

Town Of Walsh, Colorado

Financial Statements

December 31, 2017

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Office of the State Auditor

September 18, 2018

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December 31, 2017**

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Independent Auditor's Report

Town Council
Town of Walsh, 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 Walsh (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

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the major funds budgetary comparison information and the Volunteer Fire Department Volunteer Pension Fund Schedule 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.

Management has omitted 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.

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 accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The accompanying 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 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

July 20, 2018

**Town of Walsh
Statement of Net Position
December 31, 2017**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Equivalents	\$ 211,724	\$ 361,163	\$ 572,887
Certificates of Deposit	-	183,505	183,505
Receivables	127,860	33,981	161,841
Net Pension Asset	33,928	-	33,928
Capital Assets:			
Land	32,790	-	32,790
Buildings	578,946	654,694	1,233,640
Property, Plant and Equipment	861,297	2,661,274	3,522,571
Less: Accumulated Depreciation	(1,201,349)	(1,574,102)	(2,775,451)
Total Capital Assets	<u>271,684</u>	<u>1,741,866</u>	<u>2,013,550</u>
Deferred Outflow of Resources	<u>1,342</u>	<u>-</u>	<u>1,342</u>
Total Assets	<u>646,538</u>	<u>2,320,515</u>	<u>2,967,053</u>
LIABILITIES			
Accounts payable and accrued expenses	11,491	12,168	23,659
Customer deposits	300	33,199	33,499
Long-term liabilities			
Due within one year			
Capital leases and note payable	7,332	15,914	23,246
Due in more than one year			
Capital leases and note payable	15,378	769,103	784,481
Landfill closure costs	-	15,000	15,000
Total liabilities	<u>34,501</u>	<u>845,384</u>	<u>879,885</u>
Deferred Inflow of Resources--property taxes	88,784	-	88,784
Deferred Inflow of Resources--pension plan	12,118	-	12,118
Total deferred inflow of resources	<u>100,902</u>	<u>-</u>	<u>100,902</u>
NET POSITION			
Net Investment in capital assets	248,974	956,849	1,205,823
Restricted for:			
TABOR	12,721	-	12,721
Pension plan	23,152	-	23,152
Unrestricted	226,288	518,282	744,570
Total net position	<u>\$ 511,135</u>	<u>\$ 1,475,131</u>	<u>\$ 1,986,266</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh
Statement of Activities
For the Year Ended December 31, 2017

Functions/Programs	Net (Expense) Revenue and Changes in Net Assets			
	Primary Government			Total
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government				
Governmental Activities				
General Government	\$ 36,938	\$ 38,938	\$ 50	\$ 2,050
Public Safety	109,764	998	12,500	-
Public Works	234,795	-	-	(96,266)
Culture and Recreation	34,220	-	2,567	(234,795)
Interest on Long-term debt	954	-	-	(31,653)
Total Governmental Activities	416,671	39,936	15,117	(954)
				(361,618)
Business-type activities:				
Enterprise Fund	378,452	398,463	-	20,011
Total Business-type Activities	378,452	398,463	-	20,011
Total Primary Government	\$ 795,123	\$ 438,399	\$ 15,117	(341,607)
General Revenues:				
Taxes:				
Property taxes, levied for general purposes				90,815
Franchise and other taxes				26,264
Sales & SO tax				153,105
Defined benefit plan (expense)/income				(5,310)
Unrestricted investment earnings				1,670
Miscellaneous				10,636
Total general revenues, special items, and transfers				304,607
Change in net assets				32,317
Net Position - Beginning				1,442,814
Net Position - Ending				\$ 1,986,266

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Walsh
Balance Sheet
Governmental Funds
December 31, 2017**

	General Fund	Other Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 209,506	\$ 2,231	\$ 211,737
Taxes receivable, net	88,784	-	88,784
Other receivables	39,076	-	39,076
Total assets	<u>337,366</u>	<u>2,231</u>	<u>339,597</u>
 LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	11,491	-	11,491
Other payables	300	-	300
Total liabilities	<u>11,791</u>	<u>-</u>	<u>11,791</u>
 Deferred Cash Inflow of Resources			
Deferred property taxes	<u>88,784</u>	<u>-</u>	<u>88,784</u>
 Fund Balance:			
Reserved for:			
TABOR	12,721	-	12,721
Unassigned	224,070	-	224,070
Assigned, reported in non-major special revenue funds	<u>-</u>	<u>2,231</u>	<u>2,231</u>
Total fund balances	<u>236,791</u>	<u>2,231</u>	<u>239,022</u>
Total liabilities and fund balances	<u>\$ 337,366</u>	<u>\$ 2,231</u>	<u>\$ 339,597</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2017

Total fund balance, governmental funds	\$	239,022
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Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.		271,684
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Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement and certain long term liabilities are not due currently, but are reported in the governmental activities of the Statement of Net Assets.		(12,118)
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Net Pension Assets are not an asset for fund reporting		19,199
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Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.		(22,710)
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Defined Pension Benefit deferred outflows and inflows, net		16,058
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Net Position of Governmental Activities in the Statement of Net Position	\$	511,135
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The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh
Statement of Revenues, Expenditures and Changes in Net Position
Governmental Funds
For the Year Ended December 31, 2017

	General Fund	Other Governmental Funds	Total Governmental Funds
REVENUES			
Property Taxes	\$ 90,815	\$ -	\$ 90,815
SO Tax	10,486	-	10,486
Sales and miscellaneous taxes	168,883	-	168,883
Intergovernmental	46,063	2,567	48,630
Charges for services	6,343	-	6,343
Investment earnings	971	10	981
Miscellaneous	26,476	-	26,476
Gifts and grants	50	-	50
Total revenues	<u>350,087</u>	<u>2,577</u>	<u>352,664</u>
EXPENDITURES			
Current:			
General government	31,095	-	31,095
Public safety	67,166	-	67,166
Public works	234,795	-	234,795
Culture and recreation	30,766	2,650	33,416
Debt Service:			
Principal	7,105	-	7,105
Interest and other charges	954	-	954
Capital Outlay	49,531	-	49,531
Total Expenditures	<u>421,412</u>	<u>2,650</u>	<u>424,062</u>
Excess (deficiency) of revenues over expenditures	<u>(71,325)</u>	<u>(73)</u>	<u>(71,398)</u>
Net change in fund balances	<u>(71,325)</u>	<u>(73)</u>	<u>(71,398)</u>
Fund balances - beginning	308,116	2,304	310,420
Fund balances - ending	<u>\$ 236,791</u>	<u>\$ 2,231</u>	<u>\$ 239,022</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Net Positions of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2017

Net change in fund balances - total governmental funds: \$ (71,398)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period.

This is the amount by which capital outlay of \$49,531 was more than depreciation of \$49,244 in the current period.

287

Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.

(12,118)

Governmental funds report bond proceeds as current financial resources. In contrast, the Statement of Activities treats such issuance of debt as a liability. Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds.

7,105

Adjustment for Volunteer Firemen Pension Plan expense and income

6,807

Change in net positions of governmental activities

\$ (69,317)

The accompanying notes to financial statements
are an integral part of these statements.

**Town of Walsh
Statement of Net Position
Proprietary Funds
December 31, 2017**

	Enterprise Funds	
	Enterprise Fund	Total
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 361,163	\$ 361,163
Certificates of Deposit	183,505	183,505
Accounts Receivable, net	33,981	33,981
Total current assets	<u>578,649</u>	<u>578,649</u>
Non-current assets:		
Capital Assets:		
Enterprise System Assets	2,466,912	2,466,912
Buildings and improvements	654,694	654,694
Equipment and Furniture	194,362	194,362
Less Accumulated depreciation	(1,574,102)	(1,574,102)
Total non-current assets	<u>1,741,866</u>	<u>1,741,866</u>
Total assets	<u>2,320,515</u>	<u>2,320,515</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	12,168	12,168
Utility Deposits	33,199	33,199
Bonds, notes and loans payable	15,914	15,914
Total current liabilities	<u>61,281</u>	<u>61,281</u>
Non-current liabilities:		
Landfill closure costs	15,000	15,000
Bonds, notes and loans payable	769,103	769,103
Total non-current liabilities	<u>784,103</u>	<u>784,103</u>
Total liabilities	<u>845,384</u>	<u>845,384</u>
NET POSITION		
Net Investment in capital assets	956,849	956,849
Unrestricted	518,282	518,282
Total Net Position	<u>\$ 1,475,131</u>	<u>\$ 1,475,131</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Fund
For the Year Ended December 31, 2017

	<u>Enterprise Funds</u>	
	<u>Enterprise Fund</u>	<u>Total</u>
REVENUES		
Charges for services-Wastewater	\$ 181,264	\$ 181,264
Charges for services-Water	217,199	217,199
Miscellaneous	1,524	1,524
Total operating revenues	<u>399,987</u>	<u>399,987</u>
OPERATING EXPENSES		
Water operations:		
Personal services	61,081	61,081
Contractual services	3,996	3,996
Power and water purchased	25,681	25,681
Repairs and maintenance	42,319	42,319
Other supplies and expenses	15,853	15,853
Insurance claims and expenses	3,663	3,663
Depreciation	50,513	50,513
Wastewater operations:		
Personal services	72,000	72,000
Contractual services	2,504	2,504
Power and water purchased	1,909	1,909
Utilities	660	660
Repairs and maintenance	21,532	21,532
Other supplies and expenses	15,703	15,703
Insurance claims and expenses	23,006	23,006
Total Operating Expenses	<u>340,420</u>	<u>340,420</u>
Operating income (loss)	<u>59,567</u>	<u>59,567</u>
NON-OPERATING REVENUES (EXPENSES)		
Interest and investment revenue	1,670	1,670
Miscellaneous revenue	9,112	9,112
Interest expense	(38,032)	(38,032)
Total non-operating revenue (expenses)	<u>(27,250)</u>	<u>(27,250)</u>
Income (loss) before contributions and transfers	<u>32,317</u>	<u>32,317</u>
Change in net assets	32,317	32,317
Total net position - beginning	1,442,814	1,442,814
Total net position - ending	<u>\$ 1,475,131</u>	<u>\$ 1,475,131</u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh
Statement of Cash Flows-Proprietary Fund
For the year ended December 31, 2017

	Business-Type Activities Enterprise Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 396,802
Payments to suppliers	(157,411)
Payments to employees	(133,081)
Net cash provided (used) in operating activities	<u>106,310</u>
Cash Flows from Capital Related Financing Activities	
Principal repayments on long-term debt	(15,184)
Interest paid on long-term debt	(38,032)
Net cash provided (used) in financing activities	<u>(53,216)</u>
Cash Flows from Non-Capital Financing Activities	
Net increase (decrease) in utility deposits	2,736
Miscellaneous Income	9,112
Net cash provided (used) in non-capital activities	<u>11,848</u>
Cash Flows from Investing Activities	
(Purchase) of Investments	(846)
Interest received on Investments	1,670
Net cash provided (used) in investing activities	<u>824</u>
Net Increase (Decrease) in cash and cash equivalents	65,766
Beginning of the year cash	295,397
Ending of the year cash	<u><u>\$ 361,163</u></u>
Reconciliation of Operating Income to Net Cash	
Provided by Operating Activities	
Operating income (loss):	\$ 59,567
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation	50,513
Change in assets and liabilities:	
(Increase) Decrease in Accounts Receivable	(3,185)
Increase (Decrease) in Accounts Payable	(585)
Net cash provided (used) from operating activities	<u><u>\$ 106,310</u></u>

The accompanying notes to financial statements
are an integral part of these statements.

Town of Walsh, Colorado
Notes to the Financial Statements
December 31, 2017

Note 1 Summary of Significant Accounting Policies

The financial statements of the Town of Walsh (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America, 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 following is a summary of the significant policies:

Reporting Entity

The Town applies the criteria set forth in GASB statements to determine which governmental organizations should be included in the reporting entity. The inclusion or exclusion of component units is based on the elected officials' accountability to their constituents. The financial reporting entity follows the same accountability. In addition, the financial statements of the reporting entity should allow the user to distinguish between the primary government (including its blended component units, which are, in substance, part of the primary government) and discretely presented component units. Criteria for inclusion of an entity into the primary governmental unit (in blended or discrete presentation) includes, but is not limited to, legal standing, fiscal discrepancy, imposition of will and the primary recipient of services. The Town presently has no component units included within the reporting entity.

Government-wide and Fund Financial Statements

The Statement of Net Position and the Statement of Activities are government-wide financial statements. They report information on all of the Town of Walsh's activities with interfund activities removed.

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

These statements distinguish between governmental and business-type activities of the Town. Governmental activities are supported by taxes and intergovernmental revenues. Business-type activities are financed to a significant extent by fees and charges.

The Statement of Activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with specific function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include 1)

charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Revenues that are not classified as program revenues, including all taxes, are reported as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All remaining governmental funds are aggregate and reported as non-major funds.

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 proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flow. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue in the fiscal year in which all eligible requirements imposed by the provider have been met.

Interfund activities between governmental funds and proprietary funds appear as due to/ due from on the governmental funds balance sheet and proprietary fund statement of net assets and as other resources and other uses on the governmental fund statement of revenues, expenditures and changes in fund balance and on the proprietary fund statement of revenues, expenses and changes in fund net assets. All interfund transactions between governmental funds are eliminated on the government-wide financial statements.

The fund financial statements provide reports on the financial condition and results of operations for three fund categories: governmental, proprietary and fiduciary. Since the resources in the fiduciary funds cannot be used for government operations, they are not included in the government-wide statements. The Town considers some governmental funds major and reports their financial condition and results of operations in a separate column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are non-operating.

Governmental funds are used to account for the Town's general governmental activities. Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the period or soon enough thereafter to pay liabilities of the current fiscal period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures

related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from long-term debt are reported as other financing sources, and acquisitions of capital leased assets are reported as other financing uses.

The Town considers property taxes as available if they are collected within 60 days after year-end. Property taxes are recognized as revenue in the fiscal period for which they are levied, providing the available criteria are met.

Those revenues susceptible to accrual are property taxes, interest revenue and charges for services. Specific ownership taxes collected and held by the County at year-end on behalf of the Town are also recognized as revenue.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the accrual criteria are met. Expenditure-driven grants recognize revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The proprietary fund types are accounted for on a *flow of economic resources measurement focus* and utilize the *accrual basis of accounting*. This basis of accounting recognizes revenues in the accounting period in which they are earned and become measureable and expenses in the accounting period in which they are incurred and become measurable. The Town applies all GASB pronouncements. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the fund statement of net assets. The fund equity is segregated into invested in capital assets net of related debt, restricted net assets and unrestricted net assets.

The accounts of the Town are organized and operated on the basis of funds. A fund is an independent fiscal accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained by the Town is consistent with legal and managerial requirements.

Fund Accounting

The Town reports the following major governmental fund:

General Fund: accounts for all financial resources except those required to be accounted for in another fund.

The Town reports the following non-major governmental fund:

Conservation Trust Fund: accounts for revenue resources that are legally restricted to expenditure for specific purposes (not including major capital projects).

Proprietary Fund

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and delivering goods in connection with a proprietary fund's principal ongoing operations.

The principal operating revenues of the Town's enterprise funds are charges for services. Operating expenses for enterprise funds include cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expense not meeting this definition are reported as non-operating revenues and expenses.

Enterprise funds are used to account for those operations financed and operated in a manner similar to private business or where the Town Council has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

Other Accounting Policies

Cash and Cash Equivalents

For purposes of the statement of cash flows for the proprietary fund, the Town considers highly liquid investments to be cash equivalents if they have a maturity of three months or less when purchased.

Property Taxes

Under Colorado Law, all property taxes become due and payable in the year following in which they are levied. Property taxes are recognized as revenue when collected by the County Treasurer. Property taxes levied in 2017 for collection in 2017 are identified as property taxes receivable and deferred revenues at December 31, and are presented net of an estimated allowance for uncollectible taxes. Property taxes become a lien on the property as of January 1 of each year. One-half of the property taxes are due by February 28 and one-half due by June 15 or all may be paid by April 30 to avoid penalties and interest.

Interfund Transactions

Interfund transactions are accounted for as expenditures/expenses when they constitute reimbursements from one fund to another. These transactions are recorded as reductions of expenditures/expenses in the fund receiving the reimbursement. All other interfund transactions are reported as transfers.

Estimates

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

Budgets & Budgetary Accounting

Annual budgets are adopted and appropriation resolutions are made as required by Colorado Statutes for each fund. Formal budgetary integration is employed as a management control device during the year.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).

Each year the Town Council shall cause to be prepared a proposed budget for the ensuing fiscal year. A statement shall be submitted with the proposed budget describing the major objectives of the Town to be undertaken by the Town Council during the ensuing fiscal year and the manner in which the budget proposes to fulfill such objectives. The proposed budget shall be submitted to the board by October 15. A public hearing is conducted by the Council to obtain taxpayer comments. The final adoption of the Town budget and appropriation resolution must be made by December 31.

Colorado law requires that all funds have legally adopted budgets and total expenditures for each fund cannot exceed the amount appropriated. All appropriations lapse at the end of each fiscal year. A supplemental budget for the General Fund was adopted.

Appropriations are adopted by resolution for each fund in total. Over expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not utilized in the Town of Walsh.

Investments

Under Colorado statutes the Town may lawfully invest eligible funds in the following securities:

- a. Obligations of the United States and certain U.S. government agencies' securities;
- b. Certain international agencies' securities;
- c. General obligation and revenue bonds of U.S. local government entities;
- d. Bankers' acceptances of certain banks;
- e. Commercial paper which holds the highest credit rating category and with a maturity within 180 days;
- f. Local government investment pools;
- g. Written repurchase agreements collateralized by certain authorized securities;
- h. Certain money market funds;
- i. Guaranteed investment contracts.

The Town may also deposit funds in Colorado financial institutions, which are members of the Federal Deposit Insurance Corporation. State law requires the Town Council to approve any investment with maturity in excess of five years.

Receivables and Payables

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. In the fund financial statements, these receivables and payables are classified as “due from other funds” or “due to other funds” on the balance sheet; however, in the government-wide financial statements all internal balances have been eliminated.

Capital Assets

Capital assets, which include land, buildings, furniture and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such 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 assets lives are not capitalized.

Land improvements, buildings, furniture and equipment of the Town are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements	20
Vehicles	5
Equipment	5

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pension, 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.

Note 2 Deposits and Investments*Custodial Credit Risk - Deposits*

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits might not be recovered. However, the Colorado Public Deposit Protection Act (PDPA) requires that deposits of all units of local government be held at eligible public depositories, whose eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is 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 102% of the aggregate uninsured deposits.

Cash and certificates of deposit are covered by federal insurance coverage and the provisions of the Colorado Public Deposit Protection Act.

Note 3 Capital Assets

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

	Beginning	Additions	Deletions	Ending
Governmental Activities:				
Non-depreciable assets:				
Land	\$ 32,790	\$ -	\$ -	\$ 32,790
Depreciable assets:				
Buildings & improvements	578,946	-	-	578,946
Equipment	811,766	49,531	-	861,297
Total depreciable assets	1,390,712	49,531	-	1,440,243
Less accumulated depreciation for:				
Buildings & improvements and equipment	(1,152,105)	(49,244)	-	(1,201,349)
Net depreciable assets	238,607	287	-	238,894
Net capital assets- governmental activities	\$ 271,397	\$ 287	\$ -	\$ 271,684
Business-type Activities:				
Depreciable assets:				
Equipment	\$ 3,315,968	\$ -	\$ -	\$ 3,315,968
Less accumulated depreciation for:				
Equipment	(1,523,589)	\$ (50,513)	\$ -	(1,574,102)
Net capital assets- business-type activities	\$ 1,792,379	\$ (50,513)	\$ -	\$ 1,741,866

Depreciation Expense

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

Business-type Activities:	
Enterprise Fund	<u>\$ 50,513</u>
Governmental Funds:	
General Govt	\$ 5,099
Cultural & Rec	959
Public Safety	<u>43,186</u>
Total Governmental Funds	<u>\$ 49,244</u>

Note 4 Landfill Closure Costs

State and Federal laws and regulations require that the Town perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The Town's future closing, maintenance and monitoring costs have been included in the Enterprise Fund. The estimated liability for landfill closure and post closure care costs is based on the amount of landfill used during the year. The estimated liability for landfill closure and post closure has a balance of \$15,000 and is based on costs associated with the landfill. The Town recorded the \$15,000 liability in previous years and will leave the liability at this amount for 2017.

Estimates the Town calculated in 2017 are as follows:

	Total Costs	Approximate Used Amount	Liability
Closure	\$ 12,040	5%	\$ 602
Post closure	<u>30,000</u>	5%	<u>1,500</u>
Totals	<u>\$ 42,040</u>		<u>\$ 2,102</u>

It is estimated that another \$24,400 will be recognized between the balance sheet date and the date the landfill is expected to reach capacity. The costs are estimated. The actual cost of closure and post closure care may be higher due to inflation, changes in technology or changes in landfill laws and regulations.

No study was done to calculate the closure and post-closure costs as of December 31, 2017. Instead the Town and the State agreed the Town would close the landfill by the end of 2018 with the state paying closure costs which are estimated to be \$200,000.

Note 5 Public Entity Pool

The Town of Walsh participates with Colorado Intergovernmental Risk Sharing Agency (CIRSA) which is an insurance risk pool. CIRSA is a separate legal entity established by the member municipalities pursuant to the provisions of Colorado Revised Statute and the Colorado Constitution.

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 or 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 coverage 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 the ability to significantly affect the operations of the unit. Complete financial statements for CIRSA can be obtained at their offices.

Note 6 Risk Management

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

Other Non-Pool Coverage: 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; claims relating to professional liability; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties. Settled claims for these risks have not exceeded commercial insurance coverage the past two years.

Note 7 Contraband Forfeitures

Per Colorado Contraband Forfeiture Act (C.R.S 16-13-501 to 511), proceeds received from the seizure of contraband must be used for the specific purpose of law enforcement activities. These proceeds are exempt from the appropriations process. The Town received no material proceeds from contraband in 2016.

Note 8 Water Revenue Bond Series 2003

The Town issued water revenue bonds December 23, 2003. The maturity date of the bonds is December 31, 2043. The bonds have a 4.75% interest rate. Semi-annual payments of principal and interest of \$26,638 are payable June 1 and December 1 each year. Following is a payment schedule:

	Principal	Interest	Total
2018	\$ 15,914	\$ 37,362	\$ 53,276
2019	16,678	36,598	53,276
2020	17,480	35,796	53,276
2021	18,320	34,956	53,276
2022	19,200	34,075	53,275
2023-2027	110,768	155,612	266,380
2028-2032	140,074	126,306	266,380
2033-2037	177,130	89,250	266,380
2038-2042	223,988	42,392	266,380
2043	45,465	1,817	47,282
Total	\$ 785,017	\$ 594,164	\$ 1,379,181

Note 9 Reserve Fund Balance

The Town has reserved \$12,721 of fund balance for its emergency reserve per the provisions of Amendment One. The reserve is approximately three percent of the non-federal 2017 spending limitation. Not including the enterprise fund.

Note 10 Tax, Spending and Debt Limitation

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. However, the Town has made certain interpretations of the amendment's language in order to determine its compliance.

In 1999, the residents of the Town voted to authorize the Town to collect, retain and expend all revenue and other funds collected from any source during 1999 and each subsequent year notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution, provided no sales and use tax rates, property tax mill levy or other tax rate be increased nor any tax be imposed without prior approval of the voters of the Town of Walsh.

Note 11 Employee Pension Plans

The Town provides pension benefits for all of its full-time employees that work at least 32 hours per week for 12 months out of the year through a defined contribution plan administered by CCOERA. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are required to participate after one full year of service. The Town rate of contribution is 3%. The employee must contribute 3% and may contribute more at their election. The Town's contributions for each employee (and interest allocated to the employee's account) are fully vested after five (5) years of service with 20% vesting each year. Plan provisions

and contribution requirements are established and may be amended by the Board of Trustees.

During 2017, the Town and the employees each contributed \$3,172 to the pension plan on qualifying salaries of \$105,733. Gross salaries of \$158,216 were paid during 2017.

A deferred compensation plan under Section 457 of the Internal Revenue Code is also available to all eligible employees for voluntary contributions of up to a maximum specified by the Internal Revenue Service. Employees are eligible to participate immediately upon employment. The plan is administered by COERA and plan provisions are established and may be amended by the Board of Trustee.

Note 12 Sales Tax

The voters approved a sales tax of 3% to be charged starting January 1, 2005. The proceeds from the Town sales tax shall be distributed to the Town's General Fund where 75% of the proceeds shall be spent on street, sewer, and water repairs and improvements for the first 5 years in which the tax is collected. The other 25% and all the tax after the first 5 years shall be spent for any lawful purpose as determined by the Town Council.

Note 13 Employee Retirement Plan

General Information about the Fire & Police Pension Association Old Hire and Volunteer Pension Plan Employers

Plan Description: The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all old hires and volunteer firemen.

Employers once had the option to elect to withdraw from the Plan, but a change in state statutes permitted no further withdrawals after January 1, 1988.

Colorado Revised Statutes Title 31, Article 31 grants the authority to establish and amend the benefit terms to the Fire & Police Pension Association of Colorado Board of Directors. The Fire & Police Pension Association of Colorado issues a publicly available financial report that can be obtained at www.fppaco.org.

Benefits Provided: The annual normal retirement benefit is \$100 per month per qualifying retiree.

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 this 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 by election of the membership.

Contributions to the Plan from the Town were \$2,000 for the year ended December 31, 2017. The State of Colorado contributed \$1,000 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 Department reported a Net Pension Asset of \$33,928 for its proportionate share of the net pension liability/(asset). The net pension liability/(asset) was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of that date. The Department's proportion of the net pension liability/(asset) was based on a projection of the Department's long-term share of contributions to the pension plan relative to the projected contributions of all participating Departments, actuarially determined.

General Information about the Fire & Police Statewide Defined Benefit Plan

For the year ended December 31, 2017, the Department recognized pension expense of \$(1,758). At December 31, 2017, the Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience changes in assumptions	\$ 0	\$ 17,966
Changes in assumptions	1,400	0
Net difference between actual and projected earnings on pension plan investments	4,139	0
Total	<u>\$ 5,539</u>	<u>\$ 17,966</u>

\$(12,427) reported as deferred outflows related to pensions resulting from Department contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended December 31,</u>	
2018	\$ (1,758)
2019	(1,758)
2020	(1,853)
2021	(2,724)
2022	(2,241)
Thereafter	(2,093)
Total	<u>\$ (12,427)</u>

Actuarial assumptions: The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all period included in the measurement.

Single discount rate	7.5 percent
Long-term expected rate of return	7.5 percent
Long-term municipal bond rate	3.78 percent
Projected salary increases	N/A
Cost of living adjustment	N/A

Mortality rates were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment projected with Scale AA, 40 percent multiplier for off-duty mortality.

The actuarial assumptions used in the January 2, 2014 valuation were based on the results of an actuarial experience study as of January 1 of odd numbered years.

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

Required Supplementary Information

Pension expense/(income) under GASB Statement No. 68 As of December 31,		2016
Service cost	\$	1,783
Interest on the total pension liability		4,484
Current-period benefit changes		0
Projected earnings on plan investments (made negative here to offset expense)		(5,954)
Pension plan administrative expense		403
State of Colorado supplemental discretionary payment		(1,000)
Recognition of outflow (inflow) of resources due to liabilities		(3,058)
Recognition of outflow (inflow) of resources due to assets		1,300
Total pension expense/(income)	\$	<u>(2,042)</u>

Changes in plan provisions: The plan provisions have not changed since the prior valuation.

Benefit Adjustments: No benefit adjustments were made.

Changes of assumptions: The assumptions shown above pertain to the actuarial valuation as of January 1, 2013 and the associated Actuarially Determined Contribution for the year ending December 31, 2015. Following a regularly scheduled experience study in 2015, the Board adopted a new assumption set for first use in the January 1, 2016 valuations. Due to the biennial valuation process, the new assumptions will first apply to the January 1, 2017 Volunteer valuations.

The primary changes, which can be observed in the January 1, 2017 valuation, as compared to the assumptions shown are as follows:

Inflation 2.50%

Mortality **Pre-retirement:** RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55% multiplier for off-duty mortality. Increased by 0.00020 for on-duty related Fire and Police experience.

Post-retirement: For ages less than 55, RP-2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Table for Blue Collar Healthy Annuitants. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

Disabled: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% rate for females.

Note 14 Restricted Cash

In the Enterprise Fund \$54,888 has been restricted to pay bonds and \$12,524 has been restricted for landfill closure and post closure costs.

Note 15 Long-Term Debt

During 2015, the Town entered into a lease purchase agreement for equipment. The interest rate is 3.19999% with five (5) annual payments of principle and interest of \$8,059.

	Principle	Interest	Total
2018	\$ 7,332	\$ 727	\$ 8,059
2019	7,569	490	8,059
2020	7,809	250	8,059
Total	<u>\$ 22,710</u>	<u>\$ 1,467</u>	<u>\$ 24,177</u>

A summary of long term debt is as follows:

	Beginning Balance	Additions	Payments	Ending Balance	Due In One Year
Bonds Payable	\$ 800,201	\$ -	\$ 15,184	\$ 785,017	\$ 15,914
Lease Payable	\$ 29,815	\$ -	\$ 7,105	\$ 22,710	\$ 7,332

Note 16

Fund Balances

The Town implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." In the fund financial statements, the following classifications describe the relative strength of spending constraints.

Non-Spendable Fund Balance: The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory and prepaid amounts) or is legally or contractually required to be maintained intact.

Restricted Fund Balance: The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.

Committed Fund Balance: The portion of fund balance constrained for specific purposes according to the limitations imposed by the Town's highest level of decision making authority, the Town Council, or other individuals authorized to assign funds to be used for a specific purpose. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

Assigned Fund Balance: The portion of fund balance set aside for planned or intended purposes but is neither restricted nor committed. The intended use may be expressed by the Town Council or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.

Unassigned Fund Balance: The residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund.

When both restricted and unrestricted fund balance are available for use, it is the Town's policy to use restricted amounts first. Unrestricted fund balance will be used in the following order: committed, assigned and unassigned.

**Town of Walsh
Budget and Actual
General Fund
For the year ended December 31, 2017**

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	<u>Original</u>	<u>Final</u>	
REVENUES			
Property taxes	\$ 90,764	\$ 90,764	\$ 90,815
SO taxes	10,500	10,500	10,486
Sales and miscellaneous taxes	153,825	153,825	168,883
Intergovernmental	46,666	46,666	46,063
Charges for services	5,045	5,045	6,343
Contributions and grants	9,600	9,600	50
Investment earnings	475	475	971
Miscellaneous	3,000	3,000	26,476
Total revenues	<u>319,875</u>	<u>319,875</u>	<u>350,087</u>
EXPENDITURES			
Current:			
General government	37,056	37,056	31,095
Public safety	118,651	118,651	67,166
Public works	261,676	261,676	234,795
Culture and recreation	44,501	44,501	30,766
Debt Service:			
Principal	7,105	7,105	7,105
Interest and other charges	954	954	954
Capital Outlay	3,000	3,000	49,531
Total Expenditures	<u>472,943</u>	<u>472,943</u>	<u>421,412</u>
Excess (deficiency) of revenues over expenditures	<u>(153,068)</u>	<u>(153,068)</u>	<u>(71,325)</u>
Net change in fund balances	(153,068)	(153,068)	(71,325)
Fund balances - beginning	153,068	153,068	308,116
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 236,791</u>

Walsh Volunteer Fire Department Volunteer Pension Fund
Schedule of Contributions Multiyear
Last 10 Fiscal Years (to be Built Prospectively)

FYE Ending December 31,	Actuarially Determined Contribution	Actual Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
2014	\$	335	\$	N/A	N/A
2015		335	(2,165)	N/A	N/A
2016		958	(3,165)	N/A	N/A
			(2,042)		

* Includes both employer and State of Colorado Supplemental Discretionary Payment.

**Town of Walsh
Budget and Actual
Conservation Trust Fund
For the year ended December 31, 2017**

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	<u>Original</u>	<u>Final</u>	
REVENUES			
Intergovernmental	\$ 2,650	\$ 2,650	\$ 2,567
Investment earnings	2	2	10
Total revenues	<u>2,652</u>	<u>2,652</u>	<u>2,577</u>
EXPENDITURES			
Current:			
Culture and recreation	<u>4,952</u>	<u>4,952</u>	<u>2,650</u>
Total Expenditures	<u>4,952</u>	<u>4,952</u>	<u>2,650</u>
Excess (deficiency) of revenues over expenditures	<u>(2,300)</u>	<u>(2,300)</u>	<u>(73)</u>
Net change in fund balances	(2,300)	(2,300)	(73)
Fund balances - beginning	2,300	2,300	2,304
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,231</u>

**Town of Walsh
Budget and Actual
Enterprise Fund
For the year ended December 31, 2017**

	Budgeted Amounts		Actual Amounts, Budgetary Basis
	<u>Original</u>	<u>Final</u>	
REVENUES			
Charges for Services	\$ 378,000	\$ 378,000	\$ 398,463
Investment earnings	478	478	1,670
Miscellaneous	225	225	10,635
Total revenues	<u>378,703</u>	<u>378,703</u>	<u>410,768</u>
OPERATING EXPENSES			
Personal services	82,811	82,811	72,000
Contractual services	4,198	4,198	2,504
Purchased power	29,305	29,305	1,909
Utilities	715	715	660
Repairs and maintenance	22,850	22,850	21,532
Other supplies and expenses	17,208	17,208	15,703
Insurance claims and expenses	19,140	19,140	23,006
Depreciation	2,201	2,201	-
Interest	41,269	41,269	38,032
Water operations including debt service	<u>231,768</u>	<u>231,768</u>	<u>218,289</u>
Total Operating Expenses	<u>451,465</u>	<u>451,465</u>	<u>393,635</u>
Operating income (loss)	<u>(72,762)</u>	<u>(72,762)</u>	<u>17,133</u>
RECONCILING ITEMS			
Adjustment for debt service	-	-	15,184
Net change in fund balances	<u>(72,762)</u>	<u>(72,762)</u>	<u>32,317</u>
Fund balances - beginning	<u>72,762</u>	<u>72,762</u>	<u>1,442,814</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,475,131</u>

**Town of Walsh
Balance Sheet
Other Governmental Funds
December 31, 2017**

	<u>Conservation Trust Fund</u>	<u>Total Special Revenue Funds</u>
ASSETS		
Cash and cash equivalents	\$ 2,231	\$ 2,231
Total assets	<u>2,231</u>	<u>2,231</u>
 LIABILITIES AND NET POSITIONS		
Net Positions:		
Reserved for:		
Assigned	2,231	2,231
Total net positions	<u>2,231</u>	<u>2,231</u>
Total liabilities and fund balances	<u>\$ 2,231</u>	<u>\$ 2,231</u>

Town of Walsh
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2017

	<u>Conservation Trust Fund</u>	<u>Total Special Revenue Funds</u>
REVENUES		
Intergovernmental	\$ 2,567	\$ 2,567
Investment earnings	10	10
Total revenues	<u>2,577</u>	<u>2,577</u>
EXPENDITURES		
Culture and recreation	<u>2,650</u>	<u>2,650</u>
Total Expenditures	<u>2,650</u>	<u>2,650</u>
Excess (deficiency) of revenues over expenditures	<u>(73)</u>	<u>(73)</u>
Net change in fund balances	<u>(73)</u>	<u>(73)</u>
Fund balances - beginning	<u>2,304</u>	<u>2,304</u>
Fund balances - ending	<u><u>\$ 2,231</u></u>	<u><u>\$ 2,231</u></u>

ANNUAL HIGHWAY FINANCE REPORT - CY17

Email address: townofwalsh@gmail.com

City/County: Walsh

II - RECEIPTS FOR ROAD AND STREET PURPOSES

A. Receipts from local sources

2. General Fund Appropriations:	\$	83,142.74
3. Other local imposts: <i>from A.3. 'Total' below</i>	\$	162,260.69
4. Miscellaneous local receipts: <i>from A.4. 'Total' below</i>	\$	1,257.37
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00
SubTotal:	\$	246,660.80

B. Private Contributions	\$	0.00
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II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	151,775.15
2. Infrastructure and Impact Fees:	\$	0.00
3. Liens:	\$	0.00
4. Licenses:	\$	0.00

5. Specific Ownership and/or Other:	\$	10,485.54
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Total: (a + b) carried to 'Other local imposts' above)	\$	162,260.69
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A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	107.37
b. Traffic fines & Penalties:	\$	790.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	0.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	0.00
g. Other Misc. Receipts:	\$	360.00
h. Other:	\$	0.00

Total: (a through h) carried to 'Misc local receipts' above)	\$	1,257.37
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C. Receipts from State Government

1. Highway User Taxes:	\$	30,183.02
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	3,379.52
d. Other (Specify):		
Comments: undefined	\$	31.91
e. Other (Specify):		
Comments: undefined	\$	0.00

Total: (1+3c,d,e)	\$	33,594.45
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D. Receipts from Federal Government

2. Other Federal Agencies		
a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	6.01

Total: (2a-f)	\$	6.01
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III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

A. Local highway disbursements

1. Capital outlay: (from A.1.d. 'Total Capital Outlay' below)	\$	189,408.48
2. Maintenance:	\$	36,915.11
3. Road and street services		
a. Traffic control operations:	\$	0.00
b. Snow and ice removal:	\$	0.00
c. Other:	\$	30,580.39
4. General administration & miscellaneous	\$	5,111.58
5. Highway law enforcement and safety	\$	18,245.70
Total: (A.1-5)	\$	280,261.26

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00
SubTotal: (1+2)	\$	0.00

C. Payments to State for Highways:	\$	0.00
D. Payments to Toll Facilities:	\$	0.00

Total Disbursements: (A+B+C+D) \$ 280,261.26

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00

b. Engineering Costs:	\$	0.00	\$	0.00	\$	0.00
c. Construction						
1. New Facilities:	\$	0.00	\$	0.00	\$	0.00
2. Capacity Improvements:	\$	0.00	\$	0.00	\$	0.00
3. System Preservation:	\$	0.00	\$	189,408.48	\$	189,408.48
4. System Enhancement:	\$	0.00	\$	0.00	\$	0.00
5. Total Construction:					\$	189,408.48
d. Total Capital Outlay: (Lines A, 1.a. + 1.b. + 1.c.5)					\$	189,408.48

IV. LOCAL HIGHWAY DEBT STATUS

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 280,261.26	\$ 280,261.26	\$ 0.00	\$ 0.00

Notes & Comments:
undefined

Please enter your name: Donna Packard Dawson

Please provide a telephone number where you may be reached: 7193245411