

**TOWN OF WIGGINS
WIGGINS, COLORADO**

**FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT**

**FOR THE YEAR ENDED
DECEMBER 31, 2017**

TABLE OF CONTENTS

PAGE

Introductory Section

Title Page

Table of Contents

Financial Section

Management's Discussion and Analysis (Unaudited) M1 – M6

Independent Auditors' Report 1 - 3

Basic Financial Statements:

Statement of Net Position 4

Statement of Activities 5

Balance Sheet – Governmental Funds 6

Reconciliation of Governmental Fund Balance to Governmental Activities Net Position 7

Statement of Revenues, Expenditures and Change in Fund Balance - Governmental Funds 8

Reconciliation of Governmental Funds Change in Fund Balance to Governmental
Activities Change in Net Position 9

Statement of Net Position - Proprietary Fund 10

Statement of Revenues, Expenses, and Changes in Fund Net Position -
Proprietary Funds 11

Statement of Cash Flows - Proprietary Funds 12

Notes to the Financial Statements 13 - 40

Pension Schedules (Required Supplementary Information – Unaudited)

Schedule of the Town's Proportionate Share of the Net Pension Asset (Liability) 41

Schedule of Town Contributions 42

Required Supplementary Information

Budgetary Comparison Statement for the General Fund 43 - 45

TABLE OF CONTENTS

PAGE

Other Supplementary Information

Budgetary Comparison Statement for the Sales Tax Capital Improvement Fund 46

Budgetary Comparison Schedule for the Conservation Trust Fund 47

Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual -
Water Fund 48

Schedule of Revenues, Expenses and Changes in Net Position – Budget and Actual -
Sewer Fund 49

State Compliance

Local Highway Finance Report 50 - 51

INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

Town of Wiggins Management Discussion and Analysis December 31, 2017

The discussion and analysis of the Town of Wiggins' financial performance provides an overall review of the Town's financial activities for the year ended December 31, 2017. The intent of this discussion and analysis is to look at the Town's financial performance as a whole. Readers should also review the financial statements and the notes to the financial statements to broaden their understanding of the Town's financial performance.

Financial Highlights

The Town of Wiggins' total governmental net position decreased by \$77,467 for the year.

- The assets of the Town exceeded its liabilities at the close of fiscal year 2017 by \$8,850,150. (*net position*). Of this amount, \$376,822 (*unrestricted net position*) may be used to meet the Town's ongoing obligations or unforeseen expenses.
- At the end of 2017 unrestricted net position for the proprietary funds (business-type activities) was \$402,245.

As of the close of fiscal year 2017, the Town 's General Fund reported an ending fund balance of \$(27,939) compared to the fiscal year 2016 balance of \$99,181.

- General Fund 2017 revenues decreased by \$2,101 to \$586,133.
- General Fund expenditures increased in 2017 by \$45,925 to \$713,253.

Using the Basic Financial Statements

The Basic Financial Statements consists of the Management's Discussion and Analysis (this section) and a series of financial statements and notes to those statements. These statements are organized so that the reader can understand the Town of Wiggins as an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The first two statements are government-wide financial statements - the Statement of Net Position and the Statement of Activities. Both provide long and short-term information about the Town's overall financial status.

The remaining statements are fund financial statements that focus on individual parts of the Town's operations in more detail. The governmental fund statements tell how general Town services were financed in the short term as well as what remains for future spending. The Town has three governmental funds:

- General Fund
- Sales Tax Capital Improvement Fund (Capital Projects Fund)
- Conservation Trust Fund (nonmajor Special Revenue)

Town of Wiggins Management Discussion and Analysis December 31, 2017

Proprietary fund statements offer short and long-term financial information about the activities that the Town operates as a business. The Town operates two proprietary funds as follows:

- Water Fund
- Sewer Fund

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Financial Analysis of the Town as a Whole

The Town's total net position was \$8,927,617 as of December 31, 2016 and \$8,850,150 as of December 31, 2017. This represents a decrease of \$77,467.

Government-Wide Financial Statements

The government-wide statements report information about the Town as a whole using accounting methods similar to those used by private businesses. The statements of net position include all of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Town's net position and how they have changed. The change in net position is important because it tells the reader that for the Town as a whole, the financial position of the Town has improved or diminished. The causes of this change may be the result of various factors, some financial, some not. Non-financial factors include facility conditions, and state or federal government required programs.

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the Town include: general government, public safety (police), public works, and parks and recreation. The Business-type Activities of the Town of Wiggins consists of water and sewer services.

Net Position

Net position might serve over time as a useful indicator of a government's financial position. In the case of the Town of Wiggins, assets exceeded liabilities by approximately \$8.9 million at the close of 2017.

Net position of the Town's Governmental and Business-type Activities at December 31, 2017 and December 31, 2016 were as follows:

Town of Wiggins Management Discussion and Analysis December 31, 2017

Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 530,436	\$ 683,034	\$ 1,890,770	\$ 420,752	\$ 2,421,206	\$ 1,103,786
Capital assets, net	2,179,970	2,316,717	14,094,883	9,855,505	16,274,853	12,172,222
Total assets	\$ 2,710,406	\$ 2,999,751	\$ 15,985,653	\$ 10,276,257	\$ 18,696,059	\$ 13,276,008
Deferred outflow s of resources	\$ 26,556	\$ 26,610	\$ -	\$ -	\$ 26,556	\$ 26,610
Current liabilities	232,201	18,980	135,958	29,143	368,159	48,123
Noncurrent Liabilities	108,440	135,090	9,167,718	3,997,553	9,276,158	4,132,643
Total liabilities	\$ 340,641	\$ 154,070	\$ 9,303,676	\$ 4,026,696	\$ 9,644,317	\$ 4,180,766
Deferred inflow s of resources	\$ 228,148	\$ 194,235	\$ -	\$ -	\$ 228,148	\$ 194,235
Net position:						
Net investment in capital assets	\$ 2,080,668	\$ 2,181,627	\$ 6,162,268	\$ 5,857,952	\$ 8,242,936	\$ 8,039,579
Restricted	112,928	389,466	117,464	79,205	230,392	468,671
Unrestricted	(25,423)	106,963	402,245	312,404	376,822	419,367
Total net position	\$ 2,168,173	\$ 2,678,056	\$ 6,681,977	\$ 6,249,561	\$ 8,850,150	\$ 8,927,617

The bulk of the Town's net position, \$8,242,936, is invested in capital assets. These assets consist of land and improvements, buildings, equipment, and utility system assets.

The Town of Wiggins uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town of Wiggins' investment in its capital assets is reported net of related debt, it should be noted that the funds needed to repay this debt must be provided from other sources since; in general, the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the Town's ongoing obligations to citizens and creditors.

Changes in Net Position

Governmental activities decreased the Town of Wiggins's net position by \$509,883. The Town's Business type activities increased the Town's net position by \$432,416.

A summary of the changes in net position is as follows:

Town of Wiggins Management Discussion and Analysis December 31, 2017

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Program revenues:						
Charges for services	\$ 123,405	\$ 49,609	\$ 686,911	\$ 596,173	\$ 810,316	\$ 645,782
Operating grants & contributions	89,495	115,975	112,065	36,005	201,560	151,980
Capital grants & contributions	-	15,000	1,014,002	385,000	1,014,002	400,000
General revenues:						
Property taxes	192,057	173,455	-	-	192,057	173,455
Sales & use taxes	226,317	199,403	-	-	226,317	199,403
Other taxes	34,550	29,352	-	-	34,550	29,352
Gain on sale of capital assets	-	96,266	-	-	-	96,266
Other general revenues	42,336	7,081	246	242	42,582	7,323
Total revenues	<u>\$ 708,160</u>	<u>\$ 686,141</u>	<u>\$ 1,813,224</u>	<u>\$ 1,017,420</u>	<u>\$ 2,521,384</u>	<u>\$ 1,703,561</u>
Program expenses:						
General government	\$ 503,699	\$ 291,834	\$ -	\$ -	\$ 503,699	\$ 291,834
Public safety	295,646	185,447	-	-	295,646	185,447
Public works	296,311	268,751	-	-	296,311	268,751
Culture and recreation	119,754	79,104	-	-	119,754	79,104
Water utility	-	-	1,113,782	549,490	1,113,782	549,490
Sewer utility	-	-	267,026	161,419	267,026	161,419
Interest on long-term debt	2,633	5,548	-	-	2,633	5,548
Total expenses	<u>\$ 1,218,043</u>	<u>\$ 830,684</u>	<u>\$ 1,380,808</u>	<u>\$ 710,909</u>	<u>\$ 2,598,851</u>	<u>\$ 1,541,593</u>
Transfers In/(Out)	\$ -	\$ (29,915)	\$ -	\$ 29,915	\$ -	\$ -
Increase/(decrease) in net position	\$ (509,883)	\$ (174,458)	\$ 432,416	\$ 336,426	\$ (77,467)	\$ 161,968
Net Position, Beginning	2,678,056	2,852,514	6,249,561	5,913,135	8,927,617	8,765,649
Net Position, Ending	<u>\$ 2,168,173</u>	<u>\$ 2,678,056</u>	<u>\$ 6,681,977</u>	<u>\$ 6,249,561</u>	<u>\$ 8,850,150</u>	<u>\$ 8,927,617</u>

Financial Analysis of the Town's Funds

The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

General Fund – The General Fund had a beginning balance of 99,181 and an ending balance of (\$27,939), a decrease from the prior year. The most significant changes from the prior year were ongoing capital improvement and government operations. The Town expects to recover funds from ongoing operations in subsequent years.

Town of Wiggins Management Discussion and Analysis December 31, 2017

Sales Tax Capital Improvement Fund – This fund had a beginning balance of \$329,109 and ended 2017 with a balance of \$54,655. The decrease can be largely attributed to the 2017 capital water and sewer project improvements authorized by the Board of Trustees.

Proprietary Funds - Proprietary funds have historically operated as enterprise funds using the same basis of accounting as business-type activities; therefore, these statements will essentially match the information provided in the statements for the business-type activities of the Town as a whole. The proprietary fund statements, however, will provide a greater level of detail than the information found in the government-wide statements.

Water Fund – The Water Fund had a beginning net position of \$4,867,892 and ended the 2017 year with a net position of \$4,794,602. The Town’s water fund has been largely affected by the Wiggins Water Project, which became operational in September 2013. The improvements to the system as a result of completion include a new water source, a new water treatment facility, augmentation facilities, and new pipeline infrastructure to provide water to citizens. The project was partially funded through grant proceeds, which are presented as fund level revenues, without corresponding expenses as the underlying assets have been capitalized. The town is still funding the cost to secure its’ water rights through the court, which accounted for some of the additional cost. Increases in revenues can be contributed to Water Investment fees being paid to the town by developers.

Sewer Fund – The Sewer Fund had a beginning net position of \$1,381,669 and ended the 2017 year with a net position of \$1,887,375. The increase can be contributed to sewer investment fees paid to the town by developers and lower operational cost.

Capital Assets

Approximately 25% of the Town’s capital assets support governmental activities. The majority of the value is invested in land, buildings and improvements. The majority of the Town’s governmental capital asset additions are related to improvements on the Delbert Teets Baseball Field, Kiowa Park, and Public Works Improvements.

The Town’s business-type activities capital assets consist of its investments in its utility systems and related equipment. The majority of the improvements for the year represent water system improvements that were completed in September 2013 and new investments in capital projects. These improvements are primarily related to upgrades to the water transmission system and additional water rights used to supplement the Town’s existing wells.

The Town’s business-type activities long-term debt consists of various bonds and notes payable that were used for system improvements. Business-type activities debt transactions for the year are located in the audit under “Long Term Debt – Note 4”

General Fund Budget

The General Fund accounts for all of the general government services provided by the Town of Wiggins including: public safety (police), public works, parks and recreation, and general

Town of Wiggins Management Discussion and Analysis December 31, 2017

government services. The Town's General Fund revenues were \$4,298 more than budgeted. The Town's General Fund expenditures were \$19,418 more than budgeted.

Economic Factors and Future Budgets and Rates

The Town of Wiggins has seen a two full years of new housing growth. The expansion has come primarily from the new Kiowa Park Housing Development. In addition, a new school was being built and a new commercial development is in the planning stages. The Town expects to see a minimum of 10% growth year over year for the next several years.

The Board of Trustees examined policy that would lead to a balanced budget, while still providing opportunities for growth and much needed infrastructure. Several factors were considered by the Board of Trustees in an attempt to create a budget that would continue to allow for the development of the water project and capital improvement projects, and yet be cognizant of the limited funds the Town has to work with.

Auditor Notes

The auditor states under "Note 11" the Town had multiple budget violations for expenditures that exceed the total 2017 budget amounts. The cause of the budget violations was mainly due to capital water and sewer projects that were authorized the prior year, but not finished and billed until 2017. These projects included a water main extension, a sewer main extension, two sewer lift stations, and other authorized capital improvements. Some of the projects were funded through grant proceeds from the Department of Local Affairs and the CDPHE. The Town board approved the projects by resolution, but some did overrun into the following year. In future years, staff will bring an amended budget resolution before the board to avoid future budget violations. In addition, staff recognized through the audit process, the original budget appropriations for each of the budget categories were not transferred from the budget worksheet that was approved by the Board of Trustees to the final budget that was ultimately approved.

Request for Information

The financial statements are designed to provide information for regulatory reporting to federal and state agencies and those with an interest in the Town's finances. Questions concerning this or any additional information should be addressed to Town Clerk, Town of Wiggins, 304 Central Ave Wiggins, CO 80654.

Respectively Submitted,

Paul Larino, MPA
Town Manager

Holscher, Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

Board of Trustees
Town of Wiggins
Wiggins, Colorado

Independent Auditors' Report

Report on the Financial Statements

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 Wiggins, Colorado, as of and for the year ended December 31, 2017, and the related notes to the financial statements which collectively comprise the basic financial statements of the Town, 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 the financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. 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.

Opinion

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 Wiggins, Colorado, as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the Town of Wiggins' 2016 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated April 4, 2017. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management Discussion and Analysis and Pension Schedules (Unaudited)

Accounting principles generally accepted in the United States of America require that the management, discussion and analysis on pages M1-M6 and pension schedules on pages 35-36 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.

Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 37-39 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. In addition, the combining and individual fund schedules on pages 40-45 and listed as other supplementary information are presented for purposes of additional analysis and are not a required part of the financial statements. The 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 basic 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The *Local Highway Finance Report* is presented on pages 46-47 for purposes of legal compliance and is not a required part of the financial statements. Such 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. The 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 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Holscher, Mayberry + Company, LLC". The signature is written in a cursive, flowing style.

Englewood, CO
July 30, 2018

BASIC FINANCIAL STATEMENTS

INTENTIONALLY LEFT BLANK

TOWN OF WIGGINS, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2017

	<u>GOVERNMENTAL ACTIVITIES</u>	<u>BUSINESS TYPE ACTIVITIES</u>	<u>TOTAL</u>
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 38,892	\$ 466,092	\$ 504,984
Investments	303	628	931
Restricted Cash and Investments	218,681	242,732	461,413
Receivables			
Property Tax Receivable	227,108	-	227,108
Intergovernmental Receivables	43,562	-	43,562
Utility Receivable	-	47,542	47,542
Cash with Fiscal Agent	1,890	1,133,776	1,135,666
Total Current Assets	<u>530,436</u>	<u>1,890,770</u>	<u>2,421,206</u>
Noncurrent Assets			
Capital Assets not being Depreciated	1,302,438	6,272,037	7,574,475
Capital Assets being Depreciated	1,413,948	9,575,209	10,989,157
Accumulated Depreciation	(531,956)	(1,752,363)	(2,284,319)
Net Pension Asset	(4,460)	-	(4,460)
Total Noncurrent Assets	<u>2,179,970</u>	<u>14,094,883</u>	<u>16,274,853</u>
TOTAL ASSETS	<u>2,710,406</u>	<u>15,985,653</u>	<u>18,696,059</u>
DEFERRED OUTFLOWS OF FINANCIAL RESOURCES			
Net Pension Deferred Outflows	26,556	-	26,556
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,736,962</u>	<u>\$ 15,985,653</u>	<u>\$ 18,722,615</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 24,734	\$ 19,302	\$ 44,036
Accrued Liabilities	5,472	(1,943)	3,529
Deposits and Escrow	200,000	65,215	265,215
Accrued Interest Payable	1,995	53,384	55,379
Total Current Liabilities	<u>232,201</u>	<u>135,958</u>	<u>368,159</u>
Noncurrent Liabilities			
Due within one year	28,549	168,803	197,352
Due in more than one year	79,891	8,998,915	9,078,806
Total Noncurrent Liabilities	<u>108,440</u>	<u>9,167,718</u>	<u>9,276,158</u>
TOTAL LIABILITIES	<u>340,641</u>	<u>9,303,676</u>	<u>9,644,317</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Deferred Property Taxes	227,108	-	227,108
Net Pension Deferred Inflows	1,040	-	1,040
TOTAL DEFERRED INFLOWS	<u>228,148</u>	<u>-</u>	<u>228,148</u>
NET POSITION			
Net Investment in Capital Assets	2,080,668	6,162,268	8,242,936
Restricted Net Position	112,928	117,464	230,392
Unrestricted Net Position	(25,423)	402,245	376,822
TOTAL NET POSITION	<u>2,168,173</u>	<u>6,681,977</u>	<u>8,850,150</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 2,736,962</u>	<u>\$ 15,985,653</u>	<u>\$ 18,722,615</u>

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

TOWN OF WIGGINS

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2017

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS				
Government Activities				
Current:				
General Government	\$ 503,699	\$ 611	\$ 22,259	\$ -
Public Safety	295,646	3,923	-	-
Public Works	296,311	106,050	58,416	-
Culture and Recreation	119,754	12,821	8,820	-
Interest on Debt	2,633	-	-	-
TOTAL GOVERNMENT ACTIVITIES	1,218,043	123,405	89,495	-
Business-type Activities				
Current:				
Water	1,113,782	544,595	10,000	485,716
Sewer	267,026	142,316	102,065	528,286
TOTAL BUSINESS-TYPE ACTIVITIES	1,380,808	686,911	112,065	1,014,002
TOTAL GOVERNMENT	\$ 2,598,851	\$ 810,316	\$ 201,560	\$ 1,014,002
GENERAL REVENUES				
Property Taxes				
Specific Ownership Taxes				
Sales and Use Taxes				
Franchise Taxes				
Other Taxes				
Interest Income				
Other Revenues				
TOTAL GENERAL REVENUES AND TRANSFERS				
CHANGE IN NET POSITION				
NET POSITION - Beginning				
Prior Period Restatement				
NET POSITION - Beginning (as Restated)				
NET POSITION - Ending				

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

NET (EXPENSE) REVENUE AND
CHANGES IN NET POSITION

GOVERNMENT ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
\$ (480,829)	\$ -	\$ (480,829)
(291,723)	-	(291,723)
(131,845)	-	(131,845)
(98,113)	-	(98,113)
(2,633)	-	(2,633)
<u>(1,005,143)</u>	<u>-</u>	<u>(1,005,143)</u>
-	(73,471)	(73,471)
-	505,641	505,641
-	432,170	432,170
<u>(1,005,143)</u>	<u>432,170</u>	<u>(572,973)</u>
192,057	-	192,057
20,289	-	20,289
226,317	-	226,317
13,462	-	13,462
799	-	799
322	246	568
42,014	-	42,014
<u>495,260</u>	<u>246</u>	<u>495,506</u>
<u>(509,883)</u>	<u>432,416</u>	<u>(77,467)</u>
2,775,834	6,132,014	8,907,848
<u>(97,778)</u>	<u>117,547</u>	<u>19,769</u>
<u>2,678,056</u>	<u>6,249,561</u>	<u>8,927,617</u>
<u>\$ 2,168,173</u>	<u>\$ 6,681,977</u>	<u>\$ 8,850,150</u>

TOWN OF WIGGINS, COLORADO

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2017

With Comparative Totals for December 31, 2016

	<u>CAP PROJ FD</u>			<u>Total</u>	
	General Fund	Sales Tax Capital Improvement Fund	Nonmajor Conservation Trust Fund	2017	2016
ASSETS AND DEFERRED OUTFLOWS					
ASSETS					
Current Assets					
Cash and Investments					
Cash	\$ (46,471)	\$ 45,731	\$ 39,632	\$ 38,892	\$ 392,226
Investments	101	101	101	303	300
Restricted Cash and Investments	218,681	-	-	218,681	18,662
Receivables					
Property Tax Receivable	227,108	-	-	227,108	192,275
Intergovernmental Receivables	24,914	18,648	-	43,562	38,999
Cash with Fiscal Agent	1,890	-	-	1,890	1,523
Accounts Receivable	-	-	-	-	60,314
Prepaid Expenses	-	-	-	-	6,400
TOTAL ASSETS	\$ 426,223	\$ 64,480	\$ 39,733	\$ 530,436	\$ 710,699
LIABILITIES, DEFERRED INFLOWS AND NET POSITION					
LIABILITIES					
Current Liabilities					
Accounts Payable	\$ 14,909	\$ 9,825	\$ -	\$ 24,734	\$ 4,923
Accrued Liabilities	5,472	-	-	5,472	19,070
Deposits and Escrow	200,000	-	-	200,000	-
Total Current Liabilities	220,381	9,825	-	230,206	23,993
Noncurrent Liabilities					
Accrued Compensated Absences	6,673	-	-	6,673	4,154
TOTAL LIABILITIES	227,054	9,825	-	236,879	28,147
DEFERRED INFLOWS OF FINANCIAL RESOURCES					
Deferred Property Taxes	227,108	-	-	227,108	192,275
FUND BALANCE					
Nonspendable Fund Balance	-	-	-	-	6,400
Restricted Fund Balance	23,000	54,655	39,733	117,388	364,201
Unassigned Fund Balance	(50,939)	-	-	(50,939)	119,676
TOTAL FUND BALANCE	(27,939)	54,655	39,733	66,449	490,277
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 426,223	\$ 64,480	\$ 39,733	\$ 530,436	\$ 710,699

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

TOWN OF WIGGINS, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION
DECEMBER 31, 2017**

Fund Balance - Governmental Funds		\$	66,449
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	1,302,438	
Capital assets, being depreciated		1,413,948	
Accumulated depreciation		<u>(531,956)</u>	2,184,430
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds			
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds			
Net pension liability		(4,460)	
Net pension deferred outflows		26,556	
Net pension deferred inflows		<u>(1,040)</u>	21,056
Internal Service operations primarily benefit Governmental Activities			
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Capital leases payable		(101,767)	
Accrued interest payable		<u>(1,995)</u>	<u>(103,762)</u>
Total Net Position - Governmental Activities			\$ <u>2,168,173</u>

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	General Fund	CAP PROJ FD Sales Tax Capital Improvement Fund	Nonmajor Conservation Trust Fund	TOTAL	
				2017	2016
REVENUES					
Taxes	\$ 339,765	\$ 113,159	\$ -	\$ 452,924	\$ 429,875
Intergovernmental Revenues	73,772	-	8,820	82,592	87,165
Licenses and Permits	106,740	-	-	106,740	27,367
Fines and Forfeits	3,698	-	-	3,698	6,624
Charges for Services	12,968	-	-	12,968	15,618
Investment Earnings	274	33	15	322	161
Other Revenues	48,916	-	-	48,916	136,110
TOTAL REVENUES	586,133	113,192	8,835	708,160	702,920
EXPENDITURES					
Current:					
General Government	290,763	-	-	290,763	265,762
Public Safety	168,438	-	-	168,438	170,947
Public Works	156,691	-	-	156,691	148,851
Parks, Recreation and Other	51,392	-	6,900	58,292	53,661
Capital Outlay	15,175	387,646	2,524	405,345	250,043
Debt Service	30,794	-	-	30,794	17,666
TOTAL EXPENDITURES	713,253	387,646	9,424	1,110,323	906,930
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(127,120)	(274,454)	(589)	(402,163)	(204,010)
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	-	-	-	-	(29,915)
NET CHANGE IN FUND BALANCE - GAAP BASIS	(127,120)	(274,454)	(589)	(402,163)	(233,925)
FUND BALANCE, BEGINNING	126,076	323,879	40,322	490,277	724,202
Prior Period Restatement	(26,895)	5,230	-	(21,665)	-
FUND BALANCE, BEGINNING (As Restated)	99,181	329,109	40,322	468,612	724,202
FUND BALANCE, ENDING	\$ (27,939)	\$ 54,655	\$ 39,733	\$ 66,449	\$ 490,277

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

TOWN OF WIGGINS, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2017**

Change in Fund Balance - Governmental Funds		\$ (402,163)
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases	(56,426)	
Depreciation Expense	<u>(75,596)</u>	(132,022)
Certain long-term assets are not available to pay for current year expenditures and are therefore deferred in the funds		
Pension expense at the fund level represents cash contributions to the defined benefit plan. For the activity level presentation, the amount represents the actuarial cost of the benefits for the fiscal year.		
Net change in deferred pension outflows	(593)	
Change in net pension asset/liability	(4,725)	
Net change in deferred pension inflows	<u>1,459</u>	(3,859)
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level		
Principal payments on capital leases	27,635	
Change in accrued interest payable	<u>526</u>	<u>28,161</u>
Change in Net Position - Governmental Activities		<u>\$ (509,883)</u>

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF NET POSITION

PROPRIETARY FUNDS

DECEMBER 31, 2017

With Comparative Totals for December 31, 2016

	<u>Business-type Activities</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2017</u>	<u>2016</u>
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 87,719	\$ 378,373	\$ 466,092	\$ 249,632
Investments	426	202	628	625
Restricted Cash and Investments	116,310	126,422	242,732	79,205
Receivables				
Utility Receivable	40,865	6,677	47,542	55,285
Cash with Fiscal Agent	1,133,776	-	1,133,776	-
Accounts Receivable	-	-	-	7,917
Total Current Assets	<u>1,379,096</u>	<u>511,674</u>	<u>1,890,770</u>	<u>392,664</u>
Noncurrent Assets				
Capital Assets not being depreciated	5,450,378	821,659	6,272,037	2,474,417
Capital Assets being depreciated	7,337,346	2,237,863	9,575,209	8,864,982
Accumulated Depreciation	<u>(1,183,826)</u>	<u>(568,537)</u>	<u>(1,752,363)</u>	<u>(1,573,353)</u>
Total Noncurrent Assets	<u>11,603,898</u>	<u>2,490,985</u>	<u>14,094,883</u>	<u>9,766,046</u>
TOTAL ASSETS	<u>\$ 12,982,994</u>	<u>\$ 3,002,659</u>	<u>\$ 15,985,653</u>	<u>\$ 10,158,710</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 18,104	\$ 1,198	\$ 19,302	\$ 12,300
Accrued Liabilities	(936)	(1,007)	(1,943)	-
Deposits and Escrow	8,659	56,556	65,215	4,869
Accrued Interest Payable	<u>45,371</u>	<u>8,013</u>	<u>53,384</u>	<u>11,974</u>
Total Current Liabilities	<u>71,198</u>	<u>64,760</u>	<u>135,958</u>	<u>29,143</u>
Noncurrent Liabilities				
Due within one year	168,803	-	168,803	170,133
Due in more than one year	<u>7,948,391</u>	<u>1,050,524</u>	<u>8,998,915</u>	<u>3,827,420</u>
Total Noncurrent Liabilities	<u>8,117,194</u>	<u>1,050,524</u>	<u>9,167,718</u>	<u>3,997,553</u>
TOTAL LIABILITIES	<u>8,188,392</u>	<u>1,115,284</u>	<u>9,303,676</u>	<u>4,026,696</u>
NET POSITION				
Net Investment in Capital Assets	4,646,556	1,515,712	6,162,268	5,772,525
Restricted Net Position	93,464	24,000	117,464	79,205
Unrestricted Net Position	<u>54,582</u>	<u>347,663</u>	<u>402,245</u>	<u>280,284</u>
TOTAL NET POSITION	<u>4,794,602</u>	<u>1,887,375</u>	<u>6,681,977</u>	<u>6,132,014</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 12,982,994</u>	<u>\$ 3,002,659</u>	<u>\$ 15,985,653</u>	<u>\$ 10,158,710</u>

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

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	<u>Business-type Activities</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2017</u>	<u>2016</u>
Operating Revenues				
Utility Charges	\$ 479,528	\$ 142,273	\$ 621,801	\$ 571,540
Other Charges for Services	65,067	43	65,110	32,550
Total Revenues	<u>544,595</u>	<u>142,316</u>	<u>686,911</u>	<u>604,090</u>
Operating Expenses				
Personnel Services	71,749	76,264	148,013	124,816
Commodity Charges	40,100	-	40,100	29,000
Administrative/Office Expenses	3,401	1,319	4,720	5,683
Insurance	9,525	9,525	19,050	16,218
Operating Supplies	5,887	3,971	9,858	11,093
Professional Fees	542,623	71,268	613,891	120,994
Repairs and Maintenance	25,700	4,172	29,872	16,930
Travel and Training	2,329	53	2,382	-
Treatment	26,499	9,036	35,535	38,331
Telephone and Utilities	54,449	22,191	76,640	65,519
Other Operating Expenses	3,894	2,513	6,407	4,379
Depreciation Expense	145,678	33,332	179,010	173,681
Enterprise Capital Outlay	-	-	-	1,567
Total Expenditures	<u>931,834</u>	<u>233,644</u>	<u>1,165,478</u>	<u>608,211</u>
Operating Income (Loss)	<u>(387,239)</u>	<u>(91,328)</u>	<u>(478,567)</u>	<u>(4,121)</u>
Other Income (Expense)				
Intergovernmental Revenue	10,000	102,065	112,065	-
Investment Earnings	181	65	246	242
Interest Expense	<u>(181,948)</u>	<u>(33,382)</u>	<u>(215,330)</u>	<u>(102,698)</u>
Total Other Income (Expense)	<u>(171,767)</u>	<u>68,748</u>	<u>(103,019)</u>	<u>(102,456)</u>
Net Income (Loss) before Transfers	<u>(559,006)</u>	<u>(22,580)</u>	<u>(581,586)</u>	<u>(106,577)</u>
Transfers				
Transfers In/(Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,915</u>
Net Income (Loss)	<u>(559,006)</u>	<u>(22,580)</u>	<u>(581,586)</u>	<u>(76,662)</u>
Contributed Capital				
Plant Investment Fees	383,500	174,000	557,500	385,000
Other Capital Contributions	<u>102,216</u>	<u>354,286</u>	<u>456,502</u>	<u>-</u>
Total Contributed Capital	<u>485,716</u>	<u>528,286</u>	<u>1,014,002</u>	<u>385,000</u>
Change in Net Position	<u>(73,290)</u>	<u>505,706</u>	<u>432,416</u>	<u>308,338</u>
Net Position, Beginning	4,786,350	1,345,664	6,132,014	5,823,676
Prior Period Restatement	<u>81,542</u>	<u>36,005</u>	<u>117,547</u>	<u>-</u>
Net Position, Beginning (As Restated)	<u>4,867,892</u>	<u>1,381,669</u>	<u>6,249,561</u>	<u>5,823,676</u>
Net Position, Ending	<u>\$ 4,794,602</u>	<u>\$ 1,887,375</u>	<u>\$ 6,681,977</u>	<u>\$ 6,132,014</u>

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

TOWN OF WIGGINS

STATEMENT OF CASH FLOWS -

PROPRIETARY FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	<u>Business-type Activities</u>			
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>	
	<u>Fund</u>	<u>Fund</u>	<u>2017</u>	<u>2016</u>
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 550,126	\$ 204,872	\$ 754,998	\$ 604,783
Cash Paid to Suppliers	(725,124)	(141,526)	(866,650)	(368,487)
Cash Paid to Employees	(54,359)	(58,619)	(112,978)	(93,609)
Net Cash Provided by Operating Activities	<u>(229,357)</u>	<u>4,727</u>	<u>(224,630)</u>	<u>142,687</u>
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	383,500	174,000	557,500	385,000
Loan Proceeds	3,077,129	1,047,945	4,125,074	-
Debt Principal Payments	(90,463)	-	(90,463)	(5,876)
Grant Proceeds	10,000	138,070	148,070	-
Interest Payments	(148,552)	(25,369)	(173,921)	(101,988)
Proceeds of Capital Asset Sales	-	-	-	(27,734)
Acquisition of Capital Assets	(2,848,941)	(1,112,945)	(3,961,886)	(578,028)
Cash Flows Used by Capital and Related Financing Activities	<u>382,673</u>	<u>221,701</u>	<u>604,374</u>	<u>(328,626)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	-	-	-	29,915
Cash Flows (Uses) From Investing Activities:				
Interest Received	181	65	246	242
Net Increase (Decrease) in Cash	153,497	226,493	379,990	(155,782)
Cash - Beginning	50,958	278,504	329,462	485,244
Cash - Ending	<u>\$ 204,455</u>	<u>\$ 504,997</u>	<u>\$ 709,452</u>	<u>\$ 329,462</u>
Cash	\$ 87,719	\$ 378,373	\$ 466,092	\$ 249,632
Investments	426	202	628	625
Restricted Cash and Investments	116,310	126,422	242,732	79,205
Total	<u>\$ 204,455</u>	<u>\$ 504,997</u>	<u>\$ 709,452</u>	<u>\$ 329,462</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ (387,239)	\$ (91,328)	\$ (478,567)	\$ (4,121)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	145,678	33,332	179,010	173,681
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Utility Receivable	310	7,431	7,741	1,064
(Increase) Decrease in:				
Accounts Payable	6,689	317	7,006	(28,481)
Accrued Liabilities	(936)	(1,007)	(1,943)	-
Deposits and Escrow	5,221	55,125	60,346	(371)
Accrued Compensated Absences	920	857	1,777	915
Total Adjustments	<u>157,882</u>	<u>96,055</u>	<u>253,937</u>	<u>146,808</u>
Net Cash Used for Operating Activities	<u>\$ (229,357)</u>	<u>\$ 4,727</u>	<u>\$ (224,630)</u>	<u>\$ 142,687</u>

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

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

HISTORY AND FUNCTION OF ORGANIZATION

The Town of Wiggins, Colorado is a political subdivision of the State of Colorado governed by a seven member Board of Trustees. The Town was incorporated in October 1974. The Town is a full-service entity providing police, streets and drainage, and parks and recreation services as well as providing water and sewer services.

REPORTING ENTITY

In evaluating how to define the government, for financial reporting purposes, the Town's management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in Governmental Accounting Standards Board ("GASB") Statement No. 14, "The Financial Reporting Entity" and as subsequently amended.

Based upon the application of these criteria, no additional organizations were included within the Town's reporting entity.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. 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 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.

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

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, sales and use taxes, franchise fees, state shared revenues, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In the fund financial statements, the Town reports the following major governmental funds:

General Fund

The General Fund uses the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Certain service fees and non-tax revenues are recognized when received or billed. Grants from other governments are recognized when qualifying expenditures are incurred. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal sources of revenues are property and sales taxes. Principal expenditures are for police protection, public works, parks and recreations and Town administration.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION (Continued)

Capital Projects Fund:

These funds account for revenues derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes. The Town's special revenue funds are as follows:

Sales Tax Capital Improvement Fund

This fund accounts for funds received from a voter approved 1% sales tax generated to fund the acquisition and construction of capital facilities and equipment. These funds are required to be spent on capital improvements pursuant to the ballot issue.

Special Revenue Fund:

This fund accounts for revenues derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes. The Town's special revenue fund is as follows:

Conservation Trust Fund (Nonmajor Fund)

This fund accounts for funds received through the State of Colorado Lottery/ Conservation Trust Fund program. These funds are required through state statute to be spent on parks and recreation. This is a nonmajor fund.

Proprietary Funds

The Town also reports the following major proprietary funds:

Water and Sewer Funds – These funds account for the activities related to offering the respective services to the Town's residents.

PROPERTY TAXES

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding unavailable revenue are recorded at December 31. As the tax is collected in the succeeding year, the unavailable revenue is recognized as revenue and the receivable is reduced.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

ACCUMULATED UNPAID LEAVE (COMPENSATED ABSENCES)

The Town permits an employee to carry over unused vacation pay to the next calendar year. The Town assumes that the employee will use all carryover vacation as well as any current vacation earned in the same year. The Town has accrued \$6,673 in the General Fund, \$2,310 in the Water Fund and \$1,722 in the Sewer Fund for unused vacation time at December 31, 2016 Sick leave can be carried over up to 192 hours but will not be paid upon termination; therefore no liability has been shown for any unused sick leave.

BUDGETS AND BUDGETARY ACCOUNTING

Budgets were adopted for all funds. Budgets are prepared on the same basis of accounting as that used for accounting purposes. In the budget versus actual statements, the actual results of operations are presented on the budgetary basis of accounting for proper comparison to the budget.

Budgets are adopted based on the requirements of state statutes. The following timetable is used:

- 1) Submission of the proposed budget to the Board of Trustees by October 15 of each year.
- 2) Certification of mill levies to the County Commissioners by December 15 of each year.
- 3) Final adoption of the budget and appropriations by December 31 of each year.

The Town does not utilize encumbrance accounting and all appropriations lapse at year end. For fiscal year 2017, the Town did not budget for debt financed or contributed capital assets in the enterprise funds.

ACCOUNTS RECEIVABLE

Based upon a review of the existing accounts receivable, no allowance for doubtful accounts is needed for any fund.

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than \$5,000 and an 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.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL ASSETS (Continued)

Property and equipment of the Town is depreciated using the straight line method over the following estimated useful lives.

Buildings	15 - 35 years
Vehicles	5 - 15 years
Machinery and Equipment	5 - 30 years
Wastewater System	10 - 50 years
Water System	7 - 50 years

The Town has elected to not retroactively report infrastructure.

DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

In addition to assets, the statement of financial position reports a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The government's deferred outflows consist of pension related items as further described in Note 5.

In addition to liabilities, the statement of financial position reports a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports deferred inflows related to pension liabilities as further described in Note 5 as well as for taxes levied in 2017 to be collected in 2018.

NET POSITION/FUND BALANCES

In the government-wide financial statements and for the proprietary fund statements, net position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as "nonspendable" include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balances are reported as "restricted" when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

NET POSITION/FUND BALANCES (Continued)

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Trustees, are reported as "committed" fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts. The Town currently has no committed funds.

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, are reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes. The Town currently has no assigned fund balances.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

NET POSITION/FUND EQUITY FLOW ASSUMPTIONS

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

CASH FLOW STATEMENT

For purposes of the statement of cash flows, cash equivalents are defined as all bank account balances and investments with maturities of ninety days or less.

COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2: CASH AND INVESTMENTS

DEPOSITS

The Town's cash and investment balances are allocated as follows:

Cash and Investments	\$ 505,915
Restricted Cash and Investments	<u>461,413</u>
Total Cash and Investments	<u>\$ 967,328</u>

The balances are comprised of the following:

Cash	\$ 966,397
Investments	<u>931</u>
Total Cash and Investments	<u>\$ 967,328</u>

Custodial Credit Risk - Deposits

In the case of deposits, this is the risk that in the event of bank failure, the government's deposits may not be returned to it. The Town's deposit policy is in accordance with CRS 11-10.5-101, The Colorado Public Deposit Protection Act (PDPA), which governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations.

Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized by eligible collateral as determined by the PDPA. The financial institution is allowed to create a single collateral pool for all public funds held. 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 uninsured deposits. The institution's internal records identify collateral by depositor and as such, these deposits are considered uninsured but collateralized. The State Regulatory Commissions for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools. At December 31, 2017, all of the Town's deposits as shown below were either insured by federal depository insurance or collateralized under PDPA and are therefore not deemed to be exposed to custodial credit risk.

Deposits at December 31, 2017 were as follows:

	Bank Balance	Book Balance
FDIC Insured	\$ 392,479	\$ 392,479
PDPA Secured (Not in Entity's Name)	552,036	531,242
Petty Cash	<u>-</u>	<u>42,677</u>
Total Cash	<u>\$ 944,515</u>	<u>\$ 966,397</u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2: CASH AND INVESTMENTS (Continued)

INVESTMENTS

Credit Risk

Colorado statutes specify which instruments units of local government may invest, which include:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of the U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The Town does not have an investment policy that would further limit its investment choices.

During the year ended December 31, 2017, the Town invested funds in the Colotrast. As an investment pool, it operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. It invests in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pool operates similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. This fund is rated AAAM by the Standard and Poor's Corporation. The balance in this investment at December 31, 2017 was \$931.

Concentration of Credit Risk

The Town places no limit on the amount that may be invested in any one issuer.

Interest Rate Risk

Colorado Statutes require that no investment may have a maturity in excess of five years from the date of purchase. 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, other than those contained in the statutes. The Town's investment portfolio contains no investments that exceed that limitation.

Custodial Credit Risk – Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of December 31, 2017, the Town's investments consisted of the investment pool.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 2: CASH AND INVESTMENTS (Continued)

RESTRICTED CASH

The Town has restricted cash in the General Fund related to a developer performance deposit of \$200,000 and cash held for future community hall replacement of \$18,681.

The Town has restricted cash to satisfy bond requirements totaling \$93,464 in the Water Fund as further discussed in Note 4. In addition, the Town is holding unspent loan proceeds from Bank of the West in the Water and Sewer Funds totaling \$22,846 and \$72,672, respectively.

The Town has recorded restricted cash in the Sewer Fund in the amount of \$53,750 related to developer performance deposits.

The Town also has undrawn Colorado Water Conservation Board loan proceeds of \$1,133,776, shown as Cash with Fiscal Agent in the Water Fund as of December 31, 2017.

NOTE 3: CAPITAL ASSETS

A summary of the Town's governmental capital asset transactions for the year are as follows:

	Restated Balance 12/31/2016	Additions	Deletions	Balance 12/31/2017
Governmental Activities:				
Capital Assets not being depreciated:				
Land	\$ 456,539		\$ -	\$ 456,539
Improvements (Flood Control)	845,899	-	-	845,899
Construction in Progress	75,800	380,702	456,502	-
Total not being depreciated	<u>1,378,238</u>	<u>380,702</u>	<u>456,502</u>	<u>1,302,438</u>
Capital Assets being depreciated:				
Building	361,056	-	-	361,056
Equipment	245,332	-	-	245,332
Improvements	687,559	-	-	687,559
Vehicles	109,627	10,374	-	120,001
Total being depreciated	<u>1,403,574</u>	<u>10,374</u>	<u>-</u>	<u>1,413,948</u>
Accumulated Depreciation				
Building	(184,615)	(9,939)	-	(194,554)
Equipment	(106,610)	(19,914)	-	(126,524)
Improvements	(93,319)	(34,664)	-	(127,983)
Vehicles	(71,816)	(11,079)	-	(82,895)
Total Accumulated Depreciation	<u>(456,360)</u>	<u>(75,596)</u>	<u>-</u>	<u>(531,956)</u>
Net Capital Assets	<u>\$ 2,325,452</u>	<u>\$ 315,480</u>	<u>\$ 456,502</u>	<u>\$ 2,184,430</u>

The beginning balance has been restated for \$9,000 of park land acquired during 2016 that was not previously recorded.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 3: CAPITAL ASSETS (Continued)

Depreciation has been allocated to the various governmental functions as follows:

Allocation of Depreciation	
General Government	\$ 13,783
Public Safety	7,980
Public Works	32,297
Culture and Recreation	<u>21,536</u>
Total Depreciation	<u>\$ 75,596</u>

A summary of the Town's business-type capital asset transactions for the year are as follows:

	Restated			Balance
	Balance	Additions	Deletions	12/31/17
	12/31/16			12/31/17
Business-type Activities:				
Capital Assets not being depreciated:				
Land	\$ 591,879	\$ 1,051,330	\$ -	\$ 1,643,209
Water Rights	<u>1,971,997</u>	<u>2,656,831</u>	-	<u>4,628,828</u>
Total not being depreciated	<u>2,563,876</u>	<u>3,708,161</u>	-	<u>6,272,037</u>
Capital Assets being depreciated:				
Buildings	-	130,310	-	130,310
Systems	8,853,236	579,917	-	9,433,153
Other Equipment	<u>11,746</u>	-	-	<u>11,746</u>
Total being depreciated	<u>8,864,982</u>	<u>710,227</u>	-	<u>9,575,209</u>
Accumulated Depreciation				
Buildings	-	(1,520)	-	(1,520)
Systems	(1,561,607)	(177,490)	-	(1,739,097)
Other Equipment	<u>(11,746)</u>	-	-	<u>(11,746)</u>
Total Accumulated Depreciation	<u>(1,573,353)</u>	<u>(179,010)</u>	-	<u>(1,752,363)</u>
Net Capital Assets	<u>\$ 9,855,505</u>	<u>\$ 4,239,378</u>	<u>\$ -</u>	<u>\$ 14,094,883</u>

Depreciation has been allocated to the various business-type activities as follows:

Depreciation - Water	\$ 145,678
Depreciation - Sewer	<u>33,332</u>
Total Depreciation	<u>\$ 179,010</u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4: LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES

Changes in governmental activity long-term debt are as follows:

	Restated Balance 12/31/16	Advances	Repayments	Balance 12/31/17	Current Portion	Interest Expense
Governmental Activities:						
2015 Copier Lease	\$ 15,515	\$ -	\$ 4,106	\$ 11,409	\$ 4,360	\$ 819
2015 Vehicle Lease	39,309	-	9,410	29,899	9,682	1,657
2016 Equipment Lease	74,579	-	14,119	60,460	14,507	2,046
Total Long-Term Debt	<u>\$ 129,403</u>	<u>\$ -</u>	<u>\$ 27,635</u>	<u>\$ 101,768</u>	<u>\$ 28,549</u>	<u>\$ 4,522</u>

In 2015, the Town entered into a lease/purchase agreement for a copier. The copier lease requires 60 monthly payments of \$410 consisting of both principal and interest at an effective rate of 6%. Payments are due through June 2020. The copier value of \$21,338 was capitalized and debt is serviced through the General Fund. The copier has a remaining value of \$8,535.

Scheduled future payments on the capital lease are as follows:

<u>Year</u>	<u>Payment</u>
2018	\$ 4,920
2019	4,920
2020	<u>2,460</u>
Total	12,300
Less: Interest at 6.0%	<u>(891)</u>
Present Value of Future Lease Payments	<u>\$ 11,409</u>

In 2015, the Town entered into a lease/purchase agreement for a vehicle. The lease requires 5 annual payments of \$10,550 consisting of both principal and interest at an effective rate of 2.9%. Equipment with a value of \$48,596 was capitalized and debt is serviced through the General Fund. The vehicle has a remaining value of \$27,769.

Scheduled future payments on the capital lease are as follows:

<u>Year</u>	<u>Payment</u>
2018	\$ 10,550
2019	10,550
2020	<u>10,550</u>
Total	31,650
Less: Interest at 2.9%	<u>(1,751)</u>
Present Value of Future Lease Payments	<u>\$ 29,899</u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4: LONG-TERM DEBT (Continued)

GOVERNMENTAL ACTIVITIES (Continued)

In 2016, the Town entered into a lease/purchase agreement for various public works equipment. The lease requires 5 annual payments of \$16,166 consisting of both principal and interest at an effective rate of 2.74%. Equipment with a cost of \$54,921 was capitalized as part of this lease. The remaining equipment acquired did not meet the Town's capitalization threshold. Debt is serviced through the General Fund. The vehicle has a remaining useful value of \$45,837. This lease was not reported in the 2016 financial statements.

Scheduled future payments on the capital lease are as follows:

<u>Year</u>	<u>Payment</u>
2018	\$ 16,166
2019	16,166
2020	16,166
2021	<u>16,166</u>
Total	64,664
Less: Interest at 2.74%	<u>(4,204)</u>
Present Value of Future	
Lease Payments	<u>\$ 60,460</u>

BUSINESS-TYPE ACTIVITIES

Changes in business-type activity long-term debt are as follows:

	<u>Balance</u> <u>12/31/16</u>	<u>Advances</u>	<u>Repayments</u>	<u>Balance</u> <u>12/31/17</u>	<u>Current</u> <u>Portion</u>	<u>Interest</u> <u>Expense</u>
Business-type Activities:						
Capital Lease Payable - Water	\$ 364,641	\$ -	\$ 23,696	\$ 340,945	\$ 19,177	\$ 21,939
2017 BOTW Loan - Water & Sewer	-	2,850,000	-	2,850,000	-	90,786
2017 CWCB Note Payable - Water	-	2,408,850	-	2,408,850	-	12,949
2016 Note Payable - HPNB - Water	81,332	-	-	81,332	81,332	3,660
2013 USDA Water Loan	520,315	-	9,439	510,876	9,641	11,561
2011 USDA Water Loan	<u>3,027,233</u>	-	<u>57,327</u>	<u>2,969,906</u>	<u>58,653</u>	<u>73,592</u>
Total Long-Term Debt	<u>\$ 3,993,521</u>	<u>\$ 5,258,850</u>	<u>\$ 90,462</u>	<u>\$ 9,161,909</u>	<u>\$ 168,803</u>	<u>\$ 214,487</u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Water Fund

In 2009, the Town entered into a \$500,000 water rights lease/purchase agreement with a private party. The agreement requires annual payments of \$42,125 for a period of twenty years. The Town is making these payments monthly, creating slight timing differences for the amortization. As of December 31, 2017, the Town has made payments covering the January and February 2018 lease payments. The lease bears interest at 5.75% per annum. Scheduled lease payments are as follows:

<u>Year</u>	<u>Payment</u>
2018	\$ 35,104
2019	42,125
2020	42,125
2021	42,125
2022	42,125
2023-2027	210,625
2028-2029	<u>45,634</u>
Total	459,863
Less: Interest at 5.75%	<u>(118,918)</u>
Present Value of Future	
Lease Payments	<u>\$ 340,945</u>

In 2011, the Town received a \$3,327,000 USDA Rural Utilities loan and a \$2,252,000 USDA Rural Utilities Grant to help fund a \$5,700,000 project to improve the Town's water system, with the remaining \$121,000 to be provided by the Town. The loan requires semi-annual payments of \$63,313 beginning in May of 2012 through November of 2051 with interest at an effective rate of approximately 2.25%. The loan contains a net revenue pledge of all Water Fund revenues towards repayment.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Water Fund (Continued)

The Town must maintain an operations and maintenance reserve of \$12,662 annually beginning in 2012, with a maximum of \$126,626. The Town has funded these reserves through restrictions of its cash balances in the Water Fund (Note 2), in the amount of \$73,572 as of December 31, 2017. An additional reserve is required for short lived assets in the amount of \$1,952 annually, this reserve has also been funded as described above in the amount of \$11,712. The loan matures as follows:

Year	Principal	Interest	Total
2018	\$ 58,653	\$ 67,973	\$ 126,626
2019	60,010	66,616	126,626
2020	61,398	65,228	126,626
2021	62,819	63,807	126,626
2022	64,272	62,354	126,626
2023 - 2027	344,361	288,769	633,130
2028 - 2032	386,076	247,054	633,130
2033 - 2037	432,844	200,285	633,129
2038 - 2042	485,277	147,853	633,130
2043 - 2047	544,063	89,067	633,130
2048 - 2051	470,133	24,171	494,304
Total	\$ 2,969,906	\$ 1,323,177	\$ 4,293,083

In 2013, the Town received an additional \$549,000 USDA Rural Utilities loan and an additional \$153,853 USDA Rural Utilities Grant to help fund cost overruns on the water project. The loan requires semi-annual payments of \$10,223 beginning in February 2014 through August 2053 with interest at an effective rate of approximately 2.125%. This debt is considered parity debt with the 2011 USDA loan. The loan contains a net revenue pledge of all Water Fund revenues towards repayment.

The Town must maintain an operations and maintenance reserve of \$2,045 annually beginning in 2014, with a maximum of \$20,446. The Town has funded this reserve through restrictions of its cash balances in the Water Fund (Note 2), in the amount of \$8,180 as of December 31, 2017. The loan matures as follows:

Year	Principal	Interest	Total
2018	\$ 9,641	\$ 10,805	\$ 20,446
2019	9,847	10,599	20,446
2020	10,057	10,389	20,446
2021	10,272	10,174	20,446
2022	10,491	9,955	20,446
2023 - 2027	55,916	46,314	102,230
2028 - 2032	62,150	40,080	102,230
2033 - 2037	69,078	33,152	102,230
2038 - 2042	76,779	25,451	102,230
2043 - 2047	85,338	16,892	102,230
2048 - 2052	94,850	7,379	102,229
2053	16,457	243	16,700
Total	\$ 510,876	\$ 221,433	\$ 732,309

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Water Fund (Continued)

In 2016, the Town entered into a bank promissory note for the purchase of land in the amount of \$81,332. The loan terms were modified in 2017 to require one payment upon maturity on September 30, 2018. The loan bears interest at 4.5%.

In 2017 the Town entered into a \$2,408,850 Colorado Water Conservation Board loan to purchase the property and create the Wiggins Recharge Facility at Glassey Farms. The agreement requires annual payments of \$113,560 for a period of thirty years. The loan bears interest at 2.40% per annum. The loan contains a net revenue pledge of all Water Fund revenues towards repayment. Scheduled loan payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ -	\$ -	\$ -
2019	55,748	57,812	113,560
2020	57,086	56,474	113,560
2021	58,456	55,104	113,560
2022	59,859	53,701	113,560
2023-2027	321,545	246,256	567,801
2028-2032	362,027	205,774	567,801
2033-2037	407,606	160,194	567,800
2038-2042	458,924	108,877	567,801
2043-2047	516,701	51,098	567,799
2048	110,898	2,662	113,560
Total	\$ 2,408,850	\$ 997,952	\$ 3,406,802

Loan proceeds were utilized as follows during 2017:

	<u>CWCB</u> <u>Loan</u>
Loan Proceeds	\$ 2,408,850
Issuance Costs	(38,850)
Property Acquisition and Related	(1,225,000)
Other Legal and Professional	(11,225)
Remaining Proceeds (Cash with	
Fiscal Agent)	\$ 1,133,775

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 4: LONG-TERM DEBT (Continued)

BUSINESS-TYPE ACTIVITIES (Continued)

Water and Sewer Funds

In 2017 the Town entered into a \$2,850,000 variable rate bank loan to purchase land and certain water rights related to the property. This loan is split between the Water Fund (63.23%) and Sewer Fund (36.77%) based on the estimated value of the underlying assets acquired. The agreement requires quarterly interest payments on the first day of January, April, August and December. The interest payments will vary based on the LIBOR rate plus 3.50% on the first Business Day of each calendar month. The interest rate was 4.50% at the closing of the loan. Under no circumstances will the interest rate on the loan be less than 4% or more than 8%. The loan requires one principal payment upon maturity on December 31, 2019. Pursuant to the loan agreement, this debt is considered subordinate debt to the 2011 USDA, 2013 USDA, and 2017 Colorado Water Conservation Board loans. Net Water Fund revenues are pledged, on a subordinate basis, to the repayment of the loan, while the loan is considered a first lien on the net Sewer Fund revenue.

Loan proceeds activity during 2017 consisted of the following:

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Total</u>
Loan Proceeds	\$ 1,802,055	\$ 1,047,945	\$ 2,850,000
Issuance Costs	(27,979)	(16,271)	(44,250)
Property Acquisition and Related	(1,612,272)	(946,323)	(2,558,595)
Internal Transfer to Construction Account	(117,155)	-	(117,155)
Loan Interest Payment	(21,803)	(12,679)	(34,482)
Remaining Proceeds (Restricted)	<u>\$ 22,846</u>	<u>\$ 72,672</u>	<u>\$ 95,518</u>

Scheduled loan payments are as follows:

<u>Year</u>	<u>Water Principal</u>	<u>Water Interest</u>	<u>Sewer Principal</u>	<u>Sewer Interest</u>	<u>Total</u>
2018	\$ -	\$ 82,000	\$ -	\$ 47,685	\$ 129,685
2019	<u>1,802,055</u>	<u>95,479</u>	<u>1,047,945</u>	<u>55,524</u>	<u>3,001,003</u>
Total	<u>\$ 1,802,055</u>	<u>\$ 177,479</u>	<u>\$ 1,047,945</u>	<u>\$ 103,209</u>	<u>\$ 3,130,688</u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5: PENSION PLANS

STATEWIDE DEFINED BENEFIT PLAN (FPPA)

Summary of Significant Accounting Policies

Pensions. The Town participates in the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension fund administered by the Fire & Police Pension Association of Colorado ("FPPA"). The net pension asset or 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 SWDB have been determined using the accrual basis of accounting as required by the accounting principles and reporting guidelines as set forth by the Governmental Accounting Standards Board. 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 are provided with pensions through the Statewide Defined Benefit Plan (SWDB) - a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. Plan benefits are specified in Title 31, Articles 30, 30.5 and 31 of the Colorado Revised Statutes (C.R.S.), rules and regulations codified by the Fire and Police Pension Association, 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. FPPA issues a publicly available comprehensive annual financial report, the most recent of which is for the fiscal year ended December 31, 2014, that can be obtained at:

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

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

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

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

General Information about the Pension Plan

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

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

Members of the SWDB plan and their employers are contributing at the rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022. The Town is not a re-entering employer.

The contribution rate for members and employers of affiliated social security employers is 4 percent of base salary for a total contribution rate of 8 percent through 2014. Per the 2014 member election, members of the affiliate social security group will have their required contribution rate increase 0.25 percent annually beginning in 2015 through 2022 to a total of 6 percent of base salary. Employer contributions will remain at 4 percent resulting in a combined contribution rate of 10 percent in 2022. The Town is not a social security employer.

Employer contributions are recognized by FPPA in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to FPPA. Employer contributions recognized by the FPPA from the Town were \$6,038 for the plan year ended December 31, 2017 and \$5,203 for the fiscal year ended December 31, 2016. The current year contributions will be expensed in 2018 for FPPA purposes and are a timing difference at year end.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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 \$4,460 for its proportionate share of the SWDB's net pension asset. The net pension asset or liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2017. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The Town's proportion of the net pension asset was based on Town's contributions to the SWDB for the calendar year 2017 relative to the total contributions of participating employers to the SWDB.

At December 31, 2017, the Town's proportion was .01234%, which was a decrease of .00341% from its proportion measured as of December 31, 2016.

For the year ended December 31, 2017 the Town recognized pension expense of \$3,319. At December 31, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference between expected and actual experience	\$ 3,982	\$ (227)
Changes of assumptions or other inputs	\$ 3,046	\$ -
Net difference between projected and actual earnings on pension plan investments	\$ 12,037	\$ -
Changes in proportion and differences between contributions recognized and proportionate share of contributions - Plan Basis	\$ 1,453	\$ (813)
Contributions subsequent to the measurement date	\$ 6,038	\$ -
Total	\$ 26,556	\$ (1,040)

\$6,038 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an adjustment of the net pension asset in the year ended December 31, 2018.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

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

Year Ended December 31:	Amortization Amount
2018	\$ (4,684)
2019	\$ (4,682)
2020	\$ (4,411)
2021	\$ (1,848)
2022	\$ (897)
Thereafter	\$ (2,956)
Total	\$ (19,478)

Actuarial assumptions. The total pension liability in the January 1, 2017 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial method	Entry Age Normal
Amortization method	Level % of Payroll, Open
Amortization period	30 Years
Long-term investment rate of return, net of pension plan investment expenses, including price inflation *	7.50%
Projected salary increase *	4.00-14.00%
Cost of Living Adjustments (COLA)	0.00%
* Includes inflation at	2.50%

Mortality rates were based on the RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members. The RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale BB is used in the projection of post-retirement benefits.

The actuarial assumptions used in the January 1, 2017 valuation were based on the results of an actuarial experience study adopted by FPPA's Board in July 2011. The assumption changes were effective for actuarial valuations beginning January 1, 2012. The actuarial assumptions impacted actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

The date the new actuarial assumptions were effective for benefit purposes was October 1, 2012.

Effective with the January 1, 2013 valuations, the Board adopted a five-year smoothing methodology in the determination of the actuarial value of assets. Beginning in the January 1, 2014 valuations, the married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2015 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2016 and were used in the rollforward calculation of total pension liability as of December 31, 2015. Actuarial assumptions effective for actuarial valuations prior to January 1, 2016 were used in the determination of the actuarially determined contributions as of December 31, 2015. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	36.00%	9.25%
Equity Long/Short	10.00%	7.35%
Illiquid Alternatives	23.00%	10.75%
Fixed Income	15.00%	4.10%
Absolute Return	10.00%	6.55%
Managed Futures	4.00%	5.50%
Cash	2.00%	0.00%
Total	100.00%	

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 5: PENSION PLANS (Continued)

STATEWIDE DEFINED BENEFIT PLAN (FPPA) (Continued)

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

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

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

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.78% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.50%.

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Proportionate share of the net pension asset (liability)	\$ (37,943)	\$ (4,460)	\$ 23,350

INTERNAL REVENUE CODE SECTION 457 PLAN

The Town has established and Internal Revenue Code Section 457 Plan for the benefit of employees. A 457 plan allows an employee to contribute pretax dollars towards retirement. Amounts contributed are fully vested. The Town has contributed, \$9,475, or 4% of employee payroll, in form of an employee match for the current fiscal year.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 6: INTERNAL ACTIVITY

The Town, upon consolidation of the former water and sanitation district with the Town, agreed to consolidate the Town and district mill levies provided that the existing district mill levy be used to continue to fund water and sewer operations. Accordingly, the Town remits 16% of the existing mill levy to the Water and Sewer Funds annually. The Town did not record this transfer for fiscal year 2017.

In addition to the routine operating transfers, the Town acquired certain capital assets through its General and Sales Tax Capital Improvement Funds during 2016 and 2017 that were subsequently contributed to the Water and Sewer Funds upon completion of the underlying projects and acquisitions. The original purchase was expensed in the General and Sales Tax Capital Improvement Funds and recorded as Construction in Progress for the Governmental Activities presentation. The completed assets were recorded as Other Contributed Capital in the enterprise funds. A summary of this activity is as follows:

<u>Enterprise Fund Contributions In</u>	
Water Contributions	\$ 102,216
Sewer Contributions	354,286
<u>Governmental Activities Contributions Out</u>	
2016 STCI Capital Outlay	(75,800)
2016 STCI Escrow Deposits	(15,000)
2017 STCI Capital Outlay	(340,702)
2017 STCI Closing Extension Fee	<u>(25,000)</u>
Net Internal Capital Contributions	<u><u>\$ -</u></u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 7: FUND BALANCE/NET POSITION RESERVES/RESTRICTIONS

TAX SPENDING AND DEBT LIMITATIONS

On November 3, 1992, the voters of Colorado approved Amendment 1, commonly known as the TABOR Amendment, which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado, all local governments, and special districts.

The Town's financial activity for the year ended December 31, 2017 will provide the basis for calculation of future limitations adjusted for allowable increases tied to inflation and local growth. Subsequent to December 31, 1992, revenue in excess of the Town's "spending limit" must be refunded unless voters approve the retaining of such excess revenue. TABOR generally requires voter approval for any new tax, tax increases and new debt.

At a November 2, 1999 election, the electors of the Town authorized the Town to collect, retain and expend the full amount of the revenues from all sources during 1998, as well as the full amount of all revenues generated by all sources for each subsequent year. This election authorized the spending of such revenues in each year without limitation under Article X, Section 20 of the Colorado Constitution.

TABOR is extremely complex and subject to interpretation. Ultimate implementation may depend upon litigation and legislative guidance. The Town's management believes it is in compliance with the TABOR amendment.

The Article requires an emergency reserve be set aside for 2017 in the amount of 3% or more of its fiscal year spending. At December 31, 2017, the Town has reserved/restricted the following for emergencies:

General Fund	<u>\$ 22,000</u>
--------------	------------------

In addition to the amount set aside for TABOR emergencies described above, due to the contributed assets from the Governmental Activities described in Note 6 above, the Town's Sewer Fund does not qualify for exclusion as a TABOR enterprise for the fiscal year ended December 31, 2017. Accordingly, the Town has restricted \$24,000 in the Sewer Fund to satisfy the emergency reserve requirement as of December 31, 2017.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 7: FUND BALANCE/NET POSITION RESERVES/RESTRICTIONS (Continued)

OTHER RESTRICTIONS

The entire balance in the Sales Tax Capital Improvement and Conservation Trust Fund is restricted by voter approval and Colorado statutes, respectively. The Town has restricted \$93,464 in the Water Fund as required by outstanding USDA debt agreements further described in Note 4.

NOTE 8: COMMITMENTS, CONTINGENCIES AND LEGAL COMPLIANCE

COMMITMENTS

As of December 31, 2017, the Town's General Fund is holding a developer performance deposit of \$200,000. The Town's Sewer Fund is holding developer deposits totaling \$53,750.

CONTINGENCIES

The Town receives financial assistance from federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of the Town, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the Town at December 31, 2017.

NOTE 9: RISK MANAGEMENT

The Town of Wiggins, Colorado carries insurance coverage for all foreseeable risks of loss. These include, but are not necessarily limited to, worker's compensation, property and liability, bond, and errors and omissions.

The Town of Wiggins, Colorado carries worker's compensation coverage through Colorado Intergovernmental Risk Sharing Agency (CIRSA). Premiums are based on prior claims, as adjusted through various worker classifications. Risk of loss is transferred to CIRSA.

The Town carries property, liability and bond coverage through commercial insurance carriers. The Town's risk of loss transfers to those carriers.

The Town has not materially changed its coverage from previous years. Based on the lack of previous loss occurrences, the Town has not recorded any liability for unpaid claims at December 31, 2017.

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 10: RATE MAINTENANCE

Both the 2011 and 2013 USDA water loan agreements, as well as the 2017 Bank of the West and Colorado Water Conservation Board loans require that Net Revenues shall represent a sum equal to either 100% or 120% of the amount necessary to pay when due the principal and interest on the loans coming due during the fiscal year, and to make up any deficiencies in the Reserve Account. The Town believes that it is in compliance with the requirements as of December 31, 2017.

	<u>Water Enterprise</u>		<u>Water and Sewer Enterprise</u>		
	<u>2011 & 2013</u>	<u>2017 CWCB</u>	<u>2017 Bank of the West Loan</u>		
	<u>USDA Loans</u>	<u>Loan</u>	<u>Water Ent.</u>	<u>Sewer Ent.</u>	<u>Total</u>
Gross operating revenue	\$ 544,595	\$ 544,595	\$ 544,595	\$ 142,316	\$ 686,911
Other revenue	10,181	10,181	10,181	102,130	112,311
Capital contributions	383,500	383,500	383,500	174,000	557,500
Governmental capital contributions	102,216	102,216	102,216	354,286	456,502
Less: Capital related grants	<u>(10,000)</u>	<u>(10,000)</u>	<u>(10,000)</u>	<u>(102,065)</u>	<u>(112,065)</u>
Total revenue	<u>1,030,492</u>	<u>1,030,492</u>	<u>1,030,492</u>	<u>670,667</u>	<u>1,701,159</u>
Operations and maintenance expense	931,834	931,834	931,834	233,644	1,165,478
Less: Depreciation	<u>(145,678)</u>	<u>(145,678)</u>	<u>(145,678)</u>	<u>(33,332)</u>	<u>(179,010)</u>
Adjusted O&M	<u>786,156</u>	<u>786,156</u>	<u>786,156</u>	<u>200,312</u>	<u>986,468</u>
Net revenue	<u>\$ 244,336</u>	<u>\$ 244,336</u>	<u>\$ 244,336</u>	<u>\$ 470,355</u>	<u>\$ 714,691</u>
Total parity and senior debt service (2017)					
2011 USDA Water Loan	\$ 126,626	\$ 126,626	\$ 126,626	\$ -	\$ 126,626
2013 USDA Water Loan	20,446	20,446	20,446	-	20,446
2017 Bank of the West Loan	-	-	43,625	25,369	68,994
2017 CWCB Loan	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	147,072	147,072	190,697	25,369	216,066
Required rate	<u>120.00%</u>	<u>100.00%</u>	<u>120.00%</u>	<u>120.00%</u>	<u>120.00%</u>
Net revenue required	<u>176,486</u>	<u>147,072</u>	<u>228,836</u>	<u>30,443</u>	<u>259,279</u>
Excess (deficit)	<u>\$ 67,850</u>	<u>\$ 97,264</u>	<u>\$ 15,500</u>	<u>\$ 439,912</u>	<u>\$ 455,412</u>

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 11: BUDGET VIOLATION

The Town's expenditures in its General, Sales Tax Capital Improvement, Conservation Trust, Water and Sewer Funds exceeded appropriations by \$19,418, \$137,546, \$424, \$168,967 and \$30,629, respectively, for the year ended December 31, 2017. The excess of expenditures over appropriations in these funds may be a violation of Colorado statutes.

NOTE 12: DEFICIT FUND BALANCE

The Town's General Fund had a deficit overall fund balance of \$(27,939) at December 31, 2017 and a \$(50,939) unrestricted fund balance. This deficit is anticipated to be recovered through ongoing operations.

NOTE 13: PRIOR PERIOD RESTATEMENTS

The Town has restated the beginning equity as presented in the following table and described below:

<u>Restatement</u>	<u>General Fund</u>	<u>STCI Fund</u>	<u>Govt Activities</u>	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Bus. Type Activities</u>
Understated Grants Receivable	\$ -	\$ -	\$ -	\$ -	\$ 36,005	\$ 36,005
Overstated Accounts Receivable	(1,314)	-	(1,314)	(7,917)	-	(7,917)
Overstated Deposits in Transit	(16,581)	(9,770)	(26,351)	-	-	-
Capitalized Professional Fees	-	-	-	89,459	-	89,459
Overstated Escrow Deposits	(9,000)	-	(9,000)	-	-	-
Unrecorded Lease Obligations	-	-	(74,578)	-	-	-
Unrecorded Lease Accrd Interest	-	-	(1,535)	-	-	-
Unrecorded Escrow Deposits	-	15,000	15,000	-	-	-
Net Restatement	(26,895)	5,230	(97,778)	81,542	36,005	117,547
12/31/16 Audit Balance	126,076	323,879	2,775,834	4,786,350	1,345,664	6,132,014
Restated Balance	\$ 99,181	\$ 329,109	\$ 2,678,056	\$ 4,867,892	\$ 1,381,669	\$ 6,249,561

General Fund

The Town has decreased beginning fund balance in the General Fund by \$(26,895). This consists of fiscal year 2015 accounts receivable that was not properly reversed of \$(1,314), incorrect bank reconciling adjustments of \$(16,581), and earnest money deposits on property purchases completed during 2016 that were not properly expensed of \$(9,000).

Sales Tax Capital Improvement Fund

The Town has increased the beginning fund balance in the Sales Tax Capital Improvement Fund by \$5,230. This is comprised of \$15,000 of earnest money deposits being held as of December 31, 2016 for the purchase of property that was completed 2017. The Town also had reported incorrect bank reconciling adjustments of \$(9,770).

TOWN OF WIGGINS, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2017

NOTE 13: PRIOR PERIOD RESTATEMENTS (Continued)

Governmental Activities

In addition to the restatements noted above for the General Fund and Sales Tax Capital Improvement Funds, beginning Governmental Activities net position has reduced by the 2016 capital lease obligation which was unrecorded in the amount of \$(74,578) and related accrued interest of \$(1,535) for a total reduction of \$(97,778).

Water Fund

The Town has increased beginning net position in the Water Fund by \$81,542, consisting of fiscal year 2015 accounts receivable that was not properly reversed of \$(7,917) and professional fees related to water rights conversion that should have been capitalized totaling \$89,459.

Sewer Fund

The Town has increased the beginning position in the Sewer Fund by \$36,005 representing unrecorded grants receivable at December 31, 2016.

Business-type Activities

The Town has increased the beginning net position in the Business-type Activities by \$117,547, consisting of the restatements described above for the Water and Sewer Funds.

PENSION SCHEDULES
(Required Supplementary Information – Unaudited)

TOWN OF WIGGINS

SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION ASSET (LIABILITY)

**FPPA Pension Plan
Last 10 Fiscal Years⁽¹⁾**

	<u>12/31/17</u>		<u>12/31/16</u>		<u>12/31/15</u>		<u>12/31/14</u>
Town's proportion of the net pension asset (liability)	0.012342%		0.015007%		0.013478%		0.015751%
Town's proportionate share of the net pension asset (liability)	\$ (4,460)	\$	265	\$	15,211	\$	14,084
Town's covered payroll	\$ 63,163	\$	72,750	\$	60,613	\$	68,413
Town's proportionate share of the net pension asset (liability) as a percentage of covered payroll	7.06%		0.36%		25.10%		20.59%
Plan fiduciary net position as a percentage of the total pension liability	98.21%		100.10%		106.83%		105.83%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

TOWN OF WIGGINS

**SCHEDULE OF TOWN CONTRIBUTIONS
FPPA Pension Plan
Last 10 Fiscal Years ⁽¹⁾**

	<u>12/31/17</u>	<u>12/31/16</u>	<u>12/31/15</u>	<u>12/31/14</u>
Contractually required contributions	\$ 5,053	\$ 5,820	\$ 4,849	\$ 5,473
Actual contributions	<u>(5,053)</u>	<u>(5,820)</u>	<u>(4,849)</u>	<u>(5,473)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 63,163	\$ 72,750	\$ 60,613	\$ 68,413
Contributions as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%

Note: All amounts are as of plan calculation dates which are one fiscal year prior to the date shown.

⁽¹⁾ - Additional years will be added to this schedule as they become available.

See the accompanying Independent Auditors' Report.

INTENTIONALLY LEFT BLANK

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	2017				2016 Actual
	Original Budget	Final Budget	Actual	Variance With Final Budget	
REVENUES					
Taxes					
Property Taxes	\$ 192,275	\$ 192,275	\$ 192,057	\$ (218)	\$ 190,036
Specific Ownership Taxes	19,000	19,000	20,289	1,289	17,802
Sales and Use Taxes	125,000	125,000	113,159	(11,841)	104,586
Franchise Taxes	15,510	15,510	13,462	(2,048)	12,472
Other Taxes	2,300	2,300	799	(1,501)	392
Total Tax Revenue	<u>354,085</u>	<u>354,085</u>	<u>339,766</u>	<u>(14,319)</u>	<u>325,288</u>
Intergovernmental Revenues					
Cigarette Taxes	1,500	1,500	1,096	(404)	1,309
Highway Users	46,000	46,000	36,414	(9,586)	35,020
Road and Bridge	24,000	24,000	22,002	(1,998)	18,896
Clerk/Motor Vehicle Fees	4,000	4,000	4,946	946	4,542
Severance Tax	12,800	12,800	9,314	(3,486)	17,441
Total Intergovernmental Revenue	<u>88,300</u>	<u>88,300</u>	<u>73,772</u>	<u>(14,528)</u>	<u>77,208</u>
Licenses and Permits					
Liquor Licenses	200	200	25	(175)	325
Building Permits	41,150	41,150	106,050	64,900	26,242
Animal Licenses	300	300	225	(75)	330
Business Licenses	250	250	360	110	470
Other Licenses	50	50	80	30	-
Total Licenses and Permits	<u>41,950</u>	<u>41,950</u>	<u>106,740</u>	<u>64,790</u>	<u>27,367</u>
Fines and Forfeits					
	<u>30,600</u>	<u>30,600</u>	<u>3,698</u>	<u>(26,902)</u>	<u>6,624</u>
Charges for Services					
Recreation/Comm Ctr Charges	16,700	16,700	12,821	(3,879)	13,448
Rents	-	-	80	80	10
Other Charges for Services	1,600	1,600	66	(1,534)	2,160
Total Charges for Services	<u>18,300</u>	<u>18,300</u>	<u>12,967</u>	<u>(5,333)</u>	<u>15,618</u>
Investment Earnings					
	<u>100</u>	<u>100</u>	<u>274</u>	<u>174</u>	<u>19</u>
Other Revenues					
Reimbursements and Refunds	2,500	2,500	8,090	5,590	8,486
Donations	19,500	19,500	6,904	(12,596)	28,812
Sale of Capital Assets	25,000	25,000	-	(25,000)	100,379
Other Miscellaneous Revenue	1,500	1,500	33,922	32,422	(1,567)
Total Other Revenue	<u>48,500</u>	<u>48,500</u>	<u>48,916</u>	<u>416</u>	<u>136,110</u>
TOTAL REVENUES	<u>581,835</u>	<u>581,835</u>	<u>586,133</u>	<u>4,298</u>	<u>588,234</u>

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance With Final Budget	
(Continued)					
EXPENDITURES					
General Government					
Personnel Services	109,856	109,857	106,670	3,187	104,303
Equipment Rentals	-	-	-	-	656
Fuel and Automotive	4,800	4,800	4,800	-	-
Insurance	7,900	7,900	10,950	(3,050)	8,209
Professional Fees	40,750	133,226	121,439	11,787	80,219
Repairs and Maintenance	1,800	1,800	1,150	650	1,761
Supplies	10,750	10,750	7,490	3,260	21,158
Telephone and Utilities	3,600	3,600	5,294	(1,694)	5,724
Travel and Training	10,000	10,000	10,568	(568)	9,445
Other Expenses	16,705	16,704	22,403	(5,699)	34,287
Total General Government	<u>206,161</u>	<u>298,637</u>	<u>290,764</u>	<u>7,873</u>	<u>265,762</u>
Public Safety					
Personnel Services	113,222	113,222	109,310	3,912	93,644
Fuel and Automotive	4,800	6,607	11,615	(5,008)	4,807
Insurance	8,105	8,105	10,950	(2,845)	8,109
Professional Fees	3,250	3,250	2,996	254	2,902
Supplies	3,000	3,000	3,077	(77)	4,328
Telephone and Utilities	2,600	2,600	2,690	(90)	3,095
Travel and Training	1,500	1,500	290	1,210	200
Other Expenses	11,800	11,800	27,510	(15,710)	53,862
Total Public Safety	<u>148,277</u>	<u>150,084</u>	<u>168,438</u>	<u>(18,354)</u>	<u>170,947</u>
Public Works					
Personnel Services	74,330	74,330	73,177	1,153	57,019
Equipment Rentals	500	500	-	500	-
Fuel and Automotive	6,000	6,000	2,932	3,068	7,172
Insurance	8,100	8,100	12,374	(4,274)	8,109
Repairs and Maintenance	15,600	23,943	29,713	(5,770)	33,919
Supplies	2,000	2,000	4,224	(2,224)	2,875
Telephone and Utilities	12,000	12,000	13,285	(1,285)	13,685
Travel and Training	1,000	1,000	1,808	(808)	1,733
Other Expenses	15,500	15,500	19,177	(3,677)	24,339
Total Public Works/Comm Devel	<u>135,030</u>	<u>143,373</u>	<u>156,690</u>	<u>(13,317)</u>	<u>148,851</u>
Parks, Recreation and Other					
Personnel Services	16,980	16,980	19,082	(2,102)	5,201
Contract labor	2,500	2,500	2,362	138	2,181
Repairs and Maintenance	5,500	5,500	5,947	(447)	7,140
Supplies	3,800	3,800	3,832	(32)	3,928
Telephone and Utilities	4,200	4,200	7,944	(3,744)	6,093
Other Expenses	17,350	17,350	12,225	5,125	15,445
Total Parks, Recreation & Other	<u>50,330</u>	<u>50,330</u>	<u>51,392</u>	<u>(1,062)</u>	<u>39,988</u>

See accompanying Independent Auditors' Report.

(Continued)

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance With Final Budget	
(Continued)					
Capital Outlay					
Public Safety Capital Outlay	1,000	10,374	10,374	-	1,982
Public Works Capital Outlay	8,000	8,000	4,801	3,199	22,132
Total Capital Outlay	<u>9,000</u>	<u>18,374</u>	<u>15,175</u>	<u>3,199</u>	<u>24,114</u>
Debt Service					
Principal	33,037	33,037	30,794	2,243	17,666
TOTAL EXPENDITURES	<u>581,835</u>	<u>693,835</u>	<u>713,253</u>	<u>(19,418)</u>	<u>667,328</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	-	(112,000)	(127,120)	(15,120)	(79,094)
OTHER FINANCING SOURCES (USES)					
Transfers (Out)	-	-	-	-	(29,915)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ -</u>	<u>\$ (112,000)</u>	<u>(127,120)</u>	<u>\$ (15,120)</u>	<u>(109,009)</u>
FUND BALANCE, BEGINNING			126,076		235,085
Prior Period Restatement			(26,895)		-
FUND BALANCE, BEGINNING (As Restated)			<u>99,181</u>		<u>235,085</u>
FUND BALANCE, ENDING			<u>\$ (27,939)</u>		<u>\$ 126,076</u>

See accompanying Independent Auditors' Report.

OTHER SUPPLEMENTARY INFORMATION

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

Sales Tax Capital Improvement Fund

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	2017		Variance With Final Budget	2016 Actual
	Original & Final Budget	Actual		
REVENUES				
Taxes				
Sales and Use Taxes	\$ 125,000	\$ 113,159	\$ (11,841)	\$ 104,586
Charges for Services				
Investment Earnings	100	33	(67)	129
TOTAL REVENUES	<u>125,100</u>	<u>113,192</u>	<u>(11,908)</u>	<u>104,715</u>
EXPENDITURES				
Capital Outlay				
Public Works Capital Outlay	250,100	10,234	239,866	34,675
Enterprise Capital Outlay	-	377,412	(377,412)	172,574
TOTAL EXPENDITURES	<u>250,100</u>	<u>387,646</u>	<u>(137,546)</u>	<u>207,249</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (125,000)</u>	<u>(274,454)</u>	<u>\$ (149,454)</u>	<u>(102,534)</u>
FUND BALANCE, BEGINNING		323,879		426,413
Prior Period Restatement		5,230		-
FUND BALANCE, BEGINNING (As Restated)		<u>329,109</u>		<u>426,413</u>
FUND BALANCE, ENDING		<u>\$ 54,655</u>		<u>\$ 323,879</u>

See accompanying Independent Auditors' Report.

TOWN OF WIGGINS, COLORADO

BUDGETARY COMPARISON SCHEDULE

Conservation Trust Fund

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	2017			2016 Actual
	Original & Final Budget	Actual	Variance With Final Budget	
REVENUES				
Intergovernmental Revenues				
Cons Trust Fund Revenue	\$ 9,000	\$ 8,820	\$ (180)	\$ 9,957
Investment Earnings	-	15	15	14
TOTAL REVENUES	<u>9,000</u>	<u>8,835</u>	<u>(165)</u>	<u>9,971</u>
EXPENDITURES				
Parks, Recreation and Other				
Personnel Services	8,205	6,900	1,305	12,295
Repairs and Maintenance	795	-	795	1,378
Total Parks, Recreation & Other	<u>9,000</u>	<u>6,900</u>	<u>2,100</u>	<u>13,673</u>
Capital Outlay				
Parks, Recreation and Other Capital Outlay	-	2,524	(2,524)	18,680
TOTAL EXPENDITURES	<u>9,000</u>	<u>9,424</u>	<u>(424)</u>	<u>32,353</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ -</u>	<u>(589)</u>	<u>\$ (589)</u>	<u>(22,382)</u>
FUND BALANCE, BEGINNING		40,322		62,704
FUND BALANCE, ENDING		<u>\$ 39,733</u>		<u>\$ 40,322</u>

See accompanying Independent Auditors' Report.

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

BUDGET AND ACTUAL

Water Fund

FOR THE YEAR ENDED DECEMBER 31, 2017

With Comparative Totals for the Year Ended December 31, 2016

	2017			2016 Actual
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Utility Charges	\$ 497,000	\$ 479,528	\$ (17,472)	\$ 438,082
Other Charges for Services	32,500	65,067	32,567	32,513
Total Revenues	<u>529,500</u>	<u>544,595</u>	<u>15,095</u>	<u>470,595</u>
Operating Expenses				
Personnel Services	67,582	71,749	(4,167)	59,129
Commodity Charges	33,000	40,100	(7,100)	29,000
Administrative/Office Expenses	3,000	3,401	(401)	3,028
Insurance	2,500	9,525	(7,025)	8,109
Operating Supplies	9,500	5,887	3,613	11,093
Professional Fees	411,700	542,623	(130,923)	108,713
Repairs and Maintenance	11,500	25,700	(14,200)	8,517
Travel and Training	2,500	2,329	171	-
Treatment	27,000	26,499	501	27,063
Telephone and Utilities	45,000	54,449	(9,449)	45,849
Other Operating Expenses	5,132	3,894	1,238	4,379
Enterprise Capital Outlay	1,500	-	1,500	438,902
Total Expenditures	<u>619,914</u>	<u>786,156</u>	<u>(166,242)</u>	<u>743,782</u>
Operating Income (Loss)	<u>(90,414)</u>	<u>(241,561)</u>	<u>(151,147)</u>	<u>(273,187)</u>
Other Income (Expense)				
Intergovernmental Revenue	-	10,000	10,000	-
Investment Earnings	100	181	81	178
Debt Service	(193,734)	(272,411)	(78,677)	(189,906)
Total Other Income (Expense)	<u>(193,634)</u>	<u>(262,230)</u>	<u>(68,596)</u>	<u>(189,728)</u>
Net Income (Loss) before Transfers	<u>(284,048)</u>	<u>(503,791)</u>	<u>(219,743)</u>	<u>(462,915)</u>
Transfers				
Transfers In	-	-	-	18,697
Transfers (Out)	(75,952)	-	75,952	-
Net Income (Loss), Budget Basis	<u>(360,000)</u>	<u>(503,791)</u>	<u>(143,791)</u>	<u>(444,218)</u>
Contributed Capital				
Plant Investment Fees	115,000	383,500	268,500	253,000
Other Capital Contributions	-	102,216	102,216	-
Total Contributed Capital	<u>115,000</u>	<u>485,716</u>	<u>370,716</u>	<u>253,000</u>
Change in Net Position (Budget Basis)	<u>\$ (245,000)</u>	<u>(18,075)</u>	<u>\$ 226,925</u>	<u>(191,218)</u>
Budget to GAAP Reconciliation				
Principal Paid		90,463		87,208
Depreciation Expense		(145,678)		(141,869)
Capital Outlay		-		438,859
Change in Net Position - GAAP Basis		<u>(73,290)</u>		<u>192,980</u>
Net Position, Beginning		4,786,350		4,593,370
Prior Period Restatement		81,542		-
Net Position, Beginning (As Restated)		<u>4,867,892</u>		<u>4,593,370</u>
Net Position, Ending		<u>\$ 4,794,602</u>		<u>\$ 4,786,350</u>

See accompanying Independent Auditors' Report.

TOWN OF WIGGINS, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**BUDGET AND ACTUAL****Sewer Fund****FOR THE YEAR ENDED DECEMBER 31, 2017****With Comparative Totals for the Year Ended December 31, 2016**

	2017		Variance with Final Budget	2016 Actual
	Final Budget	Actual		
Operating Revenues				
Utility Charges	\$ 150,500	\$ 142,273	\$ (8,227)	\$ 133,459
Other Charges for Services	150	43	(107)	36
Total Revenues	<u>150,650</u>	<u>142,316</u>	<u>(8,334)</u>	<u>133,495</u>
Operating Expenses				
Personnel Services	58,986	76,264	(17,278)	65,687
Administrative/Office Expenses	3,500	1,319	2,181	2,655
Insurance	8,500	9,525	(1,025)	8,109
Operating Supplies	1,000	3,971	(2,971)	-
Professional Fees	77,230	71,268	5,962	12,281
Repairs and Maintenance	25,500	4,172	21,328	8,413
Travel and Training	1,000	53	947	-
Treatment	15,000	9,036	5,964	11,268
Telephone and Utilities	74,000	22,191	51,809	19,670
Other Operating Expenses	814	2,513	(1,699)	-
Enterprise Capital Outlay	104,170	166,635	(62,465)	59,362
Total Expenditures	<u>369,700</u>	<u>366,947</u>	<u>2,753</u>	<u>187,445</u>
Operating Income (Loss)	<u>(219,050)</u>	<u>(224,631)</u>	<u>(5,581)</u>	<u>(53,950)</u>
Other Income (Expense)				
Intergovernmental Revenue	-	102,065	102,065	-
Investment Earnings	50	65	15	64
Debt Service	-	(33,382)	(33,382)	-
Total Other Income (Expense)	<u>50</u>	<u>68,748</u>	<u>68,698</u>	<u>64</u>
Net Income (Loss) before Transfers	<u>(219,000)</u>	<u>(155,883)</u>	<u>63,117</u>	<u>(53,886)</u>
Transfers				
Transfers In/(Out)	-	-	-	11,218
Net Income (Loss), Budget Basis	<u>(219,000)</u>	<u>(155,883)</u>	<u>63,117</u>	<u>(42,668)</u>
Contributed Capital				
Plant Investment Fees	24,000	174,000	150,000	132,000
Other Capital Contributions	-	354,286	354,286	-
Total Contributed Capital	<u>24,000</u>	<u>528,286</u>	<u>504,286</u>	<u>132,000</u>
Change in Net Position (Budget Basis)	<u>\$ (195,000)</u>	<u>372,403</u>	<u>\$ 567,403</u>	<u>89,332</u>
Budget to GAAP Reconciliation				
Depreciation Expense		(33,332)		(31,812)
Capital Outlay		166,635		57,838
Change in Net Position - GAAP Basis		<u>505,706</u>		<u>115,358</u>
Net Position, Beginning		1,345,664		1,230,306
Prior Period Restatement		36,005		-
Net Position, Beginning (As Restated)		<u>1,381,669</u>		<u>1,230,306</u>
Net Position, Ending		<u>\$ 1,887,375</u>		<u>\$ 1,345,664</u>

See accompanying Independent Auditors' Report.

INTENTIONALLY LEFT BLANK

STATE COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Town of Wiggins
		YEAR ENDING :	December 2017
This Information From The Records Of Town of Wiggins		Prepared By:	Lorraine Trotter, Prof'l Mgmt Solutions
		Phone:	303-910-9197

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	110,044
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	2,888
2. General fund appropriations		b. Snow and ice removal	7,611
3. Other local imposts (from page 2)	20,289	c. Other	16,166
4. Miscellaneous local receipts (from page 2)	92,730	d. Total (a. through c.)	26,665
5. Transfers from toll facilities		4. General administration & miscellaneous	17,670
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	154,379
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest & Costs of Issuance	
7. Total (1 through 6)	113,019	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	41,360	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	154,379	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	
			154,379

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
0	154,379	154,379	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2017

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	0	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	20,289	g. Other Misc. Receipts Co. Rd & Bridge	22,002
6. Total (1. through 5.)	20,289	h. Other General Sales Taxes	70,728
c. Total (a. + b.)	20,289	i. Total (a. through h.)	92,730
	(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	36,414	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	4,946	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	4,946	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	41,360	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			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: