TOWN OF RICO, COLORADO

FINANCIAL STATEMENTS

December 31, 2017

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TOWN OF RICO

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Hamblin and Associates, LLC
Certified Public Accountants
Member of the American Institute of Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Trustees
Town of Rico, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rico, Colorado 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.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Rico, 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.

Emphasis of Matter

As discussed in Note 12 to the financial statements, the Town has adopted new accounting guidance as required by Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27, and Governmental Accounting Standards Board Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68. Our opinion is not modified with respect to these matters.

Other Matters

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

Accounting principles generally accepted in the United States of America require that the general and major special revenue fund budgetary comparison information and pension schedules, as listed in the table of contents, 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 of Rico's financial statements as a whole. The other supplementary information, as shown in the table of contents, is presented for purposes of additional analysis, and is not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relateS directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

Hamblin and Associates

Golden, Colorado
May 17, 2018

Basic Financial Statements

TOWN OF RICO, COLORADO

STATEMENT OF NET POSITION

December 31, 2017

	Governmental Activities	Business - Type Activities	Total
ASSETS			
CURRENT ASSETS			
Cash and equivalents	$ 1,151,690	$ 652,358	$ 1,804,048
Taxes receivable	111,334	21,362	132,696
Accounts receivable	-	11,728	11,728
TOTAL CURRENT ASSETS	1,263,024	685,448	1,948,472
PROPERTY AND EQUIPMENT			
Total Fixed Assets	1,832,687	3,411,066	5,243,753
Less Accumulated Depreciation	(563,574)	(480,545)	(1,044,119)
NET PROPERTY AND EQUIPMENT	1,269,113	2,930,521	4,199,634
TOTAL ASSETS	2,532,137	3,615,969	6,148,106
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows because of pensions	59,152	-	59,152
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts payable and other liabilities	-	698	698
Accrued payroll	1,640	-	1,640
Current portion - Notes Payable	-	2,413	2,413
Current Portion - Bonds Payable	-	2,000	2,000
Net pension liability	246,747	-	246,747
TOTAL CURRENT LIABILITIES	248,387	5,111	253,498
DEFERRED INFLOWS OF RESOURCES			
Unavailable property tax	111,334	21,362	132,696
Deferred inflows because of pensions	714	-	714
Total Deferred Inflows of Resources	112,048	21,362	133,410
NET POSITION			
Net Investment in Capital Assets	1,515,860	2,926,108	4,441,968
Restricted for Emergencies	14,309	-	14,309
Restricted, Other	31,858	4,413	36,271
Unrestricted	668,827	658,975	1,327,802
TOTAL NET POSITION	$ 2,230,854	$ 3,589,496	$ 5,820,350

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

TOWN OF RICO, COLORADO

STATEMENT OF ACTIVITIES

Year Ended December 31, 2017

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
					PRIMARY GOVERNMENT		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS							
Governmental Activities							
General Government	$ 295,814	$ 145,445	$ 29,000	$ 63,028	$ (58,341)	$ -	$ (58,341)
Public Works	88,484	6,000	-	-	(82,484)	-	(82,484)
Culture and Recreation	93,801	-	2,507	-	(91,294)	-	(91,294)
TOTAL GOVERNMENTAL ACTIVITIES	478,099	151,445	31,507	63,028	(232,119)	-	(232,119)
Business - Type Activities							
Current:							
Water Operations	213,279	138,312	-	-	-	(74,967)	(74,967)
Sewer	2,541	-	-	-	-	(2,541)	(2,541)
TOTAL BUSINESS-TYPE ACTIVITIES	215,820	138,312	-	-	-	(77,508)	(77,508)
TOTAL PRIMARY GOVERNMENT	$ 693,919	$ 289,757	$ 31,507	$ 63,028	(232,119)	(77,508)	(309,627)
GENERAL REVENUES							
Taxes:							
Property Taxes					84,307	22,382	106,689
Specific Ownership Taxes					2,699	824	3,523
Sales and Use Tax					72,625	-	72,625
Other Taxes					69,744	-	69,744
Miscellaneous					964	-	964
Interest Income					653	996	1,649
TOTAL GENERAL REVENUES					230,992	24,202	255,194
CHANGE IN NET POSITION					(1,127)	(53,306)	(54,433)
NET POSITION - Beginning of Year					2,420,290	3,642,802	6,063,093
Prior period restatement (Note 12)					(188,309)	-	(188,309)
NET POSITION - End of Year					$ 2,230,854	$ 3,589,496	$ 5,820,351

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

TOWN OF RICO, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2017

	GENERAL	STREET	NON-MAJOR GOVERMENTAL FUNDS	TOTAL
ASSETS				
Cash and equivalents	$ 907,646	$ 122,288	121,756	$ 1,151,690
Accounts receivable	-	-	-	-
Property taxes receivable	101,653	9,681	-	111,334
TOTAL ASSETS	$ 1,009,299	$ 131,969	$ 121,756	$ 1,263,024
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE				
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Payroll related liabilities	1,640	-	-	1,640
TOTAL LIABILITIES	1,640	-	-	1,640
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	101,653	9,681	-	111,334
FUND BALANCE				
Restricted for TABOR	14,309	-	-	14,309
Restricted, Other	-	-	31,858	31,858
Committed	-	122,288	89,898	212,186
Unassigned	891,697	-	-	891,697
TOTAL FUND BALANCE	906,006	122,288	121,756	1,150,050
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	$ 1,009,299	$ 131,969	$ 121,756	$ 1,263,024

Total Fund Balance of Governmental Funds	$ 1,150,050
Net pension liability, deferred inflows and outflows of resources are not current resources and not included in the funds:	
Net pension liability	(246,747)
Deferred outflows of resources because of pensions	59,152
Deferred inflows of resources because of pensions	(714)
Capital assets used in governmental activities are not resources and are not reported in the funds:	
Capital Assets	1,832,687
Accumulated Depreciation	(563,574)
TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	$ 2,230,854

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

TOWN OF RICO, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS

Year Ended December 31, 2017

	GENERAL	STREET	NON-MAJOR GOVERNMENTAL FUNDS	TOTAL
REVENUES				
Taxes:				
Property Tax	$ 74,164	$ 10,143	$ -	84,307
Sales Tax	58,099	7,262	7,264	72,625
Other	3,743	33,452	2,247	39,442
Intergovernmental	33,675	-	-	33,675
General government	144,771	6,000	-	150,771
Lottery Proceeds	-	-	2,507	2,507
Interest	545	65	43	653
Special Projects	63,028	-	29,000	92,028
Miscellaneous	964	-	-	964
TOTAL REVENUES	378,989	56,922	41,061	476,972
EXPENDITURES				
General Government	308,306	-	-	308,306
Public Works	-	81,293	-	81,293
Culture and Recreation	63,465	-	29,191	92,656
TOTAL EXPENDITURES	371,771	81,293	29,191	482,255
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,218	(24,371)	11,870	(5,283)
FUND BALANCE, Beginning	898,788	146,659	109,886	1,155,333
FUND BALANCE, Ending	$ 906,006	$ 122,288	$ 121,756	$ 1,150,050

Net Change in Fund Balances - Total Governmental Funds	$ (5,283)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Other changes for capital assets - capital assets changes are not recorded in governmental funds.	29,681
Depreciation expense is not recorded in governmental funds.	(25,525)
Change in Net Position - Governmental Activities	$ (1,127)

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

TOWN OF RICO, COLORADO

STATEMENT OF NET POSITION
ENTERPRISE FUNDS

December 31, 2017

	WATER	SEWER	TOTAL
ASSETS			
CURRENT ASSETS			
Cash	$ 450,026	$ 202,332	$ 652,358
Receivables	11,728	-	11,728
Taxes receivable	-	21,362	21,362
TOTAL CURRENT ASSETS	461,754	223,694	685,448
FIXED ASSETS			
Land & Improvement	3,362,553	-	3,362,553
Buildings	48,513	-	48,513
Total Fixed Assets	3,411,066	-	3,411,066
Less: accumulated depreciation	(480,545)	-	(480,545)
NET FIXED ASSETS	2,930,521	-	2,930,521
TOTAL ASSETS	3,392,275	223,694	3,615,969
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION			
CURRENT LIABILITIES			
Accounts payable	698	-	698
Current portion of long-term debt:			
Bonds payable	2,000	-	2,000
Notes payable	2,413	-	2,413
TOTAL CURRENT LIABILITIES	5,111	-	5,111
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	-	21,362	21,362
NET POSITION			
Net investment in capital assets	2,926,108	-	2,926,108
Restricted for debt service	4,413	-	4,413
Unrestricted	456,643	202,332	658,975
TOTAL NET POSITION	$ 3,387,164	$ 202,332	$ 3,589,496

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

TOWN OF RICO, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS

Year Ended December 31, 2017

	WATER	SEWER	TOTAL
OPERATING REVENUES			
Charges to customers	$ 136,912	$ -	$ 136,912
Other	1,400	-	1,400
TOTAL OPERATING REVENUES	138,312	-	138,312
OPERATING EXPENSES			
Salaries	60,127	-	60,127
Employee Benefits - Life	214	-	214
Auditor	2,095	2,095	4,190
Repairs and maintenance	13,941	-	13,941
Insurance	3,553	-	3,553
Supplies	17,571	-	17,571
Water samples	3,565	-	3,565
Electric	5,779	-	5,779
Propane	1,100	-	1,100
Dolores Water Conservancy	2,700	-	2,700
Miscellaneous	284	-	284
Treasurers fees	-	446	446
Interest expense	248	-	248
Depreciation expense	65,102	-	65,102
TOTAL OPERATING EXPENSES	213,279	2,541	215,820
NET INCOME (LOSS) FROM OPERATIONS	(74,967)	(2,541)	(77,508)
NON-OPERATING REVENUE (EXPENSE)			
Interest revenue	898	98	996
Property taxes	-	22,382	22,382
Specific ownership taxes	-	824	824
TOTAL NON-OPERATING REVENUE	898	23,304	24,202
CHANGE IN NET POSITION	(74,069)	20,763	(53,306)
NET POSITION, Beginning	3,461,233	181,569	3,642,802
NET POSITION, Ending	$ 3,387,164	$ 202,332	$ 3,589,496

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

TOWN OF RICO, COLORADO

STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS

Year Ended December 31, 2017

	WATER FUND	SEWER FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash received from customers	$ 127,849	$ -	$ 127,849
Cash paid for expenses and employees	(135,280)	(2,541)	(137,821)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(7,431)	(2,541)	(9,972)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Principal payments	(4,389)	-	(4,389)
Interest	(248)	-	(248)
Grants	-	-	-
Property Taxes	-	22,382	22,382
Specific Ownership Taxes	-	824	824
NET CASH PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES	(4,637)	23,206	18,569
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest earned	898	98	996
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,170)	20,763	9,593
CASH AND CASH EQUIVALENTS, Beginning of Year	461,196	181,569	642,765
CASH AND CASH EQUIVALENTS, End of Year	$ 450,026	$ 202,332	$ 652,358
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ (74,967)	$ (2,541)	$ (77,508)
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Depreciation	65,102	-	65,102
Changes in assets and liabilities:			
(Increase) decrease in:			
Accounts receivable	(9,063)	-	(9,063)
(Decrease) increase in:			
Accounts payable	11,497	-	11,497
Total adjustments	67,536	-	67,536
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	$ (7,431)	$ (2,541)	$ (9,972)

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Town of Rico, Colorado (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Town's accounting policies are described below.

A. Definition of the Reporting Entity

The Town of Rico, Colorado was incorporated in October 11, 1897 in Dolores County, and is governed by a seven member elected Board of Trustees. As required by generally accepted accounting principles, these financial statements present the activities of the Town, which is legally separate and financially independent of other state and local governments.

The Town provides general government, public works (road and streets), water, sewer, and parks and recreation for the geographical area organized as the Town of Rico, Colorado. The Town contracts with the County for police protection. The Rico Fire Protection District (not a component unit) provides fire protection.

B. Fund Accounting

The government-wide financial statement (i.e., the statement of net position and the statement of activities) reports information on all of the activities of the Town. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes, charges for services, and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on user charges for support.

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

C. Fund Financial Statements

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, as appropriate. Government resources are allocated to, and accounted for, in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Fund Financial Statements (Continued)

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The Town reports two major governmental funds:

- **The General Fund** is the Town's primary operating fund. It accounts for the general operations of the Town, which includes the following departments: Legislative, Judicial, Administration, Public Safety-Police, Community Development and Public Works.

- **The Street Fund** accounts for expenditures designated for streets and infrastructure maintenance.

The Town reports two non-major governmental funds:

- **The Conservation Trust Fund** accounts for State of Colorado lottery funds to be used for acquisition, development, and maintenance of new conservation sites or for capital improvements or maintenance for recreational purposes on any public site.

- **The Parks, Open Space, and Recreation Fund** accounts for special revenues and expenditures designated for operating and maintaining parks and recreation programs.

The Town reports the following major business-type activity funds:

- **The Water Fund** accounts for the Town's water distribution system.

- **The Sewer Fund** accounts for revenues collected to establish a solid waste facility.

D. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the enterprise fund financial statements. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on general long-term debt which is recognized when due and (2) compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally they are not measurable until received. Grant revenues are recognized as they are earned.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

E. Cash and Cash Equivalents

For the purposes of the statement of cash flows of the enterprise funds, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

F. Investments

Investments are stated at fair value based on quoted market values, with the exception of money market funds and external investment pools. These are stated at fair value according to institution reported balances at year-end.

G. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America required management to make: (1) estimates and assumptions that affect the reported amounts of assets and liabilities and (2) disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Property Taxes

Property taxes for the current year are levied and attached as a lien on property the following January 1. They are payable in full by April 30, or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred revenue in the governmental and enterprise funds.

I. Capital Assets

Capital assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years and for which the initial, individual value equals or exceeds the following dollar amounts:

Assets Class	Dollar Value
Land	No Minimum
Buildings	No Minimum
Building and Other Improvements	$ 5,000
Furniture and Equipment	$ 5,000
Infrastructure	$ 5,000

All purchased assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Asset Class	Useful Life
Buildings	25 – 50 years
Building and Other Improvements	20 years
Water and Sewer Systems	25 – 45 years
Furniture and Equipment	5 – 30 years
Infrastructure	15 – 40 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets since their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position. Bond premium and discounts, are deferred and amortized over the term of the related debt using the straight-line method of amortization. Bond issuance costs are expensed in the period incurred.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures. The long-term compensated absences are serviced from revenues of the General Fund from future appropriations.

K. Net Position

In the government-wide financial statements, net position represent the difference between assets and liabilities. Net capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net position portion of equity is reported as restricted when there are limitations imposed on use, either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

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

L. Fund Balances

In the governmental fund financial statements, the following fund balance classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

Nonspendable fund balance – amounts that are not in spendable form (such as inventory or prepaid expenses) or are required to be maintained intact.

Restricted fund balance – amounts constrained to specific purposes by their providers (such as grantors, bondholders or other debt holders, contributors, and higher levels of government), through constitutional provisions, or by enabling legislation.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Fund Balances (Continued)

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority through an ordinance or resolution. Committed fund balance can also include contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. To be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint. The Town reported no such amounts at December 31, 2017.

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or an official or body to which the governing body delegates the authority. The Capital Reserve amount reported is also described in the Town's annual budget document.

Unassigned fund balance – amounts that are available for any purpose; positive amounts are reported only in the general fund.

When fund balance resources are available for a specific purpose in more than one classification, it is the Town's policy to use the most restrictive funds first in the following order: restricted, committed, assigned, and unassigned as they are needed. The Town considers all unassigned fund balances to be "reserves" for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (See Note 11).

In the governmental fund financial statements, reservations or restrictions of fund balance represent amounts that are not appropriable, are legally segregated for a specific purpose, or are restricted by grant agreements. Designations of fund balance represent tentative management plans that are subject to change.

M . Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds". Nonrecurring or nonroutine permanent transfers of equity and all interfund transfers are reported as transfers in and transfers out. Any residual balances outstanding between the governmental activities and business-type activities are either eliminated or reported in the government-wide financial statements as "internal balances".

NOTE 2: BUDGETARY REQUIREMENTS

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds. The Enterprise funds adopt budgets on the Non-GAAP basis wherein tap fees are recognized as revenue, principal payments on debt and capital expenditures are recognized as expenses, and depreciation expense is not budgeted. All annual appropriations lapse at fiscal year-end.

By October 15, the Town Manager (not an elected official) of the Town submits a proposed operating budget for the fiscal year commencing the following January 1, to the Trustees (elected officials). The operating budget, for all budgeted funds, includes proposed expenditures and the means of financing.

Public hearings are held at the regular Trustee meetings to obtain taxpayer input. Prior to December 15, the budget is legally enacted through passage of a budget ordinance. The Town Treasurer is authorized to transfer budgeted amounts within a department of any fund. The Trustees must approve revisions that change total expenditures of any fund or department within a fund.

Appropriations are controlled and the budget is only amended in conformity with Colorado Revised Statutes, which require a balanced budget. Expenditures in excess of appropriations may violate Colorado Revised Statutes and must be reported to the State Auditor.

The Combined Statements of Revenues, Expenditures and Changes in Fund Balances for all fund types include comparisons to budget. Financial statements of the Enterprise Funds are presented in the accompanying Financial Statements on a Non-GAAP and GAAP basis. Budget amounts, included in the financial statements, are as originally adopted and as amended by Board of Trustees.

NOTE 3: RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes reconciliation between fund balances (total governmental funds and net position) and governmental activities, as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net change in fund balances and changes in net position of governmental activities, as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the government fund statements during the consolidation of governmental activities.

NOTE 4: CASH, DEPOSITS AND INVESTMENTS

A. Cash

A summary of the Town's cash and investments at December 31, 2017 follows:

Type	Rating	Carrying Value
Deposits:		
Demand deposits		$ 1,734,258
Cash with County Treasurer		375
		1,734,633
Investments:		
Colotrust (Fair Value)	AAAm by S & P	69,413
Total deposits and investments		$ 1,804,046
Reconciliation to Statement of Net Position		
Current:		
Cash and Investments		$ 1,804,046

B. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash only in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by the financial institution. The eligible collateral is determined by the PDPA.

PDPA allows the financial institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution and held in trust for all the uninsured public deposits as a group. Colorado State Statutes require the market value of the collateral to be at least 102 percent of the aggregate uninsured deposits.

C. Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The allowed investments include local government investment pools and obligations of the United States Government.

Interest Rate Risk The Town does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk State law limits investments in commercial paper, corporate bonds, and mutual bond funds to the top two ratings issued by nationally recognized statistical rating organizations. The Town has no investment policy that would further limit its investment choices. At December 31, 2017 the Town's investment in the Colorado Government Liquid Assets Trust (COLOTRUST) was rated AAAm by Standard & Poor's.

NOTE 4: CASH, DEPOSITS AND INVESTMENTS (Continued)

Concentration of Credit Risk The Town places no limit on the amount the Town may invest in any one issuer.

The Town invests in one investment pool, the Colorado Liquid Assets Trust (COLOTRUST). The investment is not categorized because the investment is not evidenced by securities that exist in physical book entry form. At December 31, 2017, the Town had an investment of $69,413 fair and carrying value.

NOTE 5: PROPERTY TAXES

Property taxes are collected on behalf of the Town by Dolores County and then remitted to the Town. The property tax is levied and certified in November of the year prior to the year the taxes are collected. Property taxes become an enforceable lien on January 1 of each year.

Secured property taxes are: (1) due in two equal installments on February 28 and June 15 and (2) delinquent after February 28 and June 15, respectively. The entire balance can be paid by April 30 without penalty. Property taxes levied are recorded as deferred revenues in the year levied, since they are not due until the following year. Property tax revenue is recognized when it is collected by Dolores County.

NOTE 6: CAPITAL ASSETS

Summary of changes in Governmental Activity Capital Assets:

GOVERNMENTAL ACTIVITIES	Balance January 1, 2017	Additions	Deletions/ Corrections	Balance December 31, 2017
Capital Assets not being depreciated:				
Land	$ 453,760	$ -		$ 453,760
Capital Assets being depreciated:				
Improvements	7,230	-	-	7,230
Buildings	908,366	-	-	908,366
Equipment	50,058	-	-	50,058
Vehicles	166,198	29,681	-	195,879
Streets	217,394	-	-	217,394
	1,349,246	29,681	-	1,378,927
Less accumulated depreciation:				
Improvements	(7,230)	-	-	(7,230)
Buildings	(273,333)	(17,071)	-	(290,404)
Equipment	(39,558)	(1,263)	-	(40,821)
Vehicles	(139,179)	(3,377)	-	(142,556)
Streets	(78,749)	(3,814)	-	(82,563)
Total accumulated depreciation	(538,049)	(25,525)	-	(563,574)
Capital assets being depreciated, net	811,197	4,156	-	815,353
Total Governmental Activities Capital Assets	$ 1,264,957	$ 4,156	$ -	$ 1,269,113

NOTE 6: CAPITAL ASSETS (Continued)

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

General Government	$ 17,189
Public Works	7,191
Culture and Recreation	1,145
Total	$ 25,525

Here is a summary of changes in Business-type Activity Capital Assets:

BUSINESS-TYPE ACTIVITIES	Balance January 1, 2017	Additions	Deletions	Balance December 31, 2017
Capital Assets being depreciated:				
Buildings	$ 48,513	$ -	$ -	$ 48,513
Water System	3,362,552	-	-	3,362,552
	3,411,065	-	-	3,411,065
Less accumulated depreciation:				
Buildings	(31,481)	(1,627)	-	(33,108)
Water System	(383,962)	(63,475)	-	(447,437)
Total accumulated depreciation	(415,443)	(65,102)	-	(480,545)
Capital assets being depreciated, net	2,995,622	(65,102)	-	2,930,520
Total Business-type Activities Capital Assets	$ 2,995,622	$ (65,102)	$ -	$ 2,930,520

NOTE 7: LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended December 31, 2017 were:

	Balance January 1, 2017	Additions	Reductions	Balance December 31, 2017	Due Within One Year
Business-type Activities					
General Obligation Bonds, Series 1978	$ 4,000	$ -	$ 2,000	$ 2,000	$ 2,000
Note payable CWCB	4,802	-	2,389	2,413	2,413
	$ 8,802	$ -	$ 4,389	$ 4,413	$ 4,413

Business-type Activities

General Obligation Bonds The Town issued general obligation bonds in the amount of $50,000, bearing interest at 5%, in August 1978. The bonds are to be paid with water operating revenue with annual installments through May 1, 2018. The bonds are backed by the full faith and credit of the Town.

Note Payable - Colorado Water Conservation Board (CWCB) The Town has a loan with CWCB of $72,210 to be repaid in 40 annual installments of $2,437, including interest, through September 15, 2018. The loan is secured by a portion of the Town's water system. The proceeds of the loan were used for construction of a new water system.

NOTE 7: LONG-TERM LIABILITIES (Continued)

Business-type Activities (Continued)

A summary of debt payments are as follows:

Year	Principal	Interest	Total
2018	$ 4,413	$ 124	$ 4,537
	$ 4,413	$ 124	$ 4,537

NOTE 8: RETIREMENT COMMITMENTS

Defined Benefit Pension Plan

Summary of Significant Accounting Policies

Pensions. Town of Rico participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). 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 LGDTF have been determined using the economic resources measurement focus and the 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.

General Information about the Pension Plan

Plan description. Eligible employees of the Town of Rico 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.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- $15 times the first 10 years of service credit plus $20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance 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, 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 and all benefit recipients of the DPS benefit structure 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 (AIR) 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.

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 Town 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:

	Rates
Employer contribution rate[1]	10.00%
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[1]	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 the LGDTF[1]	**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 Town of Rico is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Town of Rico were $14,044 for the year ended December 31, 2016.

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 $246,747 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 December 31, 2015. Standard update procedures were used to roll-forward the total pension liability to December 31, 2016. The Town of Rico's proportion of the net pension liability was based on the Town's contributions to the LGDTF for the calendar year 2016 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2016, the Town of Rico's proportion was 0.018273 percent, which was a decrease of 0.005% from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Town of Rico recognized pension expense of $44,938. At December 31, 2017, the Town of Rico 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	$ 4,391	$ -
Changes of assumptions or other inputs	17,502	714
Net difference between projected and actual earnings on pension plan investments	29,633	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	7,625	-
Total	$ 59,152	$ 714

The $7,625 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, 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:

For the Plan Year ended December 31,	
2017	$ 29,051
2018	13,177
2019	8,303
2020	282
2021	-
Thereafter	-

Actuarial assumptions. The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial cost method, 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
Discount rate	7.50 percent
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

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increases, including wage inflation	3.50 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
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

Mortality rates used in the December 31, 2015 valuation 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. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 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.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.

- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.

- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.

- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and 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 by the investment consultant 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 November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
U.S. Equity – Large Cap	21.20%	4.30%
U.S. Equity – Small Cap	7.42%	4.80%
Non U.S. Equity – Developed	18.55%	5.20%
Non U.S. Equity – Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income – Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
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 7.25%.

Discount rate. The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 18, 2016.

- 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 3.50%.

- 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 at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, 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 0.50% 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 upon 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 from 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 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, 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 of 7.25 percent 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, and therefore, the discount rate is 7.25 percent.

As of the prior measurement date, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination did not use the municipal bond index rate, and therefore, the discount rate was 7.50 percent, 0.25 percent higher compared to the current measurement date.

Sensitivity of the Town of Rico'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 7.25 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 (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease	Current Discount	1% Increase
	(6.25%)	Rate (7.25%)	(8.25%)
Proportionate share of the net pension liability	$ 363,818	$ 246,747	$ 149,800

Pension plan fiduciary net position. Detailed information about the LGDTF'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.

NOTE 9: RISK MANAGEMENT- PUBLIC ENTITY RISK POOL

The Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability and property coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons and property which might result in claims being made against members of CIRSA, their employees and officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of the unit. The Town is not exposed to any significant risk of loss.

NOTE 10: CONTINGENCIES

Claims and Judgments The Town participates in a number of federal, state, and county programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. It is the opinion of management that such reimbursements, if any, will not have a material effect on the Town's financial position.

NOTE 11: TAX, SPENDING, REVENUE AND DEBT LIMITATIONS

In November of 1992 Colorado voters approved Amendment 1 to the state Constitution which is commonly known as the Taxpayer's Bill of Rights or the Tabor Amendment (TABOR). The Amendment applies to all units of local government and limits taxes, spending, revenue, and multi-year debt (excepting bond refundings to lower interest rates and adding employees to pension plans). The amendment does not apply to entities that are defined as Enterprise Funds. The governmental funds of the Town qualify as Enterprise Funds.

The Town passed a ballot question on November 7, 1997. The ballot question permitted the Town, to collect, retain and expend, the full revenues from state and federal grants and all other non-tax revenues, and without limiting in any year the amount of other revenues that may be collected and spent by the Town, regardless of any limitation contained in Article X, Section 20, of the Colorado Constitution.

NOTE 11: TAX, SPENDING, REVENUE AND DEBT LIMITATIONS (Continued)

The amendment also requires the Town to establish an Emergency Reserve which must be equal to three (3) percent of the current allowed revenue. Conditions under which these reserves may be spent are severally limited.

The Town believes that it is in compliance with the provisions of TABOR, as it is currently understood. Many of the provisions are complex and subject to interpretation, and may not become fully understood without judicial determination.

NOTE 12: PRIOR PERIOD RESTATEMENT

Pensions

For the year ended December 31, 2017, the Town adopted the provisions of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions (*GASB no.68), and the related GASB No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, which is effective for financial statements for periods beginning after June 15, 2014. GASB No. 68 revises and establishes new financial reporting requirements for most governments that provide their employees with pension benefits. GASB 68 requires employers participating in the PERA programs to record the plans' net pension liability, as defined in GASB No. 68.

For the Town, the effect of implementing this standard was to change how it accounts and reports the net pension liability. Implementation of the standard resulted in a restatement of the prior period Net Position as follows:

Net Position, December 31, 2016 as previously stated	$ 6,063,092
Net Pension Liability	(246,747)
Deferred Outflows of resources because of pensions	59,152
Deferred Inflows of resources because of pensions	(714)
Net position, December 31, 2016 as restated	$ 5,874,783

Required Supplementary Information

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property tax	$ 72,757	$ 76,996	$ 72,846	$ (4,150)
Delinquent Tax & Interest	400	1,438	1,318	(120)
Sales and use tax	90,000	74,644	58,099	(16,545)
Specific ownership tax	3,000	2,254	2,326	72
Motor vehicle tax	700	731	743	12
Mineral leasing	35,000	30,246	30,246	-
Severence tax	500	1,533	1,405	(128)
Excise tax	500	500	2,024	1,524
Transfers - payroll	112,401	122,426	116,429	(5,997)
Fines and Forfiets	7,500	22,341	21,164	(1,177)
Interest	400	457	545	88
Licenses and Permits	510	3,427	3,727	300
Rent	4,500	4,500	4,125	(375)
Special Projects Revenue	5,600	21,060	63,028	41,968
Miscellaneous	25	1,657	964	(693)
TOTAL REVENUES	333,793	364,210	378,989	14,779
EXPENDITURES				
Town Administrator	64,000	64,000	40,625	23,375
Town Clerk	32,749	32,749	32,749	-
Maintenance man	35,504	35,504	35,504	-
Payroll taxes	15,473	17,919	15,736	2,183
Employee benefits	46,264	57,291	31,895	25,396
Employee Consideration	-	5,700	5,264	436
Town attorney	18,000	18,000	10,140	7,860
Town planner	5,000	5,000	150	4,850
Town prosecuter	1,500	1,500	1,375	125
Building inspector	-	-	2,315	(2,315)
Auditor	2,125	2,195	2,095	100
Accounting Service	5,000	5,000	1,895	3,105
Grant Writing	4,000	4,000	803	3,197
Municipal Court Judge	4,500	4,500	4,500	-
Law enforcement	19,000	19,750	17,057	2,693
Website	950	1,265	1,159	106
Advertisement/Agenda & Notice	2,300	2,875	2,635	240
Fuel	600	741	680	61
Insurance	3,400	5,168	5,847	(679)
Supplies	7,500	7,829	10,578	(2,749)
Snow removal	-	2,215	7,925	(5,710)
Utilities	15,775	16,557	13,359	3,198
Treasurer Fees	2,000	2,000	1,479	521
Dues & Fees	4,093	4,093	2,961	1,132
Sales & Use Tax	18,000	18,000	-	18,000
Town clean up day	675	1,095	1,095	-
Fourth of July	1,100	1,325	1,325	-
Miscellaneous	4,500	4,500	1,929	2,571
Park Administrator	16,000	16,000	18,148	(2,148)
Part Time Maintenance	4,000	24,348	24,348	-
Water Technician	9,600	12,764	11,835	929
Traffic Fine - Surcharge	550	982	900	82
Special Projects/Capital Improvements	13,460	73,691	63,465	10,226
TOTAL EXPENDITURES	357,618	468,556	371,771	96,785
EXCESS OF REVENUES OVER EXPENDITURES	(23,825)	(104,346)	7,218	111,564
Fund Balance, Beginning	898,788	898,788	898,788	-
Fund Balance, Ending	$ 874,963	$ 794,442	$ 906,006	$ 111,564

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
STREET FUND

Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE- POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Property tax	$ 10,045	$ 10,726	$ 10,143	$ (583)
Sales and use tax	9,000	7,464	7,262	(202)
Specific ownership tax	400	368	373	5
Franchise tax	5,300	6,524	5,980	(544)
Excise tax	120	1,295	1,295	-
Road and bridge	11,000	11,024	11,024	-
Highway users tax	14,000	14,714	14,780	66
Charges for service	6,000	6,000	6,000	-
Interest	75	65	65	-
TOTAL REVENUES	55,940	58,180	56,922	(1,258)
EXPENDITURES				
Payroll	26,627	26,627	24,590	2,037
Partime employee	1,000	-	14,430	(14,430)
Capital purchases	-	30,729	16,893	13,836
Fuel	5,500	8,723	8,129	594
Repairs and maintenance	1,500	2,801	3,474	(673)
Insurance	3,200	3,712	3,403	309
Supplies	1,800	4,243	3,889	354
Electricity	1,750	1,750	1,489	261
Street lights	4,000	4,000	1,068	2,932
Utilities - other	2,250	2,250	1,631	619
Treasurer fees	300	300	202	98
Auditor	2,125	2,125	2,095	30
TOTAL EXPENDITURES	50,052	87,260	81,293	5,967
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	5,888	(29,080)	(24,371)	4,709
Fund Balance, Beginning	146,659	146,659	146,659	-
Fund Balance, Ending	$ 152,547	$ 117,579	$ 122,288	$ 4,709

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF NET PENSION LIABILITY/(ASSET)
LOCAL GOVERNMENT DIVISION TRUST FUND - COLORADO PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION
LAST TEN FISCAL YEARS*

Measurement period ending December 31,	2016	2015	2014	2013
Town's portion of the net pension asset	0.018273%	0.023245%	0.024092%	0.024744%
Town's proportionate share of the net pension liability (asset)	246,747	256,058	215,694	203,623
Town's covered-employee payroll	110,780	132,013	132,013	132,013
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	223%	194%	163%	154%
Plan fiduciary net position as a percentage of the total pension asset	135.8%	130.1%	123.9%	128.8%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014 2013 data).

Notes to the Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset) for the year ended December 31, 2016:

Note 1. Changes of assumptions.
No changes during the years presented above.

Note 2. Changes of benefit terms.
No changes during the years presented above.

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF TOWN CONTRIBUTIONS
LOCAL GOVERNMENT DIVISION TRUST FUND - COLORADO PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION
LAST TEN FISCAL YEARS*

Measurement period ending December 31,	2016	2015	2014		2013
Contractually required contribution	14,044	16,739	16,739		16,739
Contributions in relation to the contractually required contribution	(14,044)	(16,739)	(16,739)		(16,739)
Contribution deficiency (excess)	$ -	$ -	$ -		$ -
Town's covered-employee payroll	110,780	132,013	132,013	#	132,013
Contributions as a percentage of covered-employee payroll	12.7%	12.7%	12.7%		12.7%

*The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014 (2013 data).

Notes to the Schedule of Town Contributions for the Year Ended December 31, 2016

Note 1. Changes of assumptions.
No changes during the years presented above.

Note 2. Changes of benefit terms.
No changes during the years presented above.

See the accompanying Independent Auditor's Report.

Other Supplementary Information

TOWN OF RICO, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2017

	CONSERVATION TRUST	PARKS AND OPEN SPACE	TOTALS
ASSETS			
Cash and Equivalents	$ 31,858	$ 89,898	$ 121,756
TOTAL ASSETS	$ 31,858	$ 89,898	$ 121,756
LIABILITIES AND FUND BALANCE			
TOTAL LIABILITIES	$ -	$ -	$ -
FUND BALANCE			
Restricted for Culture and Recreation	31,858	-	31,858
Committed for Parks and Open Space	-	89,898	89,898
TOTAL FUND BALANCE	31,858	89,898	121,756
TOTAL LIABILITIES AND FUND BALANCE	$ 31,858	$ 89,898	$ 121,756

See the accompanying Independent Auditors' Report.

TOWN OF RICO, COLORADO

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2017

	CONSERVATION TRUST	PARKS AND OPEN SPACE	TOTAL
REVENUES			
Taxes:			
Sales and use tax	$ -	$ 7,264	$ 7,264
Lodging tax	-	952	952
Excise tax	-	1,295	1,295
Lottery Proceeds	2,507	-	2,507
Interest	-	43	43
Special Projects	-	29,000	29,000
TOTAL REVENUES	2,507	38,554	41,061
EXPENDITURES			
Parks and Recreation	780	11,098	11,878
Administrator	-	6,910	6,910
Supplies	-	7,000	7,000
Insurance	-	3,403	3,403
TOTAL EXPENDITURES	780	28,411	29,191
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,727	10,143	11,870
FUND BALANCE, Beginning	30,131	79,755	109,886
FUND BALANCE, Ending	$ 31,858	$ 89,898	$ 121,756

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
CONSERVATION TRUST FUND

Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE-POSITIVE (NEGATIVE)
REVENUES				
Lottery proceeds	$ 2,300	$ 2,300	$ 2,507	$ 207
EXPENDITURES				
Parks and Recreation	1,000	1,000	780	220
EXCESS OF REVENUES OVER EXPENDITURE	1,300	1,300	1,727	427
Fund Balance, Beginning	1,500	1,500	30,131	28,631
Fund Balance, Ending	$ 2,800	$ 2,800	$ 31,858	$ 29,058

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

BUDGETARY COMPARISON SCHEDULE
OPEN SPACE FUND

Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE-POSITIVE (NEGATIVE)
REVENUES				
Taxes				
Sales and use tax	$ 9,000	$ 9,000	$ 7,264	$ (1,736)
Lodging tax	1,000	1,038	952	(86)
Excise tax	350	1,295	1,295	-
Rico Center Grant	26,000	29,000	29,000	-
Interest	25	42	43	1
TOTAL REVENUES	36,375	40,375	38,554	(1,821)
EXPENDITURES				
Parks and Recreation Programs	9,500	17,081	11,098	5,983
Administrator	19,722	19,722	6,910	12,812
Supplies	5,000	7,516	7,000	516
Insurance	3,000	4,084	3,403	681
TOTAL EXPENDITURES	37,222	48,403	28,411	19,992
EXCESS OF REVENUES OVER EXPENDITURE	(847)	(8,028)	10,143	18,171
Fund Balance, Beginning	49,540	49,540	79,755	30,215
Fund Balance, Ending	$ 48,693	$ 41,512	$ 89,898	$ 48,386

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION- BUDGET AND ACTUAL ENTERPRISE FUND - WATER

Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Charges to customers	$ 123,450	$ 123,336	$ 126,912	$ 3,576
Tap Fees	-	10,000	10,000	-
Electric Reimbursement	1,500	1,500	1,400	(100)
Interest	300	300	898	598
TOTAL REVENUES	125,250	135,136	139,210	4,074
EXPENSES				
Salaries	67,052	67,052	60,127	6,925
Employee Benefits - Life	122	122	214	(92)
Attorney	500	500	-	500
Auditor	2,125	2,125	2,095	30
Repairs and maintenance	1,500	13,300	13,941	(641)
Insurance	3,750	3,876	3,553	323
Supplies	6,000	6,000	17,571	(11,571)
Water Samples	5,000	5,000	3,565	1,435
Electric	4,250	5,800	5,779	21
Propane	1,500	1,500	1,100	400
Dolores Water Conservancy	2,700	2,700	2,700	-
Miscellaneous	500	500	284	216
Debt Service	4,937	4,937	4,637	300
Capital Outlay	45,000	47,319	85,291	(37,972)
TOTAL EXPENSES	144,936	160,731	200,857	(40,126)
CHANGE IN NET POSITION, Budget Basis	$ (19,686)	$ (25,595)	(61,647)	$ (36,052)
ADJUSTMENTS TO GAAP BASIS:				
Add:				
Principal payments of debt			4,389	
Capitalized assets			48,291	
Less:				
Depreciation			(65,102)	
CHANGE IN NET POSITION, GAAP Basis			$ (74,069)	

See the accompanying Independent Auditor's Report.

TOWN OF RICO, COLORADO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - BUDGET AND ACTUAL ENTERPRISE FUND - SEWER

Year Ended December 31, 2017

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Property taxes	$ 22,136	$ 23,669	$ 22,382	$ (1,287)
Specific ownership tax	900	900	824	(76)
Interest	100	100	98	(2)
TOTAL REVENUES	23,136	24,669	23,304	(1,365)
EXPENSES				
Town Auditor	2,125	2,125	2,095	30
Insurance	2,943	2,943	0	2,943
Treasurer Fees	378	472	446	26
Miscellaneous	-	60	-	60
TOTAL EXPENSES	5,446	5,600	2,541	3,059
NET INCOME	$ 17,690	$ 19,069	$ 20,763	$ 1,694

See the accompanying Independent Auditor's Report.

Supplemental Data for Oversight Agencies

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Rico, Delores County YEAR ENDING : December 2017
This Information From The Records Of - Town of Rico, CO	Prepared By:Kari Lee Distefano Phone: 970-967-2863

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	0
3. Other local imposts (from page 2)	17,778
4. Miscellaneous local receipts (from page 2)	30,794
5. Transfers from toll facilities	0
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	0
b. Bonds - Refunding Issues	0
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	48,572
B. Private Contributions	0
C. Receipts from State government (from page 2)	32,526
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	81,098

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	43,718
3. Road and street services:	
a. Traffic control operations	0
b. Snow and ice removal	31,323
c. Other	0
d. Total (a. through c.)	31,323
4. General administration & miscellaneous	5,700
5. Highway law enforcement and safety	0
6. Total (1 through 5)	80,741
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	0
D. Payments to toll facilities	0
E. Total disbursements (A.6 + B.3 + C + D)	80,741

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
146,659	81,098	80,741	147,016	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado YEAR ENDING (mm/yy): 12/17

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	9,987	a. Interest on investments	65
b. Other local imposts:		b. Traffic Fines & Penalities	0
1. Sales Taxes	7,262	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	0
5. Specific Ownership &/or Other	529	g. Other Misc. Receipts	0
6. Total (1. through 5.)	7,791	h. Other	30,729
c. Total (a. + b.)	17,778	i. Total (a. through h.)	30,794
	(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	14,779	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	743	d. Federal Transit Admin	0
d. Other (Specify) - Franchise Tax	5,980	e. U.S. Corps of Engineers	0
e. Other (Specify)Co R&B Reapportio	11,024	f. Other Federal	0
f. Total (a. through e.)	17,747	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	32,526	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: