030	168,467	21,658	190,125
	\$ 512,467	\$ 204,245	\$ 716,712

BUSINESS-TYPE ACTIVITIES

Revenue Bonds Payable

Revenue Bonds dated November 2, 2006, payable to Colorado Water Resources and Power Development Authority for the purpose of constructing the arsenic removal facility with the maximum principal amount \$11,865,063 with an interest rate of 4.21%. Payments will be made semiannually over a twenty year period and the final payment is due in 2027. The facility is recorded in the fixed assets as utility plant of the Enterprise Fund at \$13,801,150, less accumulated depreciation of \$4,506,473, at December 31, 2016.

Principal and interest payments on the Revenue Bonds are funded from sales tax revenue collected in the Enterprise Fund. The annual debt service for the revenue bond is as follows:

	Principal	Fee	Interest	Total
2017	\$ 557,123	\$ 94,920	\$ 163,453	\$ 815,496
2018	568,156	94,920	152,270	815,346
2019	579,128	94,920	140,865	814,913
2020	595,736	94,920	128,583	819,239
2021	606,768	94,920	115,545	817,233
2022-2026	3,320,673	429,137	328,309	4,078,118
2027	761,276	30,187	17,867	809,331
	\$ 6,988,860	\$ 933,924	\$ 1,046,892	\$ 8,969,676

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

NOTE 7 PENSION PLANS

PERA DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. Eligible employees of the City are provided with pensions through the Local Government Division Trust Fund (LGDTF) - a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits provided. PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions. Eligible employees and the Organization are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	2016
Employer Contribution Rate	10%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f) ¹	-1.02%
Amount Apportioned to the LGDTF	8.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411 ¹	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411 ¹	1.50%
Total Employer Contribution Rate to LGDTF	12.68%

¹ Rates are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City were \$366,004, for the year ended December 31, 2016.

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

At December 31, 2016, the City reported a liability of \$5,310,162 for its proportionate share of the net pension liability based on the City's contributions to the LGDTF for the calendar year 2015 relative to the total contributions of participating employers to the LGDTF. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2014. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. Total contributions made to the LGDTF for the year ended December 31, 2015 was \$72,012,551. The funded status of the plan was 76.9%, and the net pension liability of the plan was \$1,101,581,000 at December 31, 2015.

At December 31, 2015, the City's proportion was 0.48 percent, which was an decrease of 0.000005 from its proportion measured as of December 31, 2014.

For the year ended December 31, 2016, the City recognized pension expense of \$366,843. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 39,841	\$ 183
Net difference between projected and actual earnings on pension plan investments	1,022,245	-
Changes in proportionate share	35,116	28
Changes of assumptions or other inputs	-	97,263
Differences between actual contributions and proportionate share of contributions	4,700	-
Contributions subsequent to the measurement date	366,004	-
Total	\$ 1,467,906	\$ 97,474

\$366,004 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30,	
2017	\$ 262,682
2018	259,912
2019	270,207
2020	211,628
2021	-
Thereafter	-
	<u>\$ 1,004,429</u>

Actuarial assumptions. The total pension liability in the December 31, 2014 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increases, including wage inflation	3.90 – 10.85 percent
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.50 percent
Future post-retirement benefit increases:	
PERA Benefit Structure hired prior to 1/1/07; and DPS Benefit Structure (automatic)	2.00 percent
PERA Benefit Structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve (AIR)

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Changes to assumptions or other inputs since the December 31, 2013 actuarial valuation:

- The following programming changes were made:
 - Valuation of the full survivor benefit without any reduction for possible remarriage.
 - Reflection of the employer match on separation benefits for all eligible years.
 - Reflection of one year of service eligibility for survivor annuity benefit.
 - Refinement of the 18 month annual increase timing
 - Refinements to directly value certain and life, modified cash refund and pop-up benefit forms.

- The following methodology changes were made:
 - Recognition of merit salary increases in the first projection year
 - Elimination of the assumption that 35% of future disabled members elect to receive a refund.
 - Removal of the negative value adjustment for liabilities associated with refunds of future terminating members.
 - Adjustments to the timing of the normal cost and unfunded actuarial accrued liability payment calculations to reflect contributions throughout the year.

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years.

The actuarial assumptions used in the December 31, 2014 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

The LGDTF's long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent analysis of the long-term expected rate of return, presented to the PERA Board on November 15, 2013, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

<u>Asset Class</u>	<u>Target Allocation</u>	<u>10 Year Expected Geometric Real Rate of Return</u>
U.S. Equity - Large Cap	26.76%	5.00%
U.S. Equity - Small Cap	4.40%	5.19%
Non U.S. Equity - Developed	22.06%	5.29%
Non U.S. Equity - Emerging	6.24%	6.76%
Core Fixed Income	24.05%	0.98%
High Yield	1.53%	2.64%
Long Duration Gov't/Credit	0.53%	1.57%
Emerging Market Bonds	0.43%	3.04%
Real Estate	7.00%	5.09%
Private Equity	7.00%	7.15%
Total	100.00%	

* In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.50%.

Discount rate. The discount rate used to measure the total pension liability was 7.50 percent. The projection of cash flows used to determine the discount rate applied the actuarial method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.90%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made equal to the fixed statutory rates specified in law, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop .50% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based up on a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded for the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the end of the month.

Based on the above assumptions and methods, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of the net pension liability	\$ 8,141,019	\$ 5,310,162	\$ 2,962,245

Pension plan fiduciary net position- Detailed information about the LGDTS's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

PERA POSTEMPLOYMENT HEALTHCARE BENEFITS

Plan Description - The City contributes to the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, establishes the HCTF and set forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy - The City is required to contribute 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the City are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending December 31, 2016 and 2015, the City's contributions to the HCTF were \$29,358 and \$27,924 respectively, equal to their required contributions for each year.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

PERA DEFINED CONTRIBUTION PENSION PLAN

Plan Description - Employees of the City of Alamosa who are members of the LGDTF may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Plan. That report may be obtained online at www.copera.org.

Funding Policy - The Voluntary Investment Program is funded by voluntary member contributions of up to the maximum limit set by the Internal Revenue Services, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions, employer contributions, and investment earnings. For the year ended December 31, 2016 program members contributed \$36,524 for the Voluntary Investment Program.

ICMA DEFERRED COMPENSATION PLAN

ICMA Deferred Compensation Plan is available in lieu of PERA and is only available to department heads. The purpose of this plan is to provide retirement income and other deferred benefits to certain employees of the City in accordance with the provisions of section 457 of the Internal Revenue Code ("IRC"). The plan was adopted in 1984 and is a defined contribution plan. The City contributes 13.7% of covered payroll and the employee is not required to contribute, although, they have the option to contribute to the plan. Total employer and employee contributions for 2016 were \$26,607 this exceeds the 13.7% required as there are employees who have elected to make additional contributions. Of the three employees contributing two employees were making additional contributions. The City has no other liability other than to make the required monthly contribution.

The financial report can be obtained by writing to ICMA Retirement Corporation, 777 North Capital Street NE, Washington DC, 2002-4240 or by calling 1-800-669-7400.

POLICE MONEY PURCHASE PENSION PLAN

Pension benefits are provided for all employees of the Police Department through the City of Alamosa Police Department Money Purchase Pension Plan. This is a defined contribution retirement plan. Rollover and current contributions in the name of each police officer were deposited with the plan trustee and plan administrator - an organization outside the City of Alamosa. The City has no other liability other than to make the required monthly contributions.

The Pension Plan was established in order to provide retirement income for eligible police officers and to provide funds for their beneficiaries in the event of death. Plan provisions and contribution requirements are established and may be amended by the Alamosa City Council.

The Plan requires employer and employee contributions of 10% of covered payroll. The employees contributed \$137,993 and the City recognized expense of \$137,993 during 2016.

The employees are immediately vested in their own contributions and 100% vested in the employer contributions after five years of service. Nonvested City contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the plan's administrative expenses. For the year ended December, 31, 2016 forfeitures reduced the City's pension expense by \$17,987.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

FIREMEN'S PENSION

General Information about the Pension Plan

Plan description

The City's defined benefit pension plan (the Plan), provides retirement, survivor, and funeral benefits to plan members and beneficiaries. The Plan is affiliated with the Affiliated Local Plans (AFL), an agent multiple-employer pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). Title 31, Article 30, part 4 of the Colorado Revised Statutes provides for the creation of a Fireman's Pension Trust Fund and assigns the authority to establish and amend the benefit provisions of the plans that participate in AFL to the respective employer entities; for the Plan, that authority rests with a Board of Trustees composed of City board members and firefighters selected in accordance with Colorado Statutes. FPPA issues a publicly available comprehensive annual financial report that can be obtained at:

http://www.fppaco.org/pdfs/annual_audit_actuarial_reports/annual%20reports/2014%20FPPA%20CAFR.pdf.

Benefits provided

A volunteer fireman who has reach age 50 and attained 20 years of service may be granted a pension, not to exceed \$375 per month. In the event of injury or death, an annuity not to exceed \$187.50 per month may be granted to the fireman or his survivors. In addition, a one time lump sum will be provided for funeral benefits. If at any time there is not sufficient money in the Fund to pay the full amount to which each beneficiary is entitled, an equal percentage of such monthly payment shall be made to each beneficiary until the Fund is replenished as to permit full payment.

Volunteers covered by the plan

At December 31, 2016, the following volunteers were covered by the benefit terms:

Retirees and beneficiaries	28
Inactive, nonretired members	3
Active Members	28
Total	<u>59</u>

Contributions

There are no paid employees within the volunteer firefighter's pension plan. The State of Colorado provides a discretionary contribution to the Plan as defined in the Colorado Revised Statutes. The City contributes to the Plan with proceeds from a local mill levy.

Contributions to the Plan from the City were \$56,245 for the year ended December 31, 2016.

Net Pension Asset

At December 31, 2016, the City reported an asset of \$277,319. The City's net pension asset was measured as of December 31, 2015, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2015.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Actuarial assumptions

The total pension liability in the January 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00%
Salary Changes	N/A
Long-term investment rate of return net of pension plan investment expenses, including inflation	7.50%

Mortality rates were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment, as appropriate with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the January 1, 2015 valuation were based on the actuary's analysis and recommendations from the 2011 Experience Study.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Rate of Return</u>
Global Equity	37%	6.5%
Equity Long/Short	10%	4.7%
Illiquid Alternatives	20%	8.0%
Fixed Income	16%	1.5%
Absolute Return	11%	4.1%
Manage Futures	4%	3.0%
Cash	2%	0.0%
Total	<u>100%</u>	

Discount rate

The discount rate used to measure the total pension liability was 7.50 percent; the municipal bond rate is 3.57 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made based on the actuarially determined rates and are available upon request from FPPA. Based on those assumptions, the Plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the net pension liability

The Schedule of Employers' Net Pension Liability presented in the Required Supplementary Information section presents multi-year trend information about whether the plan fiduciary net positions are increasing or decreasing over time relative to the total pension liability. The total pension liability as of December 31, 2015, is based on the results of the most recent actuarial valuation date and rolled-forward using generally accepted actuarial procedures.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Sensitivity of the net pension liability to changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 7.5 percent, as well as the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.5 percent) or one percentage point higher (8.5 percent):

1% Decrease	Current Discount Rate	1% Increase
6.50%	7.50%	8.50%
\$ (138,518)	\$ (277,319)	\$ (393,288)

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

For the year ended June 30, 2016, the City recognized pension income of \$58,370. At December 31, 2016, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 22,158
Net difference between projected and actual earnings on pension plan investments	77,851	-
Contributions to the pension plan subsequent to the measurement date	56,245	-
Total	\$ 134,096	\$ 22,158

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended December 31,	
2017	\$ 4,166
2018	13,660
2019	19,991
2020	17,876
	\$ 55,693

NOTE 8 SEGMENT INFORMATION FOR ENTERPRISE FUND

Because water, sewer, and sanitation services are provided for in one fund, several items cannot be allocated between each segment. Therefore, a condensed statement of net position and statement of cash flows, as well as some line items have been omitted in the segment information.

The following is a summary of operating income and expense information on the various segments of the Enterprise Fund. All services are provided from a single enterprise fund.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

	<u>WATER</u>	<u>SEWER</u>	<u>SANITATION</u>	<u>TOTAL</u>
Intergovernmental Revenue	\$ 5,000	\$ -	\$ -	\$ 5,000
Charges for Services	1,445,654	980,749	994,344	3,420,747
Miscellaneous Revenue	14,013	-	619	14,632
Total Operating Revenue	<u>1,459,667</u>	<u>980,749</u>	<u>994,963</u>	<u>3,440,379</u>
Operating Expense	1,115,659	732,411	714,406	2,562,476
Depreciation	936,753	373,830	49,912	1,360,495
Total Operating Expense	<u>2,052,412</u>	<u>1,106,241</u>	<u>764,318</u>	<u>3,922,971</u>
OPERATING INCOME (LOSS)	<u>(592,745)</u>	<u>(125,492)</u>	<u>230,645</u>	<u>(482,592)</u>
Non-operating Revenue/(Expense)				
Bond Interest	(274,130)	-	-	(274,130)
Sales Tax Revenue	1,261,993	-	-	1,261,993
Loss on Disposal	(33,106)	-	-	(33,106)
Total Non-operating Expense	<u>954,757</u>	<u>-</u>	<u>-</u>	<u>954,757</u>
Income (Loss) Before Operating Transfers	<u>362,012</u>	<u>(125,492)</u>	<u>230,645</u>	<u>472,165</u>
Capital Contributions (Water & Sewer Taps)	<u>58,369</u>	<u>14,500</u>	<u>-</u>	<u>72,869</u>
Transfers				
Transfer Out	(115,800)	(136,300)	(197,250)	(449,350)
Total Transfers	<u>(115,800)</u>	<u>(136,300)</u>	<u>(197,250)</u>	<u>(449,350)</u>
Change in Net Position	<u>\$ 304,581</u>	<u>\$ (247,292)</u>	<u>\$ 33,395</u>	<u>\$ 95,684</u>
Net Position at Beginning of Year				<u>24,720,803</u>
Net Position at End of Year				24,816,487
Adjustment to reflect consolidation of Internal Service Fund				<u>222,727</u>
Net Position of Business-Type Activities				<u>\$ 25,039,214</u>

	<u>WATER</u>	<u>SEWER</u>	<u>SANITATION</u>	<u>TOTAL</u>
Total Utility Plant	\$ 16,431,556	\$ 10,113,019	\$ -	\$ 26,544,575
Total other Capital Assets	12,364,858	5,681,095	1,705,751	19,751,704
Accumulated Depreciation	10,885,956	6,950,640	1,278,595	19,115,191
2016 Additions to Utility Plant	76,125	-	-	76,125
2016 Additions to other Capital Assets	117,419	-	50,000	167,419

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

NOTE 9 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded commercial insurance coverage for the current year or the three prior years.

Self-Funded Insurance

The City provides health insurance benefits to all full-time employees through a self-funded insurance program. An Internal Service Fund was created to account for the self-funded insurance. The insurance program is administered by a professional administration company. The other funds of the City participate in the program and make payments to the Internal Service Fund based on actuarial estimates of the amounts needed to pay premiums and claims. The City pays the first 76% of the monthly rate and the remaining 24% is provided from payroll withholdings. The dollar amounts of the City's share of the different rates per employee as of December 31, 2016, are as follows:

	<u>Without Dental</u>	<u>With Dental</u>
Single Employee Medical	\$ 585	\$ 611
Employee plus child(ren)	907	958
Employee plus spouse	897	955
Employee plus family	1,045	1,131

The above rates include employee life insurance premiums.

The plan is amended annually because of changes in coverage, deductibles, limits of liability, and stop loss carriers. On October 1, 2015, the plan was amended to reflect the following conditions.

Employees pay 30% of the deductible if they are out of the network and 20% if they are in the network after meeting the \$575 deductible for singles and the \$1,150 deductible for a family. The plan also has a \$2,300 out of pocket max for singles and \$5,775 out of pocket max for family per year. Co-pays for the office visits are not subject to deductible, but do count toward the calendar year maximum. The City has purchased stop loss coverage to cover claims in excess of \$65,000, which is the specific liability. The maximum aggregate benefit per benefit period is \$1,000,000.

The Internal Service Fund is responsible for collecting premiums, paying medical, prescription and life insurance claims, and purchasing certain insurance policies which include individual (specific) stop loss reinsurance and aggregate stop loss reinsurance. Interfund revenues and expenses are accrued when the interfund premiums are earned. Claims settlement and loss expenses are accrued in the Internal Service Fund for the estimated settlement value of claims reported and unreported up to stop loss arising from incidents during the period.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

The claims liability of \$40,784 at December 31, 2016, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred and the date of the financial statements and the amount of the loss can be reasonably estimated. Changes in the Internal Service Fund's claims liability amount in fiscal 2016 and 2015 were:

<u>Fiscal Year</u>	<u>Beginning Claims Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments</u>	<u>Ending Claims Liability</u>
2015	\$ 80,000	\$ 533,820	\$ 533,820	\$ 80,000
2016	\$ 80,000	\$ 1,086,763	\$ 1,125,979	\$ 40,784

The City has disputed medical claims related to 2016 services. The City will recoup between \$70,975 and \$288,684. The exact amount is undeterminable until the claims have been settled, therefore no receivable has been recorded as of December 31, 2016.

NOTE 10 TABOR EMERGENCY RESERVE

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue.

The voters of the City passed ballot issues in 1993, 1995, and 1996 allowing for the retention of revenues generated in excess of the limits imposed by the amendment.

The amendment also requires that emergency reserves be established. These reserves must be at least three percent of fiscal year spending. This emergency reserve has been presented as restricted net position/fund balance in the financial statements. The City is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

NOTE 11 JOINT VENTURE

San Luis Valley Regional Airport

The San Luis Valley Regional Airport is a joint venture between the City of Alamosa and Alamosa County. The joint venture does not meet the criteria for inclusion within the reporting entity because the Airport:

- is financially independent and responsible for its own financing deficits and entitled to its own surpluses,
- has a separate governing board equally appointed by the City and County,
- the governing board has the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome for disposition of matters affecting the recipients of services provided, and

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

- has absolute authority over all funds and fiscal responsibility and reporting to State and controls fiscal management.

The City has one member on the three-member board. The Board has final authority for all budgeting and financing of the joint venture. The City's share of the joint venture is 50% at December 31, 2016.

The most recent audited financial statements of the Airport report total assets of \$5,297,067 total liabilities of \$204,384, and net position of \$5,092,683 at December 31, 2015.

The San Luis Valley Regional Airport issues publicly available audited annual financial statements. That report may be obtained by writing to the San Luis Valley Regional Airport, P.O. Box 328, Alamosa, Colorado 81101.

San Luis Valley Regional Solid Waste Authority

The San Luis Valley Regional Solid Waste Authority was created by an intergovernmental agreement between Rio Grande County and Alamosa County on April 14, 1995, pursuant to the authority granted by C.R.S. 29-1-203. It has been designated as a joint venture under the provisions of GASB Statement No. 14. Its purpose is to provide the citizens of both counties an integrated municipal solid waste disposal facility in accordance with provision of C.R.S. 30-20-1005.

The Authority is governed by a Board of Directors consisting of five members as follows: one Rio Grande County Commissioner, one Alamosa County Commissioner, one director appointed by the City of Monte Vista, one director appointed by the City of Alamosa, and one director who is a member of the Rio Grande County Land Use or administrative staff as appointed by the Rio Grande County Commissioners.

It is the intent of the counties that the initial funding of the Authority by each county be provided on a loan basis in substantially the same proportion that the population of each county bears to the combined population of both counties. Alamosa and Rio Grande Counties may provide additional funding at any time in the future if they choose to do so by resolution.

The City of Alamosa is not exposed to any closure or post-closure expenses.

The most recent audited financial statements of the Authority report total assets of \$4,609,922, total liabilities of \$840,420, and net position of \$3,769,502 at December 31, 2016.

The San Luis Valley Regional Solid Waste Authority issues publicly available annual financial statements. That report may be obtained by writing to the San Luis Valley Regional Solid Waste Authority, PO Box 861, Monte Vista, Colorado 81144.

NOTE 12 COMMITMENTS AND CONTINGENCIES

Grant Programs

The City participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

CITY OF ALAMOSA, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2016

Litigation

The City is currently the defendant in lawsuits arising principally in the normal course of operations. In the opinion of legal counsel, the outcome of the lawsuit will not have a material adverse effect on the accompanying financial statements, accordingly, no provision for losses has been recorded.

NOTE 13 SUBSEQUENT EVENT

The City entered into a lease purchase agreement on April 18, 2017, from Alamosa Capital Leasing Corporation for the acquisition of water rights and water storage rights. In addition to the water projects, the City has other water, sewer, and levee infrastructure needs.

On April 19, 2017, the City purchased pumping rights for \$525,000.

CITY OF ALAMOSA, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund, and if applicable, each of the City's major special revenue funds. In addition, pension plan contributions and the City's proportionate share of the net pension liability are required to supplement the basic financial statements.

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property Taxes	\$ 482,400	\$ 482,400	\$ 488,721	\$ 6,321
Motor Vehicle - S. O. T.	45,930	45,930	62,701	16,771
Sales Tax - City	2,370,890	2,370,890	2,559,141	188,251
Sales Tax - County	3,084,240	3,084,240	3,313,069	228,829
Cigarette Tax	32,820	32,820	31,857	(963)
Construction Use Tax	65,480	65,480	70,990	5,510
Gas Franchise Tax	116,790	116,790	94,364	(22,426)
Electric Franchise Tax	201,600	201,600	201,601	1
Telephone Franchise Tax	10,300	10,300	8,428	(1,872)
Television Franchise Tax	71,100	71,100	65,097	(6,003)
PILT	32,330	32,330	42,937	10,607
Total Taxes	<u>6,513,880</u>	<u>6,513,880</u>	<u>6,938,906</u>	<u>425,026</u>
Licenses and Permits				
Liquor Licenses	12,630	12,630	10,485	(2,145)
Contracting Licenses	3,500	3,500	2,630	(870)
Building and Other Permits	39,530	39,530	49,269	9,739
Dog and Bike Licenses	1,000	1,000	750	(250)
Sales Tax Licenses	15,000	15,000	15,715	715
Total Licenses and Permits	<u>71,660</u>	<u>71,660</u>	<u>78,849</u>	<u>7,189</u>
Intergovernmental Revenue				
Motor Vehicle Registration Fees	28,380	28,380	29,283	903
Highway Users Tax	262,800	262,800	265,716	2,916
Road and Bridge	6,570	6,570	6,712	142
Law Enforcement Grants	-	44,144	28,131	(16,013)
Impact Assistance	150,000	150,000	65,264	(84,736)
Total Intergovernmental Revenue	<u>447,750</u>	<u>491,894</u>	<u>395,106</u>	<u>(96,788)</u>
Charges for Services				
Special Policeman Services	35,000	35,000	30,742	(4,258)
Miscellaneous Fleet	5,000	5,000	-	(5,000)
Cemetery Fees	8,000	8,000	15,760	7,760
Street Improvements	-	47,000	46,749	(251)
Total Charges for Services	<u>48,000</u>	<u>95,000</u>	<u>93,251</u>	<u>(1,749)</u>
Fines and Forfeits				
Municipal Court Fines	301,100	301,100	209,348	(91,752)
County Court Fines	2,000	2,000	5,772	3,772
Total Fines and Forfeits	<u>303,100</u>	<u>303,100</u>	<u>215,120</u>	<u>(87,980)</u>

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

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
Investment Income	34,000	34,000	61,040	27,040
Miscellaneous Revenue				
Rent	100,000	100,000	110,241	10,241
General Miscellaneous	43,600	111,250	133,739	22,489
Special Fire Services	5,600	30,600	12,855	(17,745)
Public Safety Miscellaneous	3,500	30,940	60,367	29,427
Public Works Miscellaneous	5,000	15,000	64,091	49,091
Total Miscellaneous Revenue	<u>157,700</u>	<u>287,790</u>	<u>381,293</u>	<u>93,503</u>
TOTAL REVENUES	<u>7,576,090</u>	<u>7,797,324</u>	<u>8,163,565</u>	<u>366,241</u>
EXPENDITURES				
General Government				
City Council and Mayor	73,340	73,340	72,260	1,080
City Manager	197,700	210,900	205,095	5,805
Legal Services	81,995	81,995	68,095	13,900
Municipal Court	289,560	305,460	286,918	18,542
Information Technology Department	350,717	358,227	354,952	3,275
City Clerk	88,870	88,870	89,572	(702)
City Hall Complex Maintenance and Operation	463,430	498,430	429,281	69,149
Financial Administration	365,460	404,460	395,089	9,371
HR/Risk Management	159,450	159,450	157,350	2,100
Bonds and Insurance Premiums	226,200	226,200	164,491	61,709
Total General Government	<u>2,296,722</u>	<u>2,407,332</u>	<u>2,223,103</u>	<u>184,229</u>
Public Safety				
Police Administration	158,376	202,520	201,170	1,350
Police Operational	1,817,529	1,861,269	1,850,294	10,975
Fire Protection	271,410	296,410	342,110	(45,700)
Support Services	345,310	345,310	332,654	12,656
Total Public Safety	<u>2,592,625</u>	<u>2,705,509</u>	<u>2,726,228</u>	<u>(20,719)</u>
Public Works				
Administration	377,320	377,320	301,975	75,345
Maintenance of Condition	1,909,025	2,059,025	1,439,905	619,120
Building Maintenance	241,550	241,550	231,137	10,413
Fleet Maintenance	170,860	212,260	214,991	(2,731)
Total Public Works	<u>2,698,755</u>	<u>2,890,155</u>	<u>2,188,008</u>	<u>702,147</u>
Health and Welfare				
Cemetery Operations	<u>82,760</u>	<u>82,760</u>	<u>77,766</u>	<u>4,994</u>

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

	BUDGETED AMOUNTS			VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET
				POSITIVE
				(NEGATIVE)
Culture and Recreation				
Parks	418,740	418,740	421,443	(2,703)
Capital Outlay				
General Government	61,000	61,000	60,053	947
Public Safety	132,200	132,200	137,983	(5,783)
Culture and Recreation	-	-	5,500	(5,500)
Total Capital Outlay	193,200	193,200	203,536	(10,336)
Debt Service	-	-	55,366	(55,366)
TOTAL EXPENDITURES	8,282,802	8,697,696	7,895,450	802,246
Excess (deficiency) of revenues over expenditures	(706,712)	(900,372)	268,115	1,168,487
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	-	-	15,841	15,841
Transfers In	783,820	783,820	604,720	(179,100)
Transfers Out	(527,085)	(527,085)	(419,130)	107,955
TOTAL OTHER FINANCING SOURCES (USES)	256,735	256,735	201,431	(55,304)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(449,977)	(643,637)	469,546	1,113,183
Fund Balance - Beginning of Year	5,151,815	5,151,815	5,828,494	676,679
Fund Balance - End of Year	\$ 4,701,838	\$ 4,508,178	\$ 6,298,040	\$ 1,789,862

Notes to the Required Supplementary Information

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY RECREATION FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Sales Tax	\$ 1,185,445	\$ 1,185,445	\$ 1,261,992	\$ 76,547
Intergovernmental Revenue - Grant	3,500	3,500	84,890	81,390
Charges for Services				
Recreation Program Fees	33,690	33,690	64,063	30,373
Recreation Membership Fees	156,060	156,060	190,803	34,743
Total Charges for Services	189,750	189,750	254,866	65,116
Miscellaneous Revenue				
Lease Agreement Revenue	24,750	24,750	-	(24,750)
Net Investment Income/(Loss)	1,000	1,000	3,520	2,520
Total Miscellaneous Revenue	25,750	25,750	3,520	(22,230)
TOTAL REVENUES	1,404,445	1,404,445	1,605,268	200,823
EXPENDITURES				
Culture and Recreation				
Personnel Services	771,390	771,390	728,596	42,794
Other Miscellaneous Supplies	40,270	40,270	37,495	2,775
Travel and Conference/Includes Meals	1,900	1,900	2,295	(395)
Telephone Services	2,850	2,850	2,981	(131)
Tuition and Training	1,100	1,100	815	285
Membership and Dues	1,400	1,400	1,429	(29)
Books and Magazines	40,600	40,600	41,324	(724)
Other Expenses	9,451	9,451	8,386	1,065
Electrical Services	45,000	45,000	46,285	(1,285)
Repairs and Maintenance Agreement	59,725	59,725	152,817	(93,092)
Gas and Oil	1,000	1,000	742	258
Vehicle Repair	600	600	296	304
Recreation Programs	58,119	58,119	56,231	1,888
Library	3,500	3,500	5,480	(1,980)
Advertising	3,000	3,000	2,279	721
Other Office Equipment/Furniture/Fixtures	1,700	1,700	886	814
Total Culture and Recreation Expenditures	1,041,605	1,041,605	1,088,337	(46,732)
Capital Outlay	76,500	76,500	155,073	(78,573)
TOTAL EXPENDITURES	1,118,105	1,118,105	1,243,410	(125,305)

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
COMMUNITY RECREATION FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
Excess (deficiency) of revenues over expenditures	286,340	286,340	361,858	75,518
OTHER FINANCING SOURCES (USES)				
Transfers In	88,850	88,850	88,850	-
Transfers Out	(309,090)	(309,090)	(309,090)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(220,240)</u>	<u>(220,240)</u>	<u>(220,240)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	66,100	66,100	141,618	75,518
Fund Balance - Beginning of Year	<u>412,598</u>	<u>412,598</u>	<u>627,833</u>	<u>215,235</u>
Fund Balance - End of Year	<u>\$ 478,698</u>	<u>\$ 478,698</u>	<u>\$ 769,451</u>	<u>\$ 290,753</u>

Notes to the Required Supplementary Information

The basis of budgeting is the same as GAAP.

This schedule is presented on the GAAP basis.

CITY OF ALAMOSA, COLORADO
SCHEDULE OF THE PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PERA LGDTF PENSION PLAN
December 31, 2016

	<u>2016</u>	<u>2015</u>	<u>2014</u>
City's proportion of the net pension liability	0.4820491368%	0.4820543148%	0.4461781371%
City's proportionate share of the net pension liability (asset)	\$ 5,310,162	\$ 4,320,696	\$ 3,671,694
City's covered-employee payroll	\$ 2,886,467	\$ 2,737,660	\$ 2,641,441
City's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	184%	158%	139%
Plan fiduciary net position as a percentage of the total pension liability	76.90%	80.70%	77.66%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the City presents information for those years for which information is available.

Notes to Required Supplementary Information:

Changes in assumptions and other inputs are explained in Note 7 to the Financial Statements

CITY OF ALAMOSA, COLORADO
SCHEDULE OF CONTRIBUTIONS
PERA LGDTF PENSION PLAN
December 31, 2016

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 366,064	\$ 347,135	\$ 334,935
Contributions in relation to the contractually required contribution	<u>(366,064)</u>	<u>347,135</u>	<u>334,935</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
City's covered-employee payroll	\$2,886,467	\$ 2,737,660	\$ 2,641,441
Contributions as a percentage of covered-employee payroll	12.68%	12.68%	12.68%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the City presents information for those years for which information is available.

Notes to Required Supplementary Information:

Changes in assumptions and other inputs are explained in Note 7 to the Financial Statements

CITY OF ALAMOSA, COLORADO
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS
FPPA AFFILIATED LOCAL PLAN
For the Measurement Period Ending December 31, 2016

	<u>2015</u>	<u>2014</u>
Total Pension Liability		
Service Cost	\$ 13,682	\$ 10,697
Interest on the Total Pension Liability	94,034	97,871
Benefit Changes	-	-
Difference between expected and actual experience of the total pension liability	-	(53,810)
Changes of Assumptions	-	-
Benefit Payments	(109,282)	(105,551)
Net Change in Total Pension Liability	(1,566)	(50,793)
Total Pension Liability - Beginning	1,300,729	1,351,522
Total Pension Liability - Ending	<u>\$ 1,299,163</u>	<u>\$ 1,300,729</u>
Plan Fiduciary Net Position		
Contributions- Employer	\$ 75,195	\$ -
Net Investment Income	28,180	103,994
Benefit Payments	(109,282)	(105,551)
Pension Plan Administrative Expense	(3,553)	(2,761)
State of Colorado Supplemental Discretionary Payment	-	18,549
Net Change in Plan Fiduciary Net Position	(9,460)	14,231
Plan Fiduciary Net Position- Beginning (Market Value of Assets at Beginning of Year)	1,585,942	1,571,711
Plan Fiduciary Net Position- Ending (Market Value of Assets at End of Year)	<u>\$ 1,576,482</u>	<u>\$ 1,585,942</u>
Net Pension Liability (Asset)	\$ (277,319)	\$ (285,213)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	121.35%	121.93%
Covered-Employee Payroll	N/A	N/A
Net Pension Liability/(Asset) as a percentage of covered employee payroll	N/A	N/A

Notes to the Schedule:

There have not been any changes in benefit terms.

There have not been any changes in assumptions.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the City presents information for those years for which information is available.

CITY OF ALAMOSA, COLORADO
SCHEDULE OF CONTRIBUTIONS
FPPA AFFILIATED LOCAL PLAN
For the Measurement Period Ending December 31, 2016

	2015	2014
Actuarially Determined Contribution*	\$ -	\$ -
Actual Contributions**	75,195	18,549
Contribution Deficiency (Excess)	\$ (75,195)	\$ (18,549)
Covered Payroll	N/A	N/A
Actual Contribution as % of Covered Payroll	N/A	N/A

**Includes both City contributions and State of Colorado Supplemental Discretionary Payment

Notes to the Schedule

Valuation Date:

Actuarially determined contribution rates are calculated as of January 1, one year prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 years*
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.00%
Salary Increases	N/A
Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% Multiplier for off-duty mortality; Post-retirement: RP-2000 Combined Mortality Table, with Blue Collar Adjustment Disabled: RP-2000 Disabled Mortality table All tables projected with Scale AA

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled the City presents information for those years for which information is available.

CITY OF ALAMOSA, COLORADO

SUPPLEMENTARY INFORMATION

The combining financial statements represent the second level of financial reporting for the City. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

**CITY OF ALAMOSA, COLORADO
NONMAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expend for particular purposes.

Conservation Trust Fund – This fund is used to account for the City’s share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

DEBT SERVICE FUNDS

Debt service funds are used to account for resources and principal and interest expenditures for outstanding bonds.

Debt Service Fund – This fund is used to make debt service payments. Revenue is derived from transfers from other funds.

PERMANENT FUNDS

Permanent funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the purposes that support the City’s programs.

Cemetery Endowment Fund – This fund is used to account for all funds collected by the City for cemetery space sales to be held in trust for the perpetual care of the facilities.

CITY OF ALAMOSA, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2016

	<u>Special Revenue Funds</u>		<u>Permanent Fund</u>	
	<u>CONSERVATION</u>		<u>CEMETERY</u>	<u>TOTAL</u>
	<u>TRUST</u>	<u>DEBT SERVICE</u>	<u>ENDOWMENT</u>	<u>NONMAJOR</u>
	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>	<u>GOVERNMENTAL</u>
ASSETS				
Cash and Investments	\$ 128,412	\$ 3,316	\$ 159,239	\$ 290,967
Restricted Cash and Investments	-	489,512	-	489,512
TOTAL ASSETS	<u>\$ 128,412</u>	<u>\$ 492,828</u>	<u>\$ 159,239</u>	<u>\$ 780,479</u>
LIABILITIES				
Vouchers Payable	\$ -	\$ -	\$ 50	\$ 50
TOTAL LIABILITIES	<u>-</u>	<u>-</u>	<u>50</u>	<u>50</u>
FUND BALANCE				
Restricted:				
Debt Service	-	492,828	-	492,828
Assigned:				
Culture and Recreation	128,412	-	-	128,412
Health and Welfare	-	-	159,189	159,189
TOTAL FUND BALANCE	<u>128,412</u>	<u>492,828</u>	<u>159,189</u>	<u>780,429</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 128,412</u>	<u>\$ 492,828</u>	<u>\$ 159,239</u>	<u>\$ 780,479</u>

CITY OF ALAMOSA, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended December 31, 2016

	<u>Special Revenue Fund</u>		<u>Permanent Fund</u>	TOTAL
	<u>CONSERVATION</u>		<u>CEMETERY</u>	
	<u>TRUST</u>	<u>DEBT SERVICE</u>	<u>ENDOWMENT</u>	<u>NONMAJOR</u>
	<u>FUND</u>	<u>FUND</u>	<u>FUND</u>	<u>GOVERNMENTAL</u>
REVENUES				
Intergovernmental Revenue	\$ 101,628	\$ -	\$ -	\$ 101,628
Charges for Services	-	-	19,750	19,750
Miscellaneous Revenue	-	-	9,270	9,270
Net Investment Income/(Loss)	-	-	-	-
TOTAL REVENUE	101,628	-	29,020	130,648
EXPENDITURES				
Current Expenditures				
Health and Welfare	-	-	15,749	15,749
Culture and Recreation	8,411	-	-	8,411
Debt Service	53,470	484,804	-	538,274
TOTAL EXPENDITURES	61,881	484,804	15,749	562,434
Excess (deficiency) of revenues over expenditures	39,747	(484,804)	13,271	(431,786)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	484,000	-	484,000
TOTAL OTHER FINANCING SOURCES (USES)	-	484,000	-	484,000
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	39,747	(804)	13,271	52,214
Fund Balance - Beginning of Year	88,665	493,632	145,918	728,215
Fund Balance - End of Year	\$ 128,412	\$ 492,828	\$ 159,189	\$ 780,429

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental Revenue				
State Lottery	\$ 86,500	\$ 86,500	\$ 101,628	\$ 15,128
Investment Income				
Interest on Investments	400	400	-	(400)
TOTAL REVENUES	86,900	86,900	101,628	14,728
EXPENDITURES				
Culture and Recreation				
Fairground Improvements	8,000	8,000	8,411	(411)
Capital Outlay	7,535	7,535	-	7,535
Debt Service	53,470	53,470	53,470	-
TOTAL EXPENDITURES	69,005	69,005	61,881	7,124
Excess (deficiency) of revenues over expenditures	17,895	17,895	39,747	21,852
Fund Balance, Beginning of Year	76,533	76,533	88,665	12,132
Fund Balance, End of Year	\$ 94,428	\$ 94,428	\$ 128,412	\$ 33,984

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
CEMETERY ENDOWMENT FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
REVENUES				
Charges for Services				
Cemetery Space Sales	\$ 21,000	\$ 21,000	\$ 19,750	\$ (1,250)
Miscellaneous Revenue	-	8,970	9,270	300
Interest on Investments	500	500	-	(500)
TOTAL REVENUES	<u>21,500</u>	<u>30,470</u>	<u>29,020</u>	<u>(1,450)</u>
EXPENDITURES				
Health and Welfare				
Cemetery Improvements	17,100	17,100	15,749	1,351
TOTAL EXPENDITURES	<u>17,100</u>	<u>17,100</u>	<u>15,749</u>	<u>1,351</u>
Excess (deficiency) of revenues over expenditures	4,400	13,370	13,271	(99)
Fund Balance - Beginning of Year	<u>130,250</u>	<u>130,250</u>	<u>145,918</u>	<u>15,668</u>
Fund Balance - End of Year	<u>\$ 134,650</u>	<u>\$ 143,620</u>	<u>\$ 159,189</u>	<u>\$ 15,569</u>

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
DEBT SERVICE FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
TOTAL REVENUES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
EXPENDITURES				
Bond Principal	270,000	270,000	270,000	-
Bond Interest Paid	213,275	213,275	213,275	-
Administrative Services	-	-	1,529	(1,529)
TOTAL EXPENDITURES	<u>483,275</u>	<u>483,275</u>	<u>484,804</u>	<u>(1,529)</u>
Excess (deficiency) of revenues over expenditures	<u>(483,275)</u>	<u>(483,275)</u>	<u>(484,804)</u>	<u>(1,529)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>484,000</u>	<u>484,000</u>	<u>484,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>484,000</u>	<u>484,000</u>	<u>484,000</u>	<u>-</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	725	725	(804)	(1,529)
Fund Balance - Beginning of Year	<u>493,638</u>	<u>493,638</u>	<u>493,632</u>	<u>(6)</u>
Fund Balance - End of Year	<u><u>\$ 494,363</u></u>	<u><u>\$ 494,363</u></u>	<u><u>\$ 492,828</u></u>	<u><u>\$ (1,535)</u></u>

CITY OF ALAMOSA, COLORADO
OTHER SCHEDULES AND REPORTS

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP)
ENTERPRISE FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS			VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	FINAL BUDGET POSITIVE (NEGATIVE)
OPERATING REVENUES				
Intergovernmental Revenue	\$ -	\$ -	\$ 5,000	\$ 5,000
Charges for Services				
Water	1,435,090	1,435,090	1,445,654	10,564
Sewer	1,012,310	1,012,310	980,749	(31,561)
Sanitation	960,000	960,000	982,484	22,484
Recycling	15,000	15,000	11,860	(3,140)
Total Charges for Services	<u>3,407,400</u>	<u>3,407,400</u>	<u>3,420,747</u>	<u>13,347</u>
Miscellaneous Revenue				
Water	-	-	14,013	14,013
Sanitation	5,000	5,000	619	(4,381)
Total Miscellaneous Revenue	<u>5,000</u>	<u>5,000</u>	<u>14,632</u>	<u>9,632</u>
Total Operating Revenue	<u>3,412,400</u>	<u>3,412,400</u>	<u>3,440,379</u>	<u>22,979</u>
OPERATING EXPENSES				
Personnel Services				
Water	287,300	287,300	291,363	(4,063)
Sewer	233,350	233,350	256,805	(23,455)
Sanitation	513,410	513,410	507,957	5,453
Lagoon	49,890	49,890	48,816	1,074
Water Treatment	82,040	82,040	88,097	(6,057)
Total Personnel Services	<u>1,165,990</u>	<u>1,165,990</u>	<u>1,193,038</u>	<u>(27,048)</u>
Supplies and Materials				
Water	67,000	67,000	51,773	15,227
Sewer	24,600	24,600	7,859	16,741
Sanitation	2,900	2,900	3,664	(764)
Lagoon	4,750	4,750	4,634	116
Water Treatment	207,000	207,000	142,348	64,652
Total Supplies and Materials	<u>306,250</u>	<u>306,250</u>	<u>210,278</u>	<u>95,972</u>
Utilities and Telephone				
Water	135,000	135,000	102,475	32,525
Sewer	35,000	35,000	27,719	7,281
Sanitation	5,000	5,000	3,763	1,237
Lagoon	135,000	135,000	119,875	15,125
Water Treatment	100,000	100,000	74,514	25,486
Total Utilities and Telephone	<u>410,000</u>	<u>410,000</u>	<u>328,346</u>	<u>81,654</u>
Gas and Oil				
Water	14,500	14,500	6,566	7,934
Sewer	7,500	7,500	4,575	2,925
Sanitation	72,000	72,000	32,544	39,456
Lagoon	450	450	430	20
Water Treatment	1,700	1,700	2,279	(579)

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP)
ENTERPRISE FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE (NEGATIVE)
Total Gas and Oil	96,150	96,150	46,394	49,756
Repairs and Maintenance				
Water	343,500	493,500	190,498	303,002
Sewer	83,700	83,700	21,062	62,638
Sanitation	62,000	62,000	46,648	15,352
Lagoon	118,200	118,200	113,400	4,800
Water Treatment	171,500	171,500	59,102	112,398
Total Repairs and Maintenance	778,900	928,900	430,710	498,190
Landfill Fees	110,000	110,000	105,674	4,326
Professional Fees				
Water	500	500	724	(224)
Lagoon	62,000	62,000	51,351	10,649
Water Treatment	8,000	8,000	3,055	4,945
Total Professional Fees	70,500	70,500	55,130	15,370
Capital Outlay				
Water	-	-	193,544	(193,544)
Sanitation	178,900	228,900	50,000	178,900
Storm Drainage	223,000	223,000	61,126	161,874
Water Treatment	120,000	120,000	335	119,665
Total Capital Outlay	521,900	571,900	305,005	266,895
Other				
Water	36,025	36,025	99,604	(63,579)
Sewer	3,100	3,100	1,852	1,248
Sanitation	53,250	53,250	3,140	50,110
Lagoon	16,275	16,275	12,907	3,368
Water Treatment	5,275	5,275	2,926	2,349
Recycling	10,000	10,000	11,016	(1,016)
Total Other	113,925	113,925	131,445	(17,520)
Total Operating Expenses	3,573,615	3,773,615	2,806,020	967,595
Operating income (loss)	(161,215)	(361,215)	634,359	995,574

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL (NON-GAAP)
ENTERPRISE FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	
NONOPERATING REVENUES (EXPENSES)				
Sales Tax Revenue	1,185,450	1,185,450	1,261,993	76,543
Bond Interest Expense	(179,210)	(179,210)	(179,210)	-
Bond Administrative Fees	(94,920)	(94,920)	(94,920)	-
Bond Principal	(540,580)	(540,580)	(540,574)	6
Total Nonoperating Revenues (Expense)	<u>370,740</u>	<u>370,740</u>	<u>447,289</u>	<u>76,549</u>
Income Before Contributions and Transfers	<u>209,525</u>	<u>9,525</u>	<u>1,081,648</u>	<u>1,072,123</u>
Capital Contributions				
Water	42,000	42,000	58,369	16,369
Sewer	20,000	20,000	14,500	(5,500)
Total Capital Contributions	<u>62,000</u>	<u>62,000</u>	<u>72,869</u>	<u>10,869</u>
TRANSFERS				
Transfers Out				
Water	(91,500)	(91,500)	(91,500)	-
Water Treatment	(24,300)	(24,300)	(24,300)	-
Sewer	(91,300)	(91,300)	(91,300)	-
Sanitation	(197,250)	(197,250)	(197,250)	-
Lagoon	(45,000)	(45,000)	(45,000)	-
Total Transfers	<u>(449,350)</u>	<u>(449,350)</u>	<u>(449,350)</u>	<u>-</u>
Net Income - Budget Basis	(177,825)	(377,825)	705,167	<u>\$ 1,082,992</u>
Capital Outlay			243,544	
Bond Principal			540,574	
Less: Loss on Disposal			(33,106)	
Less: Depreciation			<u>(1,360,495)</u>	
Change in Net Position - GAAP Basis			<u>95,684</u>	
Net Position - beginning of year	<u>4,111,441</u>	<u>4,111,441</u>	<u>24,720,803</u>	
Net Position - end of year	<u>\$ 3,933,616</u>	<u>\$ 3,733,616</u>	<u>\$ 24,816,487</u>	

CITY OF ALAMOSA, COLORADO
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION - BUDGET AND ACTUAL
EMPLOYEE BENEFIT FUND
For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
OPERATING REVENUES				
Insurance Deposits	\$ 989,320	\$ 989,320	\$ 1,045,432	\$ 56,112
Total Operating Revenues	<u>989,320</u>	<u>989,320</u>	<u>1,045,432</u>	<u>56,112</u>
OPERATING EXPENSES				
Insurance Premiums	235,200	235,200	204,450	30,750
Claims	720,000	1,270,000	1,086,763	183,237
Insurance Administration	34,500	34,500	28,896	5,604
Total Operating Expenses	<u>989,700</u>	<u>1,539,700</u>	<u>1,320,109</u>	<u>219,591</u>
Change in Net Position	<u>(380)</u>	<u>(550,380)</u>	<u>(274,677)</u>	<u>275,703</u>
Net Position - Beginning of Year	<u>1,095,128</u>	<u>1,095,128</u>	<u>1,385,580</u>	<u>290,452</u>
Net Position - End of Year	<u>\$ 1,094,748</u>	<u>\$ 544,748</u>	<u>\$ 1,110,903</u>	<u>\$ 566,155</u>

CITY OF ALAMOSA, COLORADO
COMBINING BALANCE SHEET SCHEDULE
GENERAL FUND
December 31, 2016

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL
ASSETS			
Cash and Investments	\$ 3,712,528	\$ 1,822,966	\$ 5,535,494
Receivables (Net)			
Accounts Receivable	61,060	-	61,060
Property Taxes	511,385	-	511,385
Due from Other Governments	906,430	-	906,430
TOTAL ASSETS	\$ 5,191,403	\$ 1,822,966	\$ 7,014,369
LIABILITIES			
Vouchers Payable	\$ 151,277	\$ -	\$ 151,277
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue - Property Taxes	511,385	-	511,385
FUND BALANCE			
Restricted			
TABOR Amendment Reserve	291,746	-	291,746
Assigned			
General Fund	281,755	-	281,755
Capital Improvements	-	1,822,966	1,822,966
Unassigned	3,955,240	-	3,955,240
TOTAL FUND BALANCE	4,528,741	1,822,966	6,351,707
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	\$ 5,191,403	\$ 1,822,966	\$ 7,014,369

CITY OF ALAMOSA, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE
GENERAL FUND
For the Year Ended December 31, 2016

	CAPITAL			TOTAL
	GENERAL FUND	IMPROVEMENT FUND	ELIMINATIONS	
REVENUES				
Taxes	\$ 6,938,906	\$ -	\$ -	\$ 6,938,906
Licenses and Permits	78,849	-	-	78,849
Intergovernmental Revenue	395,106	-	-	395,106
Charges for Services	93,251	-	-	93,251
Fines and Forfeits	215,120	-	-	215,120
Net Investment Income/(Loss)	61,040	-	-	61,040
Miscellaneous Revenue	381,293	-	-	381,293
TOTAL REVENUES	8,163,565	-	-	8,163,565
EXPENDITURES				
Current Expenditures				
General Government	2,223,103	-	-	2,223,103
Public Safety	2,672,561	-	-	2,672,561
Highways and Streets	2,188,008	-	-	2,188,008
Health and Welfare	77,766	-	-	77,766
Culture and Recreation	421,443	-	-	421,443
Capital Outlay	203,536	-	-	203,536
Debt Service	55,366	-	-	55,366
TOTAL EXPENDITURES	7,841,783	-	-	7,841,783
Excess (deficiency) of revenues over expenditures	321,782	-	-	321,782
OTHER FINANCING SOURCES (USES)				
Sale of Fixed Assets	15,841	-	-	15,841
Transfers In	604,720	-	-	604,720
Transfers Out	(419,130)	-	-	(419,130)
TOTAL OTHER FINANCING SOURCES (USES)	201,431	-	-	201,431
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	523,213	-	-	523,213
Fund Balance - Beginning of Year	4,005,528	1,822,966	-	5,828,494
Fund Balance - End of Year	\$ 4,528,741	\$ 1,822,966	\$ -	\$ 6,351,707

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Alamosa
	YEAR ENDING : December 2016

This Information From The Records Of: City of Alamosa	Prepared By: Phone:
---	------------------------

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	653,726
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	544,715
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	20,290
2. General fund appropriations	1,716,719	b. Snow and ice removal	21,823
3. Other local imposts (from page 2)	62,701	c. Other	182,928
4. Miscellaneous local receipts (from page 2)	0	d. Total (a. through c.)	225,041
5. Transfers from toll facilities		4. General administration & miscellaneous	60,395
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	590,542
a. Bonds - Original Issues		6. Total (1 through 5)	2,074,419
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,779,420	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	294,999	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	2,074,419	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	2,074,419

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		2,074,419	2,074,419		0

Notes and Comments:

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		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	62,701	g. Other Misc. Receipts	
6. Total (1. through 5.)	62,701	h. Other	
c. Total (a. + b.)	62,701	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	265,716	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	29,283	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	29,283	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	294,999	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
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		653,726	653,726
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	653,726	653,726
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	653,726	653,726
			(Carry forward to page 1)

Notes and Comments: