TOWN OF MANASSA

FINANCIAL STATEMENTS

December 31, 2017

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Wall,
Smith,
Bateman Inc.
Certified Public Accountants

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INDEPENDENT AUDITORS' REPORT

Wall,
Smith,
Bateman Inc.

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Manassa (the Town), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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.

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, and each major fund of the Town of Manassa, as of December 31, 2017, 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.

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

Other Matters

Required Supplementary Information

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

Accounting principles generally accepted in the United States of America require that the budgetary comparison information and pension information on pages 27 through 30 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The proprietary fund budgetary comparison information and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The proprietary fund budgetary comparison information and 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, the proprietary fund budgetary comparison information and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Wall, Smith, Bateman Inc.

Wall, Smith, Bateman Inc.
Alamosa, Colorado

September 25, 2018

TOWN OF MANASSA

BASIC FINANCIAL STATEMENTS

TOWN OF MANASSA
STATEMENT OF NET POSITION
December 31, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
ASSETS			
Current Assets			
Cash and Cash Equivalents	$ 267,026	$ 325,954	$ 592,980
Restricted Cash	-	101,924	101,924
Property Taxes Receivable	52,460	-	52,460
Accounts Receivable (Net)	(3,866)	9,414	5,548
Due from Other Governments	6,834	-	6,834
Due from Franchises	4,151	-	4,151
Total Current Assets	326,605	437,292	763,897
Noncurrent Assets			
Construction in Progress	-	120,791	120,791
Land	26,703	-	26,703
Land Improvements	50,689	-	50,689
Buildings and Improvements	129,132	43,279	172,411
Water and Sewer System	-	4,426,395	4,426,395
Vehicles, Machinery, and Equipment	162,468	145,282	307,750
Less: Accumulated Depreciation	(195,378)	(2,601,485)	(2,796,863)
Total Noncurrent Assets	173,614	2,134,262	2,284,289
TOTAL ASSETS	500,219	2,571,554	3,041,759
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	13,621	-	13,621
LIABILITIES			
Current Liabilities			
Accounts Payable	980	(1,007)	(27)
Payroll Taxes Payable	(2,247)	3,077	830
Unearned Revenues	-	2,366	2,366
Bonds and Notes Payable	-	32,830	32,830
Total Current Liabilities	(1,267)	37,266	35,999
Noncurrent Liabilities			
Bonds and Notes Payable	-	845,475	845,475
Net Pension Liability	2,456	-	2,456
Total Nonurrent Liabilities	2,456	845,475	847,931
TOTAL LIABILITIES	1,189	882,741	883,930
DEFERRED INFLOWS OF RESOURCES			
Pensions	4,685	-	4,685
Deferred Revenue- Property Taxes	52,460	-	52,460
TOTAL DEFERRED INFLOWS OF RESOURCES	57,145	-	57,145
NET POSITION			
Net Investment in Capital Assets	173,614	1,255,957	1,429,571
Restricted for TABOR Reserve	6,000	-	6,000
Restricted for Highways and Streets	15,656	-	15,656
Unrestricted	260,236	432,856	693,092
TOTAL NET POSITION	$ 455,506	$ 1,688,813	$ 2,144,319

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

TOWN OF MANASSA
STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position — Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants & Contributions**	**Capital Grants & Contributions**	**Governmental Activities**	**Business-Type Activities**	**TOTAL**
Primary Government:							
Governmental Activities:							
General Government	$ 83,045	$ 1,785	$ -	$ -	$ (81,260)	$ -	$ (81,260)
Public Safety	92,331	16,942	-	-	(75,389)	-	(75,389)
Highways and Streets	25,802	-	63,392	-	37,590	-	37,590
Culture and Recreation	27,063	5,067	14,006	-	(7,990)	-	(7,990)
Total Governmental Activities	228,241	23,794	77,398	-	(127,049)	-	(127,049)
Business-Type Activities:							
Water	126,524	119,555	-	-	-	(6,969)	(6,969)
Sewer	196,846	149,877	-	14,015	-	(32,954)	(32,954)
Total Business-Type Activities	323,370	269,432	-	14,015	-	(39,923)	(39,923)
Total Primary Government	551,611	293,226	77,398	14,015	(127,049)	(39,923)	(166,972)
General Revenues:							
Taxes:							
General Property Taxes					54,709	-	54,709
Payment in Lieu of Taxes					2,093	-	2,093
Sales Taxes					20,073	-	20,073
Franchise Taxes					18,729	-	18,729
Specific Ownership Taxes					10,494	-	10,494
Interest on Accounts					854	933	1,787
Miscellaneous					31,112	-	31,112
Total General Revenues					138,064	933	138,997
Change in Net Position					11,015	(38,990)	(27,975)
Net Position - Beginning of Year					444,491	1,727,803	2,172,294
Net Position - End of Year					$ 455,506	$ 1,688,813	$ 2,144,319

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

TOWN OF MANASSA
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2017

	GENERAL FUND	CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS			
Cash and Cash Equivalents	$ 230,756	$ 36,270	$ 267,026
Property Taxes Receivable	52,460	-	52,460
Accounts Receivable	(3,866)	-	(3,866)
Due From Funds	4,816	-	4,816
Due From Other Governments	6,834	-	6,834
Due From Franchises	4,151	-	4,151
TOTAL ASSETS	$ 295,151	$ 36,270	$ 331,421
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE			
LIABILITIES			
Accounts Payable	$ 712	$ 268	$ 980
Due to Other Funds	-	4,816	4,816
Payroll Taxes Payable	(2,247)	-	(2,247)
TOTAL LIABILITIES	(1,535)	5,084	3,549
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue- Property Taxes	52,460	-	52,460
FUND BALANCE			
Restricted:			
TABOR Reserve	6,000	-	6,000
Highways and Streets	15,656	-	15,656
Committed:			
Culture and Recreation	-	31,186	31,186
Unassigned	222,570	-	222,570
TOTAL FUND BALANCE	244,226	31,186	275,412
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE	$ 295,151	$ 36,270	$ 331,421

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

TOWN OF MANASSA
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO THE STATEMENT OF NET POSITION
December 31, 2017

Total governmental fund balances	$	275,412
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		173,614
Deferred results and contributions to pension plans made after the measurement date are not recorded as expenditures in the governmental funds but must be deferred in the statement of net position.		13,621
Net pension assets (liabilities) are not due and payable in the current period and are not reported in the funds.		(2,456)
Certain amounts related to the net pension liability are deferred and amortized over time. These are not reported in the funds.		(4,685)
Net position of governmental activities	$	455,506

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

TOWN OF MANASSA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
For the Year Ended December 31, 2017

	GENERAL FUND	CONSERVATION TRUST FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES			
Taxes	$ 106,098	$ -	$ 106,098
Intergovernmental Revenue	63,392	9,444	72,836
Licenses and Permits	1,785	-	1,785
Fines and Forfeits	16,942	-	16,942
Culture and Recreation	7,677	-	7,677
Interest on Accounts	826	28	854
Miscellaneous	33,058	6	33,064
TOTAL REVENUES	229,778	9,478	239,256
EXPENDITURES			
General Government	83,045	-	83,045
Public Safety	89,453	-	89,453
Highways and Streets	20,506	-	20,506
Culture and Recreation	11,180	12,159	23,339
Capital Outlay	32,140	-	32,140
TOTAL EXPENDITURES	236,324	12,159	248,483
Net Change in Fund Balance	(6,546)	(2,681)	(9,227)
Fund Balances at Beginning of Year	250,772	33,867	284,639
Fund Balances at End of Year	$ 244,226	$ 31,186	$ 275,412

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

TOWN OF MANASSA
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, 2017

Net change in fund balances - total governmental funds		$ (9,227)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital asset addition	$ 32,140	
Depreciation expense	(14,187)	
		17,953
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 expense.		2,289
Change in net position of governmental funds		$ 11,015

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

TOWN OF MANASSA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
December 31, 2017

	WATER FUND	SEWER FUND	TOTAL
ASSETS			
Current Assets			
Cash and Cash Equivalents	$ 118,125	$ 207,829	$ 325,954
Restricted Cash	22,917	79,007	101,924
Accounts Receivable	3,966	5,448	9,414
Total Current Assets	145,008	292,284	437,292
Noncurrent Assets			
Construction in Progress	-	120,791	120,791
Buildings and Improvements	21,639	21,640	43,279
Water System	1,247,867	-	1,247,867
Sewer System	-	3,178,528	3,178,528
Machinery and Equipment	82,545	62,737	145,282
Less: Accumulated Depreciation	(761,987)	(1,839,498)	(2,601,485)
Total Noncurrent Assets	590,064	1,544,198	2,134,262
TOTAL ASSETS	735,072	1,836,482	2,571,554
LIABILITIES			
Current Liabilities			
Accounts Payable	(1,007)	-	(1,007)
Unearned Revenues	1,323	1,043	2,366
Payroll Taxes Payable	962	2,115	3,077
Bonds and Notes Payable	16,430	16,400	32,830
Total Current Liabilities	17,708	19,558	38,273
Noncurrent Liabilities			
Bonds and Notes Payable	369,675	475,800	845,475
TOTAL LIABILITIES	387,383	495,358	882,741
NET POSITION			
Net Investment in Capital Assets	203,959	1,051,998	1,255,957
Unrestricted	143,730	289,126	432,856
TOTAL NET POSITION	$ 347,689	$ 1,341,124	$ 1,688,813

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

TOWN OF MANASSA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Year Ended December 31, 2017

	WATER FUND	SEWER FUND	TOTAL
OPERATING REVENUES			
Charges for Services	$ 119,555	$ 149,877	$ 269,432
Total Operating Revenues	119,555	149,877	269,432
OPERATING EXPENSES			
Salaries	24,898	39,836	64,734
Employee Benefits	5,406	5,407	10,813
Purchased Services	9,199	13,851	23,050
Insurance- General	7,659	7,692	15,351
Utilities	24,123	13,419	37,542
Fuel	2,543	1,786	4,329
Supplies	6,106	4,554	10,660
Engineering	-	788	788
Repairs and Maintenance	12,378	9,523	21,901
Miscellaneous	3,146	3,003	6,149
Depreciation	31,066	74,309	105,375
Total Operating Expenses	126,524	174,168	300,692
Operating Income (Loss)	(6,969)	(24,291)	(31,260)
NONOPERATING REVENUES (EXPENSES)			
Grant Revenue	-	14,015	14,015
Interest on Accounts	283	650	933
Interest Expense	-	(22,678)	(22,678)
Total Nonoperating Revenues (Expenses)	283	(8,013)	(7,730)
Net Income (Loss)	(6,686)	(32,304)	(38,990)
Net Position, Beginning of Year	354,375	1,373,428	1,727,803
Net Position, End of Year	$ 347,689	$ 1,341,124	$ 1,688,813

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

TOWN OF MANASSA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2017

	WATER FUND	SEWER FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash Received from Customers	$ 119,006	$ 146,848	$ 265,854
Cash Payments to Suppliers for Goods and Services	(66,161)	(54,639)	(120,800)
Cash Payments to Employees for Services	(24,898)	(39,836)	(64,734)
Cash Payments for Employee Benefits and Taxes	(5,406)	(8,836)	(14,242)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	22,541	43,537	66,078
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Grant Revenue	-	14,015	14,015
Interest Paid on Notes and Bonds	-	(22,678)	(22,678)
Principal Paid on Notes and Bonds	(16,430)	(15,600)	(32,030)
NET CASH PROVIDED (USED) FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(16,430)	(24,263)	(40,693)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on Investments	283	650	933
NET CASH PROVIDED (USED) FROM INVESTING ACTIVITIES	283	650	933
Net Increase (Decrease) in Cash and Cash Equivalents	6,394	19,924	26,318
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	134,648	266,912	401,560
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 141,042	$ 286,836	$ 427,878
Operating Income (Loss)	$ (6,969)	$ (24,291)	$ (31,260)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	31,066	74,309	105,375
Change in Assets and Liabilities			
Decrease (Increase) in:			
Accounts Receivable	(549)	(3,027)	(3,576)
Increase (Decrease) in:			
Accounts Payable	(1,007)	(3,429)	(4,436)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ 22,541	$ 43,562	$ 66,103

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the Town of Manassa (the Town) 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 Town was incorporated in 1889, and became a statutory town under State Statute (CRS 31-1-101). The Town operates under Mayor-Council form of government and provides the following services as authorized by its charter: public safety (police), highways and streets, culture and recreation, planning and zoning, water and sewer systems, and general administrative services.

Component Units

The Town's combined financial statements include the accounts of all Town operations. The criteria for including organizations as component units within the Town'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 Town holds the corporate powers of the organization
- The Town appoints a voting majority of the organization's board
- The Town is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the Town
- There is fiscal dependency by the organization on the Town
- The organization is financially accountable to the Town
- The organization receives or holds funds that are for the benefit of the Town: and the Town has access to a majority of the funds held; and the funds that are accessible are also significant to the Town

Based on the aforementioned criteria, the Town of Manassa has no component units.

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 Town. 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 within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from services, or privileges provided by a given function or segment and

- 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 and proprietary funds. The emphasis of fund financial statements is on major governmental funds and enterprise funds, each reported as a separate column.

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 Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

- The General Fund is the general operating fund of the Town. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Conservation Trust Fund is used to account for the Town'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.

Proprietary fund financial statements are used to account for activities similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. Expenses include the cost of sales and services, administrative expenses and depreciation on capital assets.

The proprietary funds are accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
- Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

The Town reports the following major proprietary funds:

- The Water Fund accounts for the user fees and expenses for operating, financing, and maintaining the Town's water system.
- The Sewer Fund accounts for the user fees and expenses for operating, financing, and maintaining the Town's sewer system.

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. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

Cash

The Town's cash and cash equivalents are considered to be cash in bank, certificates of deposit and liquid investments with maturity of three months or less.

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 Town's property taxes are collected by the County Treasurer who remits monthly receipts to the Town. Property tax revenue is recognized when received by the County Treasurer. The 2017 property tax levy due January 1, 2018, has been recorded in the financial statements as a receivable and corresponding deferred inflow of resources.

Receivables/Payables From Other Town Funds

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds".

Inventories

Inventories held by all funds have been recorded as expenditures at the time of purchase.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purpose of the statement of activities, all interfund transfers between individual governmental funds have been eliminated.

Capital Assets

Capital assets, which include construction in progress, land, land improvements, buildings and improvements, vehicles, machinery and equipment, and water and sewer system, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town 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:

Assets	Years
Land Improvements	10-50
Buildings and Improvements	10-50
Vehicles, Machinery, and Equipment	5-25
Water and Sewer System	10-45

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 an consumption of net position/fund balance that applies to a 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 governmental funds balance sheet reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

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.

Compensated Absences

The Town does not accrue sick and personal days for employees. The Town does accrue vacation days for employees; however, the liability is deemed to be immaterial and is not recorded in the financial statements.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Fire & Police Statewide Defined Benefit Plan and additions to/deductions from Fire & Police Statewide Defined Benefit Plan's fiduciary net position have been determined on the same basis as they are reported by the Fire & Police Pension Association of Colorado. 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.

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 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 Town 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 expenditures.
- *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 resolution by the Board of Trustees, the highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the Board removes 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 the Board of Trustees 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.

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

Encumbrances

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

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.

Reclassifications

Certain amounts in 2016 have been reclassified to conform to the 2017 financial statement presentation.

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

1) Preparation of budget documents by administrative staff shall be submitted to the Board no later than October 15 of each year.
2) Publication of a notice stating that the budget is available for public inspection.
3) Discussion of the budget in a meeting open to the public.
4) Adoption of the budget in a public meeting by appropriate resolution no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the Town. Governmental fund budgets are adopted on a basis consistent with accounting principles generally accepted in the United States (GAAP). Proprietary funds present a reconciliation to the GAAP-basis. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget, if applicable.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Town did not adopt supplemental appropriations during fiscal year 2017.

Stewardship

During FY 2017 expenditures exceeded appropriations in the funds listed below. This may be a violation of Colorado Revised Statutes 22-44-115(1).

Conservation Trust Fund	$	3,209
Water Fund	$	9,303
Sewer Fund	$	5,499

NOTE 3 CASH AND DEPOSITS

A summary of cash and deposits for the Town are as follows:

Cash on Hand and in Banks	$	694,904
Total cash and deposits on the Statement of Net Position	$	694,904

Cash and Deposits

Colorado State Statutes govern the Town'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 equal to the aggregate uninsured deposits. All deposits were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989 during 2017.

Custodial Credit Risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. At December 31, 2017, the Town was not exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

NOTE 4 PROPERTY TAXES RECEIVABLE

At December 31, 2017, the Town had an estimated property tax receivable of $52,460.

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The Town reports interfund balances between its funds. The balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Interfund receivable and payable balances at December 31, 2017, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Conservation Trust Fund	$ 4,816

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017, was as follows:

	Balance 12/31/2016	Additions	Deletions	Balance 12/31/2017
Governmental Activities:				
Capital assets not being depreciated				
Land	$ 26,703	$ -	$ -	$ 26,703
Total capital assets not being depreciated	26,703	-	-	26,703
Capital assets being depreciated				
Land Improvements	50,689	-	-	50,689
Buildings and Improvements	103,992	25,140	-	129,132
Vehicles and Equipment	155,468	7,000	-	162,468
Total capital assets being depreciated	310,149	32,140	-	342,289
Less accumulated depreciation for:				
Land Improvements	33,115	2,202	-	35,317
Buildings and Improvements	61,595	2,754	-	64,349
Vehicles and Equipment	86,481	9,231	-	95,712
Total accumulated depreciation	181,191	14,187	-	195,378
Total capital assets being depreciated	128,958	17,953	-	146,911
Governmental Activities Capital Assets, net	$ 155,661	$ 17,953	$ -	$ 173,614

	Balance 12/31/2016	Additions	Deletions	Balance 12/31/2017
Business-type Activities:				
Capital Assets not being depreciated				
Construction in Progress	$ 120,791	$ -	$ -	$ 120,791
Total capital assets not being depreciated	120,791	-	-	120,791
Capital Assets being depreciated				
Buildings and Improvements	43,279	-	-	43,279
Water System	1,247,867	-	-	1,247,867
Sewer System	3,178,503	-	-	3,178,503
Machinery and Equipment	145,282	-	-	145,282
Less: Accumulated Depreciation	(2,496,110)	(105,375)	-	(2,601,485)
Total capital assets being depreciated	2,118,821	(105,375)	-	2,013,446
Business-type Activities Capital Assets, net	$ 2,239,612	$ (105,375)	$ -	$ 2,134,237

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

Governmental activities:	
Highways and Streets	$ 5,296
Public Safety	5,167
Culture and Recreation	3,724
Total depreciation expense – governmental activities	$ 14,187
Business-type activities:	
Water	31,066
Sewer	74,309
Total depreciation expense – business-type activities	$ 105,375

NOTE 7 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2017 was as follows:

	Balance 12/31/2016	Additions	Deletions	Balance 12/31/2017	Due Within One Year
Business-type Activities:					
Water Fund- CWRPDA Loan 0%	$ 402,535	$ -	$ 16,430	$ 386,105	$ 16,430
Sewer Fund- FmHA Bonds 4.5%	507,800	-	15,600	492,200	16,400
Total	$ 910,335	$ -	$ 32,030	$ 878,305	$ 32,830

Colorado Water Resources and Power Development Authority (CWRPDA) loan

The Town drew a loan of $492,900 in 2011. The annual payment requirements are based on the entire loan balance and are as follows:

	Principal	Interest	Total
2018	$ 16,430	$ -	$ 16,430
2019	16,430	-	16,430
2020	16,430	-	16,430
2021	16,430	-	16,430
2022	16,430	-	16,430
2023-2027	82,150	-	82,150
2028-2032	82,150	-	82,150
2033-2037	82,150	-	82,150
2038-2041	57,505	-	57,505
Total	$ 386,105	$ -	$ 386,105

Revenue Bonds Payable

1996 sewer revenue bonds are payable to Farmer's Home Administration. The annual requirements to amortize bonds outstanding as of December 31, 2017 including interest are as follows:

	Principal	Interest	Total
2018	$ 16,400	$ 21,967	$ 38,367
2019	17,000	21,222	38,222
2020	17,800	20,448	38,248
2021	18,600	19,638	38,238
2022	19,500	18,792	38,292
2023-2027	111,600	79,810	191,410
2028-2032	139,700	51,973	191,673
2033-2036	151,600	16,916	168,516
Total	$ 492,200	$ 250,766	$ 742,966

NOTE 8 POLICE PENSION

General Information about the Fire and Police Statewide Defined Benefit Plan

Plan description. The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple-employer defined benefit pension plan. The Plan is administered by the Fire & Police Pension Association of Colorado (FPPA). FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.FPPAco.org.

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

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

A member is eligible for an early retirement at age 50 or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2 percent of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter.

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

Members of the SWDB plan and their employers are contributing at the rate of 9 percent and 8 percent, respectively, of base salary for a total contribution rate of 17 percent in 2016. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions to the Plan from the Town were $3,120 for the year ended December 31, 2017.

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

At December 31, 2017, the Town reported a liability of $2,456 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2017. The Town's proportion of the net pension liability was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined as of December 31, 2016, based upon the January 1, 2016 actuarial valuation. At December 31, 2016, the Town's proportion was 0.006 percent, which was an increase of 0.0008 from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Town recognized pension income of $2,289. At December 31, 2017, the Town 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
Difference between expected and actual experience	$ 2,193	$ 125
Net difference between projected and actual earnings on pension plan investments	6,630	-
Changes in assumptions or other inputs	1,678	-
Changes in proportionate share	-	4,560
Contributions subsequent to the measurement date	3,120	-
Total	$ 13,621	$ 4,685

$3,120 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 (asset) in the year ended December 31, 2018.

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

Year Ended December 31,	
2018	$ 1,937
2019	1,937
2020	1,785
2021	374
2022	(149)
Thereafter	(67)
	$ 5,817

Actuarial assumptions. The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2016. The valuations used the following actuarial assumption and other inputs:

Actuarial Valuation Date	January 1, 2016
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 years
Long-term Investment Rate of Return*	7.50%
Projected Salary Increases*	4.0% - 14.0%
Cost of Living Adjustments (COLA)	0.00%
*Includes Inflation at	2.50%

As of January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment, projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except there is a three year set-forward, meaning a disabled member age 70 will be valued as if they were a 73 year old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3 percent mortality probability to males and 2 percent mortality probability for females, is included to reflect substantial impairment for this population. The pre-retirement non-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2016 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	36.00%	9.25%
Equity Long/Short	10.00%	7.35%
Illiquid Alternatives	23.00%	10.75%
Fixed Income	15.00%	4.10%
Absolute Return	10.00%	6.55%
Managed Futures	4.00%	5.50%
Cash	2.00%	2.00%
Total	100.00%	

*While the expected inflation exceeds the expected rate of return for cash, a 0.0 percent real rate or return is utilized.

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

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

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

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

1.00% Decrease (6.50%)	Current Discount Rate (7.50%)	1.00% Increase (8.50%)
$ 20,898	$ 2,456	$ (12,861)

NOTE 9 RESTRICTED ASSETS

Under the terms of an agreement with USDA's Farm Service Agency (formerly Farmers Home Administration), the Town is required to transfer $3,859 to a reserve account until $38,590 is accumulated for the 1996 sewer bonds. Under the terms of the Colorado Water Resources and Power Development Authority (CWRPDA) loan, the Town is required to have a reserve account of $18,073. The reserve accounts shall be used only for the purpose of paying the cost of repairing or replacing damage caused by unforeseen catastrophe, making extensions or improvements to the system, or making emergency payments on debt service.

At December 31, 2017, there was $79,007 in the sewer reserve account and $22,917 in the water reserve account. During 2017, interest income of $82 and $39 was earned on the sewer and water reserve accounts, respectively.

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 Town believes it is in compliance with the requirements of the amendment.

In November 1998, the voters of the Town approved a ballot issue to allow the Town "to collect, retain or expend all revenues and other funds received from any source, notwithstanding any restriction or limit on fiscal year revenue or spending generated during 1988 and each subsequent year thereafter, without limiting the restrictions of Article X, Section 20 of the Colorado Constitution".

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

NOTE 11 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. 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.

NOTE 12 COMMITMENTS AND CONTINGENCIES

Compliance Advisory – Significant Non-Compliance with Permit CO0042935

The Town is subject to the Colorado Discharge Permit System, Permit No. CO0042935. The Permit authorizes the Town to discharge treated wastewater subject to the specific effluent limitations and other conditions of the Permit. Section 61.8, 5 CCR 1002.61, requires a permittee to comply with all the terms and conditions of the permit. The Colorado Department of Public Health and Environment, Water Quality Control Division has received and evaluated monitoring data provided during 2011. A review of the data submitted indicates violation of the discharge permit conditions. The Town was awarded a grant in 2012 that was used for the development of the Preliminary Engineering Report and Environmental Assessment. During 2014, the Town came to an agreement with the Colorado Department of Public Health and Environment in which the Town agreed to undertake the repairs of the sewer system using their own funds. The project is expected to be completed in 2018. The Town has incurred costs of $120,791 through December 31, 2017.

Litigation

The Town is a party to various legal actions normally associated with governmental activities, the aggregate effect of which, in management's and legal counsel's opinion, would not be material to its financial statements.

TOWN OF MANASSA

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and major governmental fund. In addition, pension plan contributions and the Town's proportionate share of the net pension liability is required to supplement the basic financial statements.

TOWN OF MANASSA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2017

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Taxes	$ 114,878	$ 114,878	$ 106,098	$ (8,780)
Intergovernmental Revenue				
Highway Users Tax	50,700	50,700	63,392	12,692
Licenses and Permits	500	500	1,785	1,285
Fines and Forfeits	45,150	45,150	16,942	(28,208)
Culture and Recreation	2,900	2,900	7,677	4,777
Interest on Accounts	1,600	1,600	826	(774)
Miscellaneous	29,300	29,300	33,058	3,758
TOTAL REVENUES	245,028	245,028	229,778	(15,250)
EXPENDITURES				
General Government	78,450	78,450	83,045	(4,595)
Public Safety	102,760	102,760	89,453	13,307
Highways and Streets	33,395	33,395	20,506	12,889
Culture and Recreation	6,200	6,200	11,180	(4,980)
Capital Outlay	23,000	23,000	32,140	(9,140)
TOTAL EXPENDITURES	243,805	243,805	236,324	7,481
Net Change in Fund Balance	1,223	1,223	(6,546)	(7,769)
Fund Balance at Beginning of Year	240,016	240,016	250,772	10,756
Fund Balance at End of Year	$ 241,239	$ 241,239	$ 244,226	$ 2,987

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

TOWN OF MANASSA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CONSERVATION TRUST FUND
For the Year Ended December 31, 2017

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
REVENUES				
Intergovernmental Revenue				
Lottery Funds	$ 11,500	$ 11,500	$ 9,444	$ (2,056)
Interest on Accounts	30	30	28	(2)
Miscellaneous Revenue	-	-	6	6
TOTAL REVENUES	11,530	11,530	9,478	(2,052)
EXPENDITURES				
Culture and Recreation	8,950	8,950	12,159	(3,209)
TOTAL EXPENDITURES	8,950	8,950	12,159	(3,209)
Net Change in Fund Balance	2,580	2,580	(2,681)	(5,261)
Fund Balance at Beginning of Year	42,000	42,000	33,867	(8,133)
Fund Balance at End of Year	$ 44,580	$ 44,580	$ 31,186	$ (13,394)

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
This schedule is presented on the GAAP basis.

TOWN OF MANASSA
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION ASSET
FPPA SWDB PENSION PLAN
For the Years Ended December 31,

	2017	2016	2015	2014
Town's proportion of the net pension liability (asset)	0.0067973208%	0.0060131303%	0.0066712459%	0.0000000000%
Town's proportionate share of the net pension liability (asset)	$ 2,456	$ (106)	$ (7,529)	$ -
Town's covered-employee payroll	$ 39,000	$ 24,406	$ 29,147	$ 6,923
Town's proportionate share of the net pension liability (asset) as a percentage of its employee payroll	6.30%	-0.43%	-26%	0%
Plan fiduciary net position as a percentage of the total pension liability	98.2%	100.1%	106.8%	105.8%

*The amounts presented were determined as of the calendar year-end.

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

Notes to Required Supplementary Information:

See Note 7 in the accompanying Notes to the Basic Financial Statements for changes to assumptions or other inputs

TOWN OF MANASSA
SCHEDULE OF TOWN CONTRIBUTIONS
FPPA SWDB PENSION PLAN
For the Years Ended December 31,

	2017	2016	2015	2014
Contractually required contribution	$ 3,120	$ 1,952	$ 2,332	$ 554
Contributions in relation to the contractually required contribution	(3,120)	(1,952)	(2,332)	(554)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Town's covered-employee payroll	39,000	24,406	29,147	6,923
Contributions as a percentage of covered-employee payroll	8.00%	8.00%	8.00%	8.00%

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

Notes to Required Supplementary Information:

See Note 7 in the accompanying Notes to the Basic Financial Statements for changes to assumptions or other inputs

TOWN OF MANASSA

SUPPLEMENTARY INFORMATION

TOWN OF MANASSA

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP)

PROPRIETARY FUND TYPE - WATER FUND

For the Year Ended December 31, 2017

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
OPERATING REVENUES				
Charges for Services	$ 107,000	$ 107,000	$ 119,555	$ 12,555
Total Operating Revenues	107,000	107,000	119,555	12,555
OPERATING EXPENSES				
Salaries	37,095	37,095	24,898	12,197
Employee Benefits	4,160	4,160	5,406	(1,246)
Purchased Services	14,200	14,200	9,199	5,001
Insurance - General	4,500	4,500	7,659	(3,159)
Utilities	15,800	15,800	24,123	(8,323)
Fuel	1,700	1,700	2,543	(843)
Supplies	5,100	5,100	6,106	(1,006)
Repairs and Maintenance	1,400	1,400	12,378	(10,978)
Miscellaneous	2,200	2,200	3,146	(946)
Total Operating Expenses	86,155	86,155	95,458	(9,303)
Operating income (loss)	20,845	20,845	24,097	3,252
NONOPERATING REVENUES (EXPENSES)				
Interest on Accounts	600	600	283	(317)
Loan Payments	(16,500)	(16,500)	(16,430)	70
Total Nonoperating Revenues (Expenses)	(15,900)	(15,900)	(16,147)	(247)
Net Income - Budget Basis	4,945	4,945	7,950	3,005
Add: Principal Payments			16,430	
Deduct: Depreciation Expense			(31,066)	
Net Income (Loss)			(6,686)	
Net Position at Beginning of Year	80,099	80,099	354,375	274,276
Net Position at End of Year	$ 85,044	$ 85,044	$ 347,689	$ 262,645

TOWN OF MANASSA
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP)
PROPRIETARY FUND TYPE - SEWER FUND
For the Year Ended December 31, 2017

	BUDGETED AMOUNTS ORIGINAL	BUDGETED AMOUNTS FINAL	ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
OPERATING REVENUES				
Charges for Services	$ 139,600	$ 139,600	$ 149,877	$ 10,277
Total Operating Revenues	139,600	139,600	149,877	10,277
OPERATING EXPENSES				
Salaries	37,095	37,095	39,836	(2,741)
Employee Benefits	4,165	4,165	5,407	(1,242)
Purchased Services	16,700	16,700	13,851	2,849
Insurance- General	4,500	4,500	7,692	(3,192)
Utilities	13,600	13,600	13,419	181
Fuel	1,500	1,500	1,786	(286)
Supplies	5,700	5,700	4,554	1,146
Engineering	7,000	7,000	788	6,212
Repairs and Maintenance	1,900	1,900	9,523	(7,623)
Miscellaneous	2,200	2,200	3,003	(803)
Total Operating Expenses	94,360	94,360	99,859	(5,499)
Operating income (loss)	45,240	45,240	50,018	4,778
NONOPERATING REVENUES (EXPENSES)				
Grant Revenue	-	-	14,015	14,015
Interest on Accounts	1,000	1,000	650	(350)
Loan Payments	(38,500)	(38,500)	(38,278)	222
Total Nonoperating Revenues (Expenses)	(37,500)	(37,500)	(23,613)	13,887
Net Income - Budget Basis	7,740	7,740	26,405	18,665
Add: Principal Payments			15,600	
Deduct: Depreciation Expense			(74,309)	
Net Income (Loss)			(32,304)	
Net Position at Beginning of Year	86,946	86,946	1,373,428	1,286,482
Net Position at End of Year	$ 94,686	$ 94,686	$ 1,341,124	$ 1,246,438

TOWN OF MANASSA

OTHER SCHEDULES AND REPORTS

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

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

LOCAL HIGHWAY FINANCE REPORT

City or County: Town of Manassa	YEAR ENDING : December 2017
This Information From The Records Of : Town of Manassa	Prepared By: Laura Cordova Phone: (719)-843-5207

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	12,398
4. Miscellaneous local receipts (from page 2)	16,137
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	28,535
B. Private Contributions	
C. Receipts from State government (from page 2)	54,966
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	83,501

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	7,000
2. Maintenance:	29,220
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	0
c. Other	0
d. Total (a. through c.)	0
4. General administration & miscellaneous	
5. Highway law enforcement and safety	40,972
6. Total (1 through 5)	77,192
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
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)	77,192

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
9,347	83,501	77,192	15,656	0

Notes and Comments:

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

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2017

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	16,137
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	12,398	g. Other Misc. Receipts	
6. Total (1. through 5.)	12,398	h. Other	
c. Total (a. + b.)	12,398	i. Total (a. through h.)	16,137
	(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	54,966	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		d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	54,966	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	0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation	7,000		7,000
(5). Total Construction (1) + (2) + (3) + (4)	7,000	0	7,000
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	7,000	0	7,000
			(Carry forward to page 1)

Notes and Comments: