

TOWN OF BENNETT, COLORADO

Financial Statements

December 31, 2018

TOWN OF BENNETT, COLORADO

Board of Trustees

Royce Pindell	Mayor
Rich Pulliam	Mayor Pro-Tem
Charles Bayley	Trustee
Darvin Harrell	Trustee
Neal Mancuso	Trustee
Larry Vittum	Trustee
Phyllis Webb	Trustee

Town Officials

Trish Stiles	Town Administrator
Rachel Summers	Deputy Town Administrator / Town Treasurer
Lynette White	Town Clerk
Daymon Johnson	Public Works Director

TOWN OF BENNETT, COLORADO

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INDEPENDENT AUDITOR'S REPORT



Dazzo & Associates, PC

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Board of Trustees
Town of Bennett, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component unit and each major fund of the Town of Bennett, Colorado as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component unit and each major fund of the Town of Bennett, Colorado, as of December 31, 2018, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 4 through 18 and 57 through 60, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The Supplementary Information and Other Information, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Supplementary Information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the Supplementary Information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The Other Information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Duggio & Associates, P.C.

April 17, 2019

MANGEMENT'S DISCUSSION AND ANALYSIS



TOWN OF BENNETT, COLORADO
Management's Discussion and Analysis
December 31, 2018

HISTORY

The Town of Bennett (the Town) is a statutory town located in both Adams and Arapahoe Counties. The Town is governed by a Board of Trustees elected for four-year terms. Bennett was incorporated on January 22, 1930.

Our local historical society has done a great deal of research to delve into the origins of our Town. Documents from the Bureau of Land Management show that four Bennet brothers (Hiram, John, Uriah and one un-named brother) filed homestead papers in 1862 for two sections (34 and 24), these two homestead are now incorporated into the town Bennett. These two sections were adjacent diagonally on the north and south to the current location of the Post Office in Bennett and, together with other sections homesteaded by the Bennet brothers, formed the Bennet Ranch.

One of these brothers, Hiram Pitt Bennet, was a respected judge in the early territory of Colorado. Mr. Bennet was elected the first Territorial Representative for Colorado in 1862 and was instrumental in obtaining statehood for Colorado. Mr. H. P. Bennet went on to become the third Postmaster of Denver in 1869 and began developing a method of delivering mail to all the new pioneer people in rural areas. Through the years, the English name of Bennet was Americanized to Bennett, first noted in railroad records; thus, the Town name evolved from the old Bennet Ranch.

The Town was not incorporated until 1930, but long before that time, the family that originally homesteaded the Town and for whom the Town was named were leaders in the development of the State of Colorado and in forging communications for the original settlers of the area.

INTRODUCTION

As management of the Town, we offer the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2018. We encourage readers to consider the information presented here in conjunction with the Town's financial statements, which follow this section. We are pleased to present to the Mayor, Board of Trustees, and the residents, the 2018 Management Discussion and Analysis (MD&A) for the Town. This analysis represents our continued commitment to prudent fiscal management and has proposed several innovations in the organization of government, thereby advancing our ongoing efforts to continuously improve the efficient and effective delivery of Town services.

The type of government is a Town Board with the seven (7) elected officials being responsible for all policy decisions that affect the Town's financial condition. The Board of Trustees of the Town has appointed Rachel Summers, Town Treasurer, and Danette Ruvalcaba, Assistant Director of Financial Services to prepare and submit a budget to our governing body in December for annual appropriation of sums of money to the various funds. The Town Treasurer and Assistant Director of Financial Service are also responsible for financial reporting to the Town Board and to the public-at-large.

The Town maintains seven (7) separate funds, as follows:

1. General Fund
2. Conservation Trust Fund
3. Cemetery Fund
4. Sales Tax Capital Improvement Fund
5. Road and Bridge Fund
6. Water Fund
7. Waste Water Fund

The Town of Bennett also maintains the following funds which account for specific projects or programs within the above seven (7) funds:

1. Adams County Open Space Fund
2. Arapahoe County Open Space Fund
3. Reserve Fund
4. Capital Improvement Fund
5. Parks, Recreation and Open Space Impact Fee Fund
6. Public Facilities Impact Fee Fund
7. Police Facilities Impact Fee Fund
8. Transportation Facilities Impact Fee Fund
9. Debt Service Fund
10. Bennett Days Fund
11. Water Capital Fund
12. Renewable Water Fund
13. Waste Water Capital Fund
14. Storm Drainage Impact Fee Fund

2018 HIGHLIGHT ACCOMPLISHMENTS

We are pleased and proud of our accomplishments in 2018 and look forward to continued community growth and development in subsequent years. The following achievements are certainly noteworthy and reflect a lot of hard work by the entire Town staff, as our unity reflects our thorough commitment to the future of the Town of Bennett.

- **New Town Staff**-In 2018, the Town added three (3) new FTE(s). The new job positions were an Accounting Technician, a Parks and Open Space Supervisor and a Public Works Maintenance Worker. In addition, the Town obtained a professional intern through CU Denver and DOLA's Best and Brightest Grant Program. The intern is contracted through 2019 and is acting as the Town Special Projects Coordinator and Arts Council Facilitator.
- **Future Park**-One of our most exciting accomplishments was the construction of Future Park in our Antelope Hills Subdivision. This park has been a long-time dream of the community and it finally came to fruition with the assistance of an Arapahoe County Open Space Grant. The construction of the playground and picnic pavilion was Phase One of this project. It is the Town's hope that Phase Two will be constructed in 2019. Which will include landscaping and a playfield.
- **Waste Water Treatment Facility**-In 2014, the Town received notice that a fully functioning wastewater treatment facility was needed in Bennett by October 2019. Bennett quickly jumped into planning, designing and funding discussions. The Town has been very fortunate to be the recipient of both State and Federal funding for this facility. The result was a ground breaking of the new Waste Water Treatment Facility on June 15, 2017, which will build up Bennett's ability to service both businesses and residents well into the future. The new Waste Water Treatment Facility construction and initial commissioning wrapped up just as 2018 was coming to an end. The facility to date has performed well and the Town is very hopeful it will not only meet the State mandated requirements but exceed them. Through the Spring of 2019, the current lagoon system will be decommissioned, and the new facility will become the sole treatment facility for the Town.
- **New Town Hall**- Bennett Town Hall was originally constructed in the 1970's and was limited to only 2,000 square feet and one restroom – which is smaller than many single-family homes in the Town. On May 22, 2017, Bennett broke ground on the New Town Hall. This new facility herald's significant improvement to

the availability, efficiency and functionality of the Town of Bennett. Currently operating in three different locations, the New Town Hall consolidated these locations into one building, totally 8,200 square feet. This will allow Town staff to serve the entire community in one central location. Town Hall improved services and communication for our businesses and residents, whether they were paying a water bill, obtaining a permit or attending a Trustee meeting. This space is designed with room for future growth and was constructed with energy efficiency as the primary focus. A grant from DOLA was awarded to the Town of Bennett to assist in the design and engineering of the Town Hall. With the completion of the building a huge push by the staff was made to move into this new facility. This effort included not only moving necessary items but creating a warm, inviting and “homey” feeling through paint, art and another décor. The New Town Hall also received new landscaping. Great care and attention were put into the design of the landscaping by our Parks and Open Space Supervisor to ensure that the installed plant life, ground cover and rocks would give the right finishing touch to the beautiful new building.

- **Bennett Days**-September 7-9 we hosted our annual Bennett Days Celebration. 2018 was our biggest year yet with cash and in-kind donations totaling \$65,000. The additional sponsorship allowed us to host a new event during Bennett Days: Bull Riding. This event was well attended and seen by the residents as a nod to the agricultural roots of Bennett. In addition to bull riding, Bennett Days had many events including, inflatable laser tag, a ropes course, bounce houses, face painting, musicians and a vendor street fair.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town’s basic financial statements. The Town’s basic financial statements consist of the following three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements; and 3) Notes to the Basic Financial Statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The government-wide statements are designed to provide readers with a broad overview of the Town’s finances using the accrual basis of accounting, which is the basis of accounting used by most private-sector businesses.

The statement of net position presents information on all the Town’s assets and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may provide an indication of whether the Town’s financial position is improving or deteriorating.

The statement of activities presents information reflecting how the Town’s net position has changed during the fiscal year that just ended. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused compensated leave).

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, public works, cultural, parks and recreation, and community planning development services. The business-type activities of the Town include water and waste water.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the Town can be divided into three categories, governmental funds, proprietary funds, and component funds.

Governmental Funds

Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the governmental fund financial statements are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, except for long-term debt and similar long-term items which are recorded when due. Most of the Town's basic services are reported in governmental funds, which focus on cash flows. The unrestricted balances left at year-end are available for spending in future years. The governmental funds statements provide a detailed short-term view as to cash, operations, and basic services provided.

The Town maintains five governmental funds: General Fund, Conservation Trust Fund, Cemetery Fund, the Sales Tax Capital Improvement Fund and the Road and Bridge Fund. An internal service department within the General Fund is an accounting device used to accumulate and allocate costs internally among the Town's various functions. Information is presented in the Balance Sheet-Governmental Funds; and the Statement of Revenues and Expenditures; and Changes in Fund Balances-Governmental Funds. Annual budget appropriations are adopted for each of these funds. Budgetary comparison statements are provided to demonstrate compliance with budgets.

Proprietary Funds

The Town maintains one type of proprietary fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprises funds to account for its water and waste water operations. The proprietary fund financial statements are prepared on the accrual basis of accounting.

Enterprise funds are used to report the same functions presented in business-type activities in the governmental-wide financial statements, only in more detail. Information is presented in the Statement of Net Position-Enterprise Funds; Statement of Revenues, Expenses; Changes in Net Position – Enterprise Funds; and the Statement of Cash Flows – Enterprise funds.

The Town adopts an annual appropriated budget for each of its enterprise funds. A budgetary comparison schedule has been provided for each enterprise fund to demonstrate compliance with this budget.

Component Unit Funds

General Improvement District (GID) services are reported in the component unit funds.

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately after the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The Town’s net position for the governmental and business-type activities exceeded liabilities by \$23,861,927 at the close of 2018. The following tables illustrate present condensed statement of net position for all three of the Town's fund categories.

Table 1
Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Assets						
Current Assets	\$ 6,941,716	\$ 5,349,503	\$ 2,902,066	\$ 4,453,524	\$ 9,843,782	\$ 9,803,027
Capital Assets	14,209,641	17,818,875	10,922,522	16,380,111	25,132,163	34,198,986
Total Assets	<u>21,151,357</u>	<u>23,168,378</u>	<u>13,824,588</u>	<u>20,833,635</u>	<u>34,975,945</u>	<u>44,002,013</u>
Liabilities						
Other	3,761,932	2,323,341	1,608,219	940,720	5,370,151	3,264,061
Long-Term	7,074,636	6,792,946	6,172,583	9,737,107	13,247,219	16,530,053
Total Liabilities	<u>10,836,568</u>	<u>9,116,287</u>	<u>7,780,802</u>	<u>10,677,827</u>	<u>18,617,370</u>	<u>19,794,114</u>
Deferred Inflows of Resources	<u>329,240</u>	<u>345,969</u>	-	-	<u>329,240</u>	<u>345,969</u>
Net Position						
Net Investment in Capital Assets	7,789,334	11,176,029	4,654,698	6,995,253	12,444,032	18,171,282
Restricted	746,755	802,941	254,637	298,728	1,001,392	1,101,669
Unrestricted	1,449,460	1,727,152	1,134,451	2,861,827	2,583,911	4,588,979
Total Net Position	<u>\$ 9,985,549</u>	<u>\$13,706,122</u>	<u>\$ 6,043,786</u>	<u>\$10,155,808</u>	<u>\$16,029,335</u>	<u>\$23,861,930</u>

The Town uses its capital assets to provide services to the citizens. At the end of 2018, the investment in capital assets of \$34,198,986 (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets of \$16,027,704, which amounts to \$18,171,282, or 76% of the Town’s total net position of \$23,861,930. During the current fiscal year, the Town’s net position increased by \$7,832,595. Most this increase represents the degree to which increases in ongoing revenues have surpassed similar increases in ongoing expenses.

An additional portion of the Town’s net position of \$1,101,669 (5%) represents resources that are subject to external restrictions on how they may be used. Unrestricted net position of \$4,588,979 (19%) reflects the amount that may be used to meet the Town’s ongoing obligations to citizens and creditors. Certain assets of the Town’s Water and Waste Water funds are classified as restricted assets on the balance sheet because their use is limited by applicable debt covenants.

At the end of the current fiscal year, the Town of Bennett can report positive balances in all reported categories of net position, both for the government, as well as for its business-type activities. The same situation held true for the prior fiscal year

CHANGES IN NET POSITION

As presented in Table 2, the Town's overall net position increased \$7,832,595 during 2018.

Table 2
Changes in Net Position

	Governmental		Business-type		Total	
	Activities		Activities			
	2017	2018	2017	2018	2017	2018
Revenues						
Program Revenues						
Permits, Fees, Fines						
Charges for Services	\$ 435,969	\$ 684,025	\$ 1,721,626	\$ 1,908,653	\$ 2,157,595	\$ 2,592,678
Operating Grants and Contributions	225,620	512,072	5,000	34,320	230,620	546,392
Capital Grants and Contributions	704,917	2,552,713	862,343	3,743,074	1,567,260	6,295,787
General Revenues and Transfers						
Taxes	3,066,980	3,509,228	-	-	3,066,980	3,509,228
Net Investment Income	1,392	25,204	-	-	1,392	25,204
Unrestricted Grant	72,692	75,492	-	-	72,692	75,492
Other	177,445	85,193	-	-	177,445	85,193
Transfers	72,550	82,342	(72,550)	(82,342)	-	-
Total Revenues	<u>4,757,565</u>	<u>7,526,269</u>	<u>2,516,419</u>	<u>5,603,705</u>	<u>7,273,984</u>	<u>13,129,974</u>
Expenses						
General Government	1,475,357	2,076,493	-	-	1,475,357	2,076,493
Public Safety	394,736	417,304	-	-	394,736	417,304
Public Works	898,434	861,575	-	-	898,434	861,575
Interest and Related Cost on Long Term Debt	260,361	217,768	-	-	260,361	217,768
Unallocated Depreciation	219,387	232,556	-	-	219,387	232,556
Water	-	-	660,462	995,578	660,462	995,578
Waste Water	-	-	315,006	496,105	315,006	496,105
Total Expenses	<u>3,248,275</u>	<u>3,805,696</u>	<u>975,468</u>	<u>1,491,683</u>	<u>4,223,743</u>	<u>5,297,379</u>
Change in Net position	<u>1,509,290</u>	<u>3,720,573</u>	<u>1,540,951</u>	<u>4,112,022</u>	<u>3,050,241</u>	<u>7,832,595</u>
Net Position-Beginning	<u>8,476,259</u>	<u>9,985,549</u>	<u>4,502,835</u>	<u>6,043,786</u>	<u>12,979,094</u>	<u>16,029,335</u>
Net Position-Ending	<u>\$ 9,985,549</u>	<u>\$ 13,706,122</u>	<u>\$ 6,043,786</u>	<u>\$ 10,155,808</u>	<u>\$ 16,029,335</u>	<u>\$ 23,861,930</u>

Governmental Activities

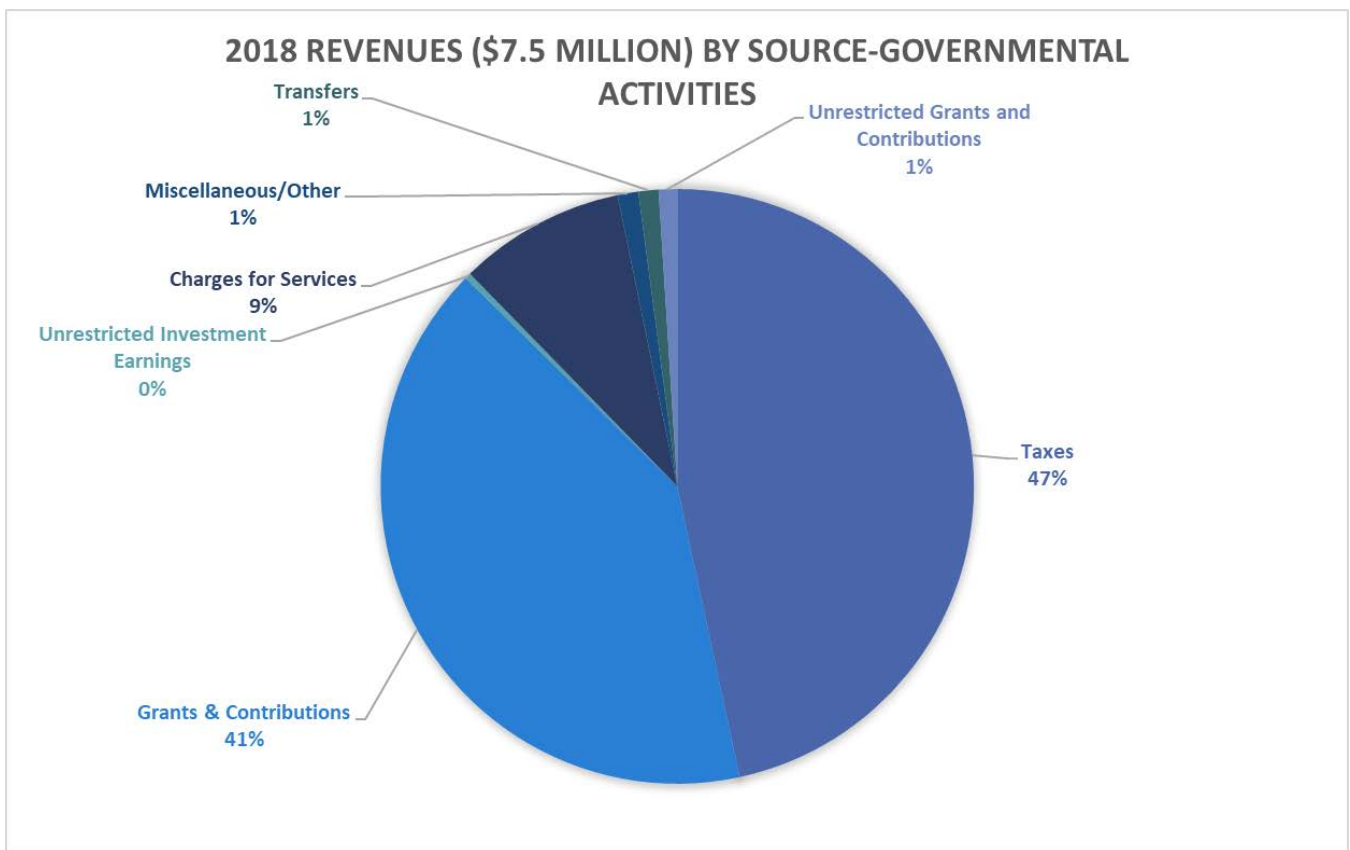
Governmental activities increased the Town's net position by \$3,720,573. The major influences causing the change are the following:

The most notable change in Net Position is due to increased Capital and Operating Grants and Contributions Revenue. In 2018, Capital and Operating Grants and Contributions Revenue more than doubled (229%) a \$2,134,248 increase. This increase can be primarily attributed to grants and loans for New Town Hall, as well as impact funds received for Public Facilities, Parks and Open Space, and Transportation. Furthermore, we received an Adams County Open Space Grant for the Recreation Center Parking Lot and an Arapahoe County Open Space Grant for Future Park. Grant Revenue continues to be a valuable source of revenue for the Town. Grants allow the Town to increase capital with less impact on fund balance. Taxes increased by \$442,248 (14%), the Town has

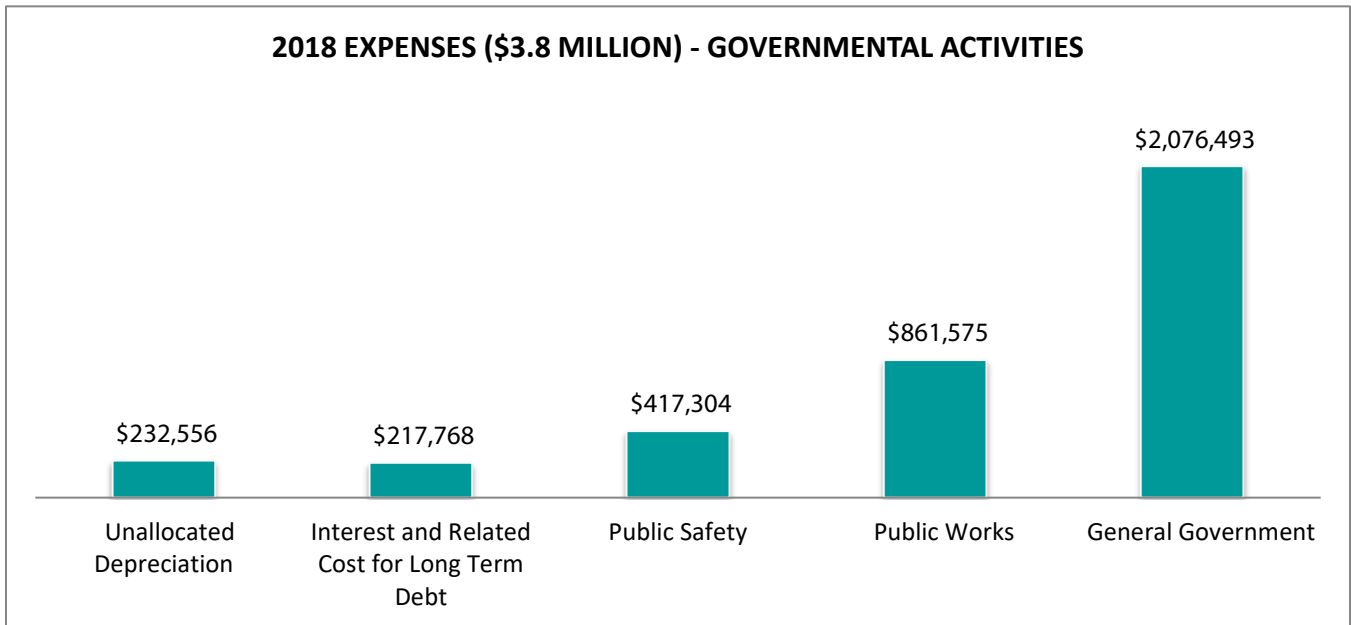
seen an increase in the revenue source year after year. Charges for services in 2018 were up by \$248,056 (57%) from the previous year; this can be primarily due to increase permit fees collected. Overall revenue collected was within 1% of budgeted revenues.

Expenses for the governmental activities in 2018 were \$557,421 or 17% higher than the prior year. The increase can be primarily attributed to increased expenditures in General Government. The increased expenditures can be attributed to new Town administrative staff as well as additional IT expense related to the furnishing of New Town Hall. The Town also had a substantial expense increase related to the Community Development department and building permit inspection expenses. In addition, Public Safety expenditures increased by 6% or \$22,568. These expenditures are related to population and property taxes, therefore as the Town population and tax revenue increases so will the public safety expense.

Graph 1. Governmental Activities Revenue Sources



Graph 2. Governmental Activities Expenses

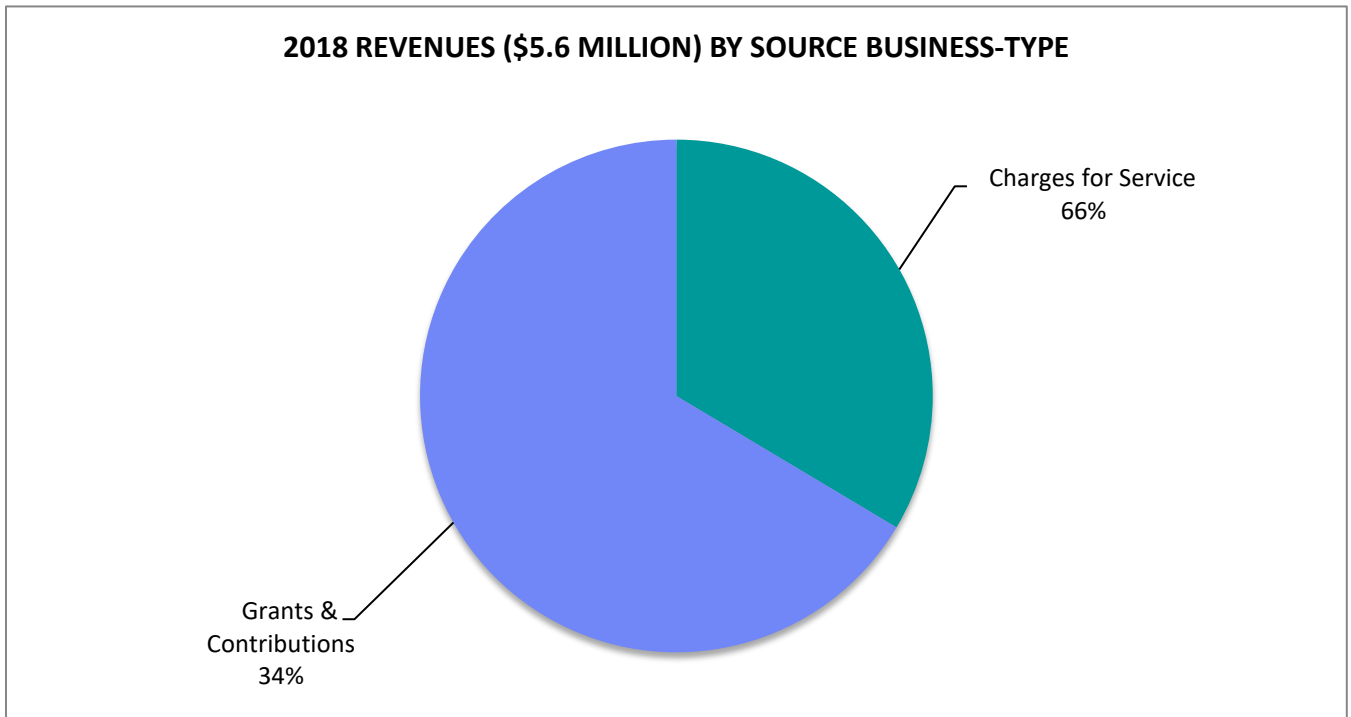


Business-Type Activities

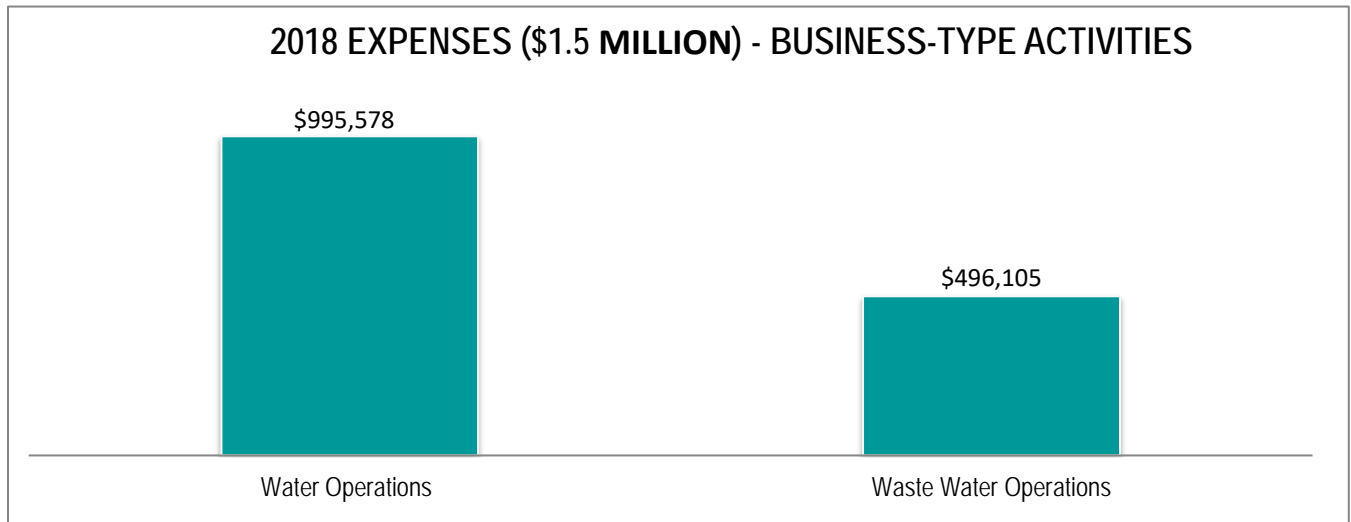
Net position of Business-Type Activities increased by \$4,112,022 for 2018. The major influences are due to the following:

Charges for Services increased by \$187,027 from 2017. This increase is due to increased users on the system. Capital Grants and Contributions increased by \$2,910,051 due to impact funds for Water and Waste Water associated with new development.

Graph 1. Business-Type Activities Revenue Sources



Graph 2. Business-Type Activities Expenses



In 2018, the water expense increased by, \$335,116, or 51%. This significant increase was due primarily to the following. First, the Town had to make two large capital repairs to well pumps. Second, there was concern that the pressure increase generated by the new elevated storage tank may be above the pressure capacity of the existing infrastructure. Therefore, a new pressure relief valve was installed in order to get the new elevated storage tank into operation. Lastly, the Town is currently in the process of exploring additional water sources for their water portfolio to ensure that the Town’s water needs are met as the Town continues to expand. This process requires substantial consultant time resulting in additional expense.

Revenue for the waste water and water utility is derived from services charges and other miscellaneous sources such as late fees. Projected waste water and water service revenue under existing rates was adequate to meet revenue requirements and sustain minimum reserves in 2017. Therefore, no rate increases were proposed for 2018. In 2018, existing rates were inadequate as such a rate increase was proposed for 2019 in both utilities.

In 2018, the Town completed the construction of its new Waste Water Treatment Facility. The facility was placed in commission running in conjunction with the lagoons in 4th quarter of 2018. The Utilities department believes that facility should be the sole treatment facility in Spring of 2019. At that time the Town will decommission the current lagoon system.

FINANCIAL ANALYSIS OF THE TOWN’S FUNDS

As noted previously, the Town of Bennett 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. Unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year.

At the end of 2018 the Town’s governmental funds reported a combined fund balance of \$2,910,929, a decrease of \$175,076 over 2017. This decrease was generated from the completion of projects in which we had been carrying cash balances such as, New Town Hall and Future Park, as well as the directive to utilize the Cemetery

Fund to purchase a new backhoe. \$954,336 constitutes unassigned fund balance, which is available for spending at the Town's discretion. \$772,786 of the fund balance is assigned to subsequent year's budget, parks and recreation, road maintenance and cemetery operations.

The remainder of fund balance is restricted to indicate that it is not available for new spending as follows:

Restricted for TABOR Emergencies	\$131,000
Restricted for Capital Projects	\$332,177
Restricted for Debt Service	\$720,600

The General Fund is the primary operating fund of the Town. At the end of 2018, unassigned fund balance of the General Fund was \$954,366, while total fund balance was \$1,688,487. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. Unassigned fund balance represents 20% of total General Fund expenditures. This is a decrease of 4% from 2017.

The fund balance of the Town's General Fund decreased by \$198,034 during 2018. Key factors are as follows:

- An increase in revenues of \$874,594 or 24%. Key changes in revenues include increases in tax revenue in the amount of \$403,369 (17%) and an increase in license and permit fees in the amount of \$249,623 (300%). Additionally, an increase in impact fees of \$214,860.
- Expenditures increased by \$202,529 (4%) to \$4,916,036. The increase in expenditures was primarily in General Government due to the addition of two new FTE(s) and a professional intern. In addition, the Town had record expenditures in their Bennett Days Fund which included a record year for Bennett Days and Pedal the Plains.
- The Town expended \$690,866 of the Capital Improvement Fund balance. The expended fund balance included remaining loan proceeds from the Key Bank Loan Lease carried forward from 2017. This loan was for the construction of New Town Hall.
- It should be noted that although the 2018 audit is reporting a \$198,034 decrease in fund balance it is not viewed as a concern by management staff due to the following:
 - Governmental accounting requirements dictate that the 2017 New Town Hall Construction Loan Lease from Key Bank, in the amount of \$1,454,400 be fully recognized as a financing source in the 2017 audit; however, the full loan was not expended in that year resulting in a General Fund balance increase of \$506,734 for 2017. Therefore, if both 2017 and 2018 net changes of \$506,734 and (\$198,034) are averaged, the increase per year would be \$154,350, which is consistent with previous years.

Other Governmental Funds

The Conservation Trust Fund was created to account for the money received from Lottery sales and is earmarked for specific purposes by the State, including parks and recreation equipment and capital projects. The Conservation Trust Fund had a fund balance of \$0 at the end of 2018. \$15,208 was expended on the construction of Future Park.

The Cemetery Fund was created to account for the costs to maintain the Mountview Cemetery. The Cemetery Fund does not generate enough revenue to be considered a business-type activity. The Cemetery Fund had a fund balance of \$0 at the end of 2017. The fund balance was transferred to the General Fund to purchase a new backhoe at the end of 2018. The Cemetery fund was then dissolved.

The Road and Bridge Fund is used to account for state highway users trust funds, county road and bridge taxes, and other revenues designated for the construction and maintenance of roads and bridges. The Road and Bridge Fund had a fund balance of \$169,665, an increase in the amount of \$35,988 in 2018.

The Sales Tax Capital Improvement Fund was created to account for the money received from the 1% sales tax increase which became effective on January 1, 2016. The Sales Tax Capital Improvement Fund had a fund balance of \$1,052,777 at the end of 2018. \$678,762 was expended from the Sales Tax Capital Improvement Fund for the 2017 and 2018 road projects, as well as the principle and interest on the 2016 Sales Tax Revenue Bonds.

Proprietary Funds

The Town’s proprietary funds provide the same type of information in the government-wide financial statements, but in more detail.

Net position of the enterprise operations at December 31 follows:

	<u>2017</u>	<u>2018</u>	<u>Change</u>
Net Position - Beginning of the Year	\$ 4,502,835	\$ 6,043,786	\$1,540,951
Net Position- End of the Year	\$ 6,043,786	\$ 10,155,808	\$4,112,022

Other factors concerning the finances of the enterprise funds have already been addressed in the discussion of the Town’s business-type activities.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

This investment in capital assets includes land, water rights, buildings and improvements, machinery, equipment, water, waste water and storm drainage infrastructure as well as street system infrastructure.

The Town has a five-year Capital Improvement Plan that is updated each year to assist the Town in long-term planning and budgeting for capital assets.

Major capital asset events during 2018 included the following:

- The construction of a new neighborhood park in the Antelope Hills Subdivision, Future Park.
- A new parking lot located on the Town’s land currently occupied by the Bennett Recreation Center.
- Town increased its fleet assets by four vehicles. These vehicles included a 2011 Honda Ridgeline to be used as a Building Official vehicle and two 2017 Ford F-150s to be used by the Public Works Department and Code Enforcement, and a 2018 Honda CRV to serve as an additional administrative vehicle. Additionally, the Town purchased a new backhoe to be used by Public Works.

- The Town completed additional upgrades in Trupp Park to include additional seating and shade structures.
- The Town made significant capital improvements in 2018 to the Water System. These improvements included repairs to two of the well pumps and a pressure relief valve for the elevated storage tank.
- The Town completed the construction of the New Waste Water Treatment Facility that will replace the existing lagoon system.

The following table provides comparative information on the Town's capital assets for 2017 and 2018:

	Governmental Activities		Business -type Activities		Total	
	2017	2018	2017	2018	2017	2018
Land and Land Improvements	\$ 2,538,693	\$ 2,538,693	\$ 67,138	\$ 67,138	\$ 2,605,831	\$ 2,605,831
Water Rights	-	-	215,654	215,654	215,654	215,654
Construction in Process	7,383,629	239,127	7,471,344	23,492	14,854,973	262,619
Buildings and Improvements	1,059,921	3,069,039	405	7,128,444	1,060,326	10,197,483
Streets, Curb & Gutter	350,708	8,236,778	-	-	350,708	8,236,778
Parks and Ballfields	2,495,008	3,165,252	-	-	2,495,008	3,165,252
Public Art	-	5,200	-	-	-	5,200
Equipment	381,682	564,786	482,820	561,879	864,502	1,126,665
Ponds	-	-	406,068	389,764	406,068	389,764
Water System	-	-	1,651,319	6,838,327	1,651,319	6,838,327
Sewer Lines	-	-	627,774	1,155,413	627,774	1,155,413
	<u>\$ 14,209,641</u>	<u>\$ 17,818,875</u>	<u>\$ 10,922,522</u>	<u>\$ 16,380,111</u>	<u>\$ 25,132,163</u>	<u>\$ 34,198,986</u>

Additional information on the Town's capital assets can be found in Note 4 to the financial statements.

Debt Administration

As of December 31, 2018, the Town had outstanding long-term obligations of \$13,592,856, as follows:

	2017	Additions	Deletions	2018
Governmental Activities	\$ 7,289,036	\$ -	\$ 285,890	\$ 7,003,146
Business-type Activities	6,303,820	3,958,902	189,430	10,073,292
	<u>\$ 13,592,856</u>	<u>\$ 3,958,902</u>	<u>\$ 475,320</u>	<u>\$ 17,076,438</u>

On March 5, 2018, the Town issued a note with CWR&PDA, Water Pollution Control Revolving Loan, up to a maximum amount of \$3,500,000. The proceeds of the note provide additional funds toward the construction of a new mechanical wastewater treatment facility to replace the existing waste water treatment lagoon system. A principle and interest payment of \$7,270 and \$5,513, respectively, was made on November 1, 2018. The remaining payments on the note are payable semi-annual installments of \$77,500 beginning on May 1, 2019 through May 1, 2048, including interest at 1.89%.

A provision of the note with the CWR&PDA requires the net revenues (total revenues fewer operating expenses) be at least 110% of the annual debt service due in a any one year. During the year ended December 31, 2018, the Town complied with the rate covenant.

Additional information on the Town's long-term obligations can be found in Note 5 of the financial statements.

ECONOMIC FACTORS

As the next incorporated area east of Aurora, Bennett, Colorado is experiencing significant pressure from ongoing and future development. Bennett's community leaders are visionary and willing to take bold steps to secure the Town's future. The Town has identified a 91.4 square mile "Area of Planning Interest." Bennett's growth intentions are reflected by its objective to introduce public improvements related to development for job creation and retention. It is becoming increasingly vital that our infrastructure improvements have the capacity to support this anticipated development.

The projections for economic development in the Town show significant growth between 2010 and 2035. These projections were completed in 2005 by the Denver Regional Council of Governments (DRCOG), prior to the recent recession, and have been modified by Economic Planning Systems (EPS) to account for regional employment contraction. Notwithstanding this contraction, the future growth of the Bennett planning area remains strong.

The planning area is estimated to grow by 6,454 housing units and 2,568 new jobs. This projected growth in housing units and employment creates the demand for 1,382 acres. 1,149 acres of land are needed to allow for the projected growth in housing. There is a projected demand for 43 acres of office, 71 acres of retail, and 118 acres of industrial land. These base numbers were forecasted using DRCOG's growth rates (with modifications by EPS) to reflect more current projections made by the Colorado Department of Local Affairs (DOLA) and the Center for Business and Economic Forecasts (CBEF).

2018 BUDGET OUTLOOK

The principal general revenue sources for the Town are sales taxes, grant revenue, water sales and property taxes. The local, state and national economies are always a consideration for projecting the revenues for the coming year. The economy for Bennett and the nation showed modest growth during 2018. Residential growth for Bennett does not exceed the national average, but has benefited from the addition of many new commercial businesses. Conservative attainable revenue estimates have been projected in all funds.

Sales Tax - The General Fund anticipated sales tax revenues for 2019 are based on an economic growth projection rate of 3% over 2018 projected revenues. Sales tax equates to \$2.1 million of the total \$3.8 million General Fund revenues. In 2018 sales tax revenues exceeded our budgeted amounts by \$36,000. On November 3, 2015, the Town successfully passed an additional 1.00% sales tax to be collect, retained and spent to finance the construction and maintenance of existing and planned street and other street related capital improvements within the Town. In 2018, the 1% sales tax exceeded our budget by over \$42,000 and we anticipate seeing the same incline in 2019.

Water & Wastewater Sales – 2019 will see the addition of an estimated 100 new users to our water and waste water system. In addition, replacement meters are planned to help subsidize our water production loss in the enterprise fund. Wastewater rates were increased in 2019, the new base rate is \$36.50 and the new usage rate to \$7.50. Additionally, the water base rate was increased to \$30.75. The new users coupled with improved production loss will yield a 14% increase to overall water sales and a 1% increase for waste water sales for 2019. In addition, the Town will see a continued increase in water and waste water impact fees in 2019 as new development takes place in Bennett. These impact funds will ensure the Town has funds reserved for continued and sustained improvement and expansion of the existing infrastructure in both water and waste water.

Grant Revenue – When viewed comprehensively, grant revenue is an ongoing effort to establish and research the highest level of resources available to us for capital improvement projects the Town cannot fund solely. Grant revenue in 2019 is projected to be \$819,000 for new parks, facility improvements, and trails. The Town of Bennett

has limited revenue sources and an abundance of capital improvement projects forthcoming. That, of course, raises the questions of where those resources will come from, and who will do the work. As the Town of Bennett works to develop other financing options in the future, the opportunity to obtain Assistance Grant Funds would supplement the cost of some of our major infrastructure projects. We have the funds available to provide match but are unable to complete the project without additional monetary support.

Property Tax – Revenues in Adams and Arapahoe County assessed valuations have increased for 2019, 5% in Adams County and 1% in Arapahoe County. We are noticing a trend of increasing property tax revenue and this is very positive news for the Town as a predictor for positive growth in the housing market for Bennett for this assessment year.

Overall the 2019 budget revenues represent a 7% increase over the 2018 projected revenue. This increase is reflected in the sales tax projected increase as well as the moderate increase to property tax revenue. As the next incorporated area east of Aurora, Bennett, Colorado is experiencing significant pressure from ongoing and future development. Bennett’s community leaders are visionary and willing to take bold steps to secure the Town’s future. In 2019 the Town will see the completion of a at least two new housing developments. The first development of 148 new single-family homes to Bennett. The second of 24 Town Homes. In addition, the Town believes we will see the start of a third development. The new houses will increase revenue streams across all funds.

2019 HIGHLIGHT PROJECTS

Looking forward to 2019, the primary guiding philosophy is, “Let’s go C.A.I.M.P.in”. C.A.I.M.P. is our Capital Asset Inventory and Master Planning project which was initiated in 2017 when DOLA encouraged the Town to become a pilot community for their fiscal sustainability program. The DOLA grant was approved and we received \$125,000 to match with \$125,000 cash contribution. Additionally, in Spring 2018 the Town was awarded \$40,000 from Adams County Open Space for parks, trail, and open space master plan update. The Combined efforts with DOLA, Adams County Open Space, and the Town will form an overall Capital Asset Inventory & Master Plan (C.A.I.M.P).

The vision is a dynamic Master Plan that is all encompassing with a framework in GIS. We do not want a report cluttering up our shelves. We see a day when we will pull up our infrastructure on a dashboard and be able to drill down on an element in our inventory to get details of planning recommendations, resources and training items, budgeting, action items, summaries of O&M and have it graphical.

BUILDINGS

<i>Community Center Parking Lot & Lighting</i>	100,000
<i>New Town Hall Landscaping</i>	129,300
<i>PW Shop Fencing</i>	80,000

ECONOMIC DEVELOPMENT

<i>Economic Development Plan Benefits of Bennett Grant</i>	15,000
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PARKS

<i>Future Park Landscaping - Arapahoe County Grant</i>	99,000
<i>Trupp Park Improvements</i>	200,000
<i>Highway 79 Trail Improvements</i>	200,000
<i>Accounting Technician-(1) FTE</i>	

WATER

<i>At Grade Storage Tank</i>	850,000
<i>WWTF Water Line</i>	125,000
<i>Generator for Elevated Storage Tank/SCADA/Well 6</i>	80,000
<i>Rebuild Well House 8</i>	45,000
<i>Rebuild Well 4</i>	65,000
<i>Well Protection</i>	140,000

WASTE WATER

<i>Point Repair</i>	35,000
<i>WWTF Sewer Line</i>	250,000
<i>Waste Water Treatment Facility Expansion</i>	350,000

At the heart of government finance is the concept of fund accounting. Governments create funds to account for related expenses and revenues. For example, the Water and Sewer Operating Fund contains the budget to run the Town’s water supply and wastewater system and the revenues collected (primarily user charges) to pay for the system. The use of fund accounting is one of the basic requirements of generally accepted accounting principles (GAAP) for government and one of the major differences between governmental and commercial accounting. It requires separate record keeping for each individual fund a government uses.

Like prior budgets, the 2019 budget relies on projections regarding available revenue, thereby accepting the limits of the Town's financial resources. The budget is based upon an established ceiling of revenue derived from local property taxes and three-year projection averages of sales tax.

REQUESTS FOR INFORMATION

This financial report is designed to provide our residents, taxpayers, customers, investors and creditors with a general overview of the Town’s finances and to show the Town’s accountability for the funds and assets it receives. If you have questions about this report or need additional information, contact the Town Treasurer, 207 Muegge Way, Bennett, CO, 80102 or call (303) 644-3249.

BASIC FINANCIAL STATEMENTS

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TOWN OF BENNETT, COLORADO

**STATEMENT OF NET POSITION
December 31, 2018**

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	General Improvement District
Assets				
Cash and Investments	\$ 3,026,680	\$ 3,015,828	\$ 6,042,508	\$ 60,956
Cash and Investments - Restricted	972,280	13,729	986,009	-
Receivables:				
Property Taxes	345,969	-	345,969	178,898
Sales Taxes	460,001	-	460,001	-
Intergovernmental	552,825	92,494	645,319	-
Loans	-	1,084,528	1,084,528	1,063
Accounts	6,086	232,607	238,693	-
Internal Balances	(14,338)	14,338	-	-
Capital Assets Not Being Depreciated	2,777,820	306,284	3,084,104	-
Capital Assets, Net of Accumulated Depreciation	15,041,055	16,073,827	31,114,882	-
Total Assets	23,168,378	20,833,635	44,002,013	240,917
Liabilities				
Accounts Payable	207,566	69,520	277,086	-
Accounts Payable From Restricted Assets	34,503	463,909	498,412	-
Compensated Absences	40,332	12,648	52,980	-
Deposits	21,408	-	21,408	-
Unearned Revenue	111,568	27,316	138,884	-
Other Liabilities	1,677,228	-	1,677,228	-
Accrued Interest Payable	20,536	31,142	51,678	-
Noncurrent Liabilities:				
Due Within One Year	210,200	336,185	546,385	25,000
Due In More Than One Year	6,792,946	9,737,107	16,530,053	1,804,251
Total Liabilities	9,116,287	10,677,827	19,794,114	1,829,251
Deferred Inflows of Resources				
Property Taxes	345,969	-	345,969	178,898
Net Position				
Net Investment in Capital Assets	11,176,029	6,995,253	18,171,282	-
Restricted				
Debt Service	339,764	298,728	638,492	-
Capital Projects	332,177	-	332,177	-
Labor Emergencies	131,000	-	131,000	382
Unrestricted	1,727,152	2,861,827	4,588,979	(1,767,614)
Total Net Position	\$ 13,706,122	\$ 10,155,808	\$ 23,861,930	\$ (1,767,232)

The notes to the financial statements are an integral part of this statement.

TOWN OF BENNETT, COLORADO

STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018

<u>Function/Program Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Permits, Fees, Fines, and Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary Government				
Governmental Activities				
General Government	\$ 2,076,493	\$ 289,356	\$ 35,532	\$ -
Public Safety	417,304	12,756	-	-
Public Works	861,575	381,913	476,540	2,552,713
Interest and Related Costs on Long-term Debt	217,768	-	-	-
Unallocated Depreciation	232,556	-	-	-
Total Governmental Activities	<u>3,805,696</u>	<u>684,025</u>	<u>512,072</u>	<u>2,552,713</u>
Business-type Activities				
Water	995,578	1,101,907	23,174	2,305,650
Waste Water	496,105	806,746	11,146	1,437,424
Total Business-type Activities	<u>1,491,683</u>	<u>1,908,653</u>	<u>34,320</u>	<u>3,743,074</u>
Total Primary Government	<u>\$ 5,297,379</u>	<u>\$ 2,592,678</u>	<u>\$ 546,392</u>	<u>\$ 6,295,787</u>
Component Units	<u>\$ 129,226</u>	<u>\$ 10,500</u>	<u>\$ -</u>	<u>\$ -</u>

General Revenues:

- Property Taxes
- Specific Ownership Taxes
- Sales and Use Taxes
- Franchise and Other Taxes
- Unrestricted Investment Earnings
- Unrestricted Grants and Contributions
- Miscellaneous

Transfers, Net

- Total General Revenues and Transfers
- Changes In Net Position
- Net Position - Beginning
- Net Position - Ending

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

Primary Government			Component Unit
Governmental Activities	Business-Type Activities	Total	General Improvement District
\$ (1,751,605)	\$ -	\$ (1,751,605)	\$ -
(404,548)	-	(404,548)	-
2,549,591	-	2,549,591	-
(217,768)	-	(217,768)	-
(232,556)	-	(232,556)	-
(56,886)	-	(56,886)	-
-	2,435,153	2,435,153	-
-	1,759,211	1,759,211	-
-	4,194,364	4,194,364	-
(56,886)	4,194,364	4,137,478	-
			(118,726)
329,990	-	329,990	178,713
27,654	-	27,654	12,968
3,074,443	-	3,074,443	-
77,141	-	77,141	-
25,204	-	25,204	2,185
75,492	-	75,492	-
85,193	-	85,193	-
82,342	(82,342)	-	-
3,777,459	(82,342)	3,695,117	193,866
3,720,573	4,112,022	7,832,595	75,140
9,985,549	6,043,786	16,029,335	(1,842,372)
<u>\$ 13,706,122</u>	<u>\$ 10,155,808</u>	<u>\$ 23,861,930</u>	<u>\$ (1,767,232)</u>

TOWN OF BENNETT, COLORADO

**BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2018**

	<u>General</u>	<u>Conservation Trust</u>	<u>Cemetery</u>	<u>Sales Tax Capital Improvement</u>
Assets				
Cash and Investments	\$ 2,877,673	\$ -	\$ -	\$ -
Cash and Investments - Restricted	-	-	-	972,280
Receivables:				
Property Taxes	345,969	-	-	-
Sales Taxes	345,001	-	-	115,000
Intergovernmental	530,892	-	-	-
Accounts	6,086	-	-	-
Total Assets	<u><u>\$ 4,105,621</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,087,280</u></u>
Liabilities				
Accounts Payable	\$ 207,566	\$ -	\$ -	\$ -
Accounts Payable From Restricted Assets	-	-	-	34,503
Compensated Absences	39,057	-	-	-
Due to Other Funds	14,338	-	-	-
Deposits	21,408	-	-	-
Unearned Revenue	111,568	-	-	-
Other Liabilities	1,677,228	-	-	-
Total Liabilities	<u><u>2,071,165</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>34,503</u></u>
Deferred Inflows of Resources				
Property Taxes	345,969	-	-	-
Fund Balances				
Restricted				
TABOR Emergencies	131,000	-	-	-
Capital Projects	-	-	-	332,177
Debt Service	-	-	-	720,600
Assigned				
Subsequent Year's Budget	422,990	-	-	-
Parks and Recreation	180,131	-	-	-
Road Maintenance	-	-	-	-
Unassigned	954,366	-	-	-
Total Fund Balances	<u><u>1,688,487</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>1,052,777</u></u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 4,105,621</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,087,280</u></u>

The notes to the financial statements are an integral part of this statement.

<u>Road and Bridge</u>	<u>Total Governmental Funds</u>
\$ 149,007	\$ 3,026,680
-	972,280
-	345,969
-	460,001
21,933	552,825
-	6,086
<u>\$ 170,940</u>	<u>\$ 5,363,841</u>
\$ -	\$ 207,566
-	34,503
1,275	40,332
-	14,338
-	21,408
-	111,568
-	1,677,228
<u>1,275</u>	<u>2,106,943</u>
-	345,969
-	131,000
-	332,177
-	720,600
-	422,990
-	180,131
169,665	169,665
-	954,366
<u>169,665</u>	<u>2,910,929</u>
<u>\$ 170,940</u>	<u>\$ 5,363,841</u>

TOWN OF BENNETT, COLORADO

**RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2018**

Total Fund Balances - Governmental Funds		\$ 2,910,929
Total net position reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Capital Assets	\$ 19,787,649	
Less Accumulated Depreciation	<u>(1,968,774)</u>	17,818,875
Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. However, all liabilities - both current and long-term - are reported in the statement of net position.		
Balances at year-end are:		
Bonds Payable	(5,220,000)	
Premium on Sales Tax Revenue Bonds	(463,846)	
Capital Lease	<u>(1,319,300)</u>	(7,003,146)
Interest on long-term debt is not accrued in the funds, but rather is recognized as an expenditure when due		<u>(20,536)</u>
Net Position - Governmental Activities		<u><u>\$ 13,706,122</u></u>

The notes to the financial statements are an integral part of this statement.

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TOWN OF BENNETT, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

For the Year Ended December 31, 2018

	<u>General</u>	<u>Conservation Trust</u>	<u>Cemetery</u>	<u>Sales Tax Capital Improvement</u>
Revenues				
Property Taxes	\$ 329,990	\$ -	\$ -	\$ -
Specific Ownership Taxes	-	-	-	-
Sales and Use Taxes	2,374,870	-	-	699,573
Franchise and Other Taxes	77,141	-	-	-
Licenses and Permits	332,754	-	-	-
Intergovernmental Revenue	643,518	14,530	-	-
Charges for Services	379,628	-	10,250	-
Fines and Forfeitures	12,756	-	-	-
Impact Fees	231,339	-	-	-
Net Investment Income	25,204	678	-	19,911
Contributions	3,531	-	-	-
Bennett Arts & Cultural Fund	71,961	-	-	-
Other	85,193	-	-	-
Total Revenues	<u>4,567,885</u>	<u>15,208</u>	<u>10,250</u>	<u>719,484</u>
Expenditures				
Current				
General Government	2,019,920	-	-	-
Public Safety	417,304	-	-	-
Public Works	869,675	-	11,435	88,024
Debt Service				
Principal	58,400	-	-	150,000
Interest	42,433	-	-	210,300
Capital Outlay	1,508,304	-	-	230,438
Total Expenditures	<u>4,916,036</u>	<u>-</u>	<u>11,435</u>	<u>678,762</u>
Excess Revenues Over (Under)				
Expenditures	<u>(348,151)</u>	<u>15,208</u>	<u>(1,185)</u>	<u>40,722</u>
Other Financing Sources				
Transfers In	150,117	-	-	-
Transfers Out	-	(15,208)	(52,567)	-
Total Other Financing Sources (Uses)	<u>150,117</u>	<u>(15,208)</u>	<u>(52,567)</u>	<u>-</u>
Net Change in Fund Balances	<u>(198,034)</u>	<u>-</u>	<u>(53,752)</u>	<u>40,722</u>
Fund Balances - Beginning	<u>1,886,521</u>	<u>-</u>	<u>53,752</u>	<u>1,012,055</u>
Fund Balances - Ending	<u>\$ 1,688,487</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,052,777</u>

The notes to the financial statements are an integral part of this statement.

Road and Bridge	Total Governmental Funds
\$ -	\$ 329,990
27,654	27,654
-	3,074,443
-	77,141
-	332,754
199,296	857,344
-	389,878
-	12,756
-	231,339
1,592	47,385
-	3,531
-	71,961
-	85,193
228,542	5,541,369
-	2,019,920
-	417,304
147,887	1,117,021
-	208,400
-	252,733
44,667	1,783,409
192,554	5,798,787
35,988	(257,418)
-	150,117
-	(67,775)
-	82,342
35,988	(175,076)
133,677	3,086,005
\$ 169,665	\$ 2,910,929

TOWN OF BENNETT, COLORADO

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2018**

Net Change in Fund Balances - Governmental Funds	\$	(175,076)
<p>Amounts reported for governmental activities in the statement of activities are different because:</p>		
<p>Governmental funds report capital outlays as expenditures. In the statement of activities capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.</p>		
Capital Outlay	\$ 1,874,422	
Depreciation	<u>(232,556)</u>	1,641,866
<p>The net effect of various miscellaneous transactions involving capital assets (i.e. sales, contributions and transfers) is to increase net position. In the statement of activities, only the gain on the disposition of capital assets is reported. However, in the governmental funds, the proceeds from the disposition, if any, increases financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the asset disposed.</p>		
Contributed assets		1,967,368
<p>Long-term debt (e.g., issuance of bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.</p>		
Principal Payment - Sales Tax Revenue Bonds	150,000	
Principal Payment - Capital Lease	58,400	
Payment - Public Improvements Reimbursement Agreement	<u>43,050</u>	251,450
<p>Interest expense in the statement of activities differs from the amount reported in governmental funds because of additional accrued and accreted interest, amortization of bond premiums, issue costs and refunding losses.</p>		
Change in accrued interest on long-term debt	525	
Amortization of bond premium	<u>34,440</u>	<u>34,965</u>
Change in Net Position - Governmental Activities	\$	<u><u>3,720,573</u></u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BENNETT, COLORADO

**STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2018**

	<u>Water</u>	<u>Waste Water</u>	<u>Total</u>
Assets			
Current Assets			
Cash and Investments	\$ 1,819,845	\$ 1,195,983	\$ 3,015,828
Cash and Investments - Restricted			
Debt Service Reserve	13,729	-	13,729
Receivables			
Accounts	141,059	91,548	232,607
Receivables - Restricted			
Grants	5,873	86,621	92,494
Loans	-	1,084,528	1,084,528
Due From Other Funds	-	14,338	14,338
Total Current Assets	<u>1,980,506</u>	<u>2,473,018</u>	<u>4,453,524</u>
Noncurrent Assets			
Capital Assets Not Being Depreciated	276,030	30,254	306,284
Capital Assets, Net	<u>7,323,518</u>	<u>8,750,309</u>	<u>16,073,827</u>
Total Noncurrent Assets	<u>7,599,548</u>	<u>8,780,563</u>	<u>16,380,111</u>
Total Assets	<u>9,580,054</u>	<u>11,253,581</u>	<u>20,833,635</u>
Liabilities			
Current Liabilities			
Accounts Payable	60,857	8,663	69,520
Accounts Payable From Restricted Assets	8,662	455,247	463,909
Compensated Absences	5,997	6,651	12,648
Unearned Revenue	27,316	-	27,316
Accrued Interest Payable	29,619	1,523	31,142
Notes Payable - Current	148,264	187,921	336,185
Total Current Liabilities	<u>280,715</u>	<u>660,005</u>	<u>940,720</u>
Noncurrent Liabilities			
Notes Payable	<u>3,848,321</u>	<u>5,888,786</u>	<u>9,737,107</u>
Total Noncurrent Liabilities	<u>3,848,321</u>	<u>5,888,786</u>	<u>9,737,107</u>
Total Liabilities	<u>4,129,036</u>	<u>6,548,791</u>	<u>10,677,827</u>
Net Position			
Net Investment in Capital Assets	3,600,174	3,395,079	6,995,253
Restricted for Debt Service	160,028	138,700	298,728
Unrestricted	<u>1,690,816</u>	<u>1,171,011</u>	<u>2,861,827</u>
Total Net Position	<u>\$ 5,451,018</u>	<u>\$ 4,704,790</u>	<u>\$ 10,155,808</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BENNETT, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds		
	Water	Waste Water	Total
Operating Revenues			
Charges for Sales and Services			
Service Fees	\$ 1,032,047	\$ 781,254	\$ 1,813,301
Bulk Water	1,164	-	1,164
Other	68,696	25,492	94,188
Total Operating Revenues	1,101,907	806,746	1,908,653
Operating Expenses			
Personnel	141,655	124,639	266,294
Operations	381,360	239,906	621,266
Professional Services	200,842	71,903	272,745
Depreciation	160,565	47,892	208,457
Total Operating Expenses	884,422	484,340	1,368,762
Operating Income	217,485	322,406	539,891
Nonoperating Revenues (Expenses)			
Net Investment Income	17,301	11,146	28,447
Grant Income	5,873	-	5,873
Loan Forgiveness	-	44,100	44,100
Interest Expense	(111,156)	(11,765)	(122,921)
Total Nonoperating Revenues (Expenses)	(87,982)	43,481	(44,501)
Income Before Transfers and Contributions	129,503	365,887	495,390
Capital Contributions - Development Fees	1,481,950	546,117	2,028,067
Capital Grants	-	317,292	317,292
Capital Contributions	823,700	529,915	1,353,615
Transfers Out	(39,840)	(42,502)	(82,342)
Change In Net Position	2,395,313	1,716,709	4,112,022
Net Position - Beginning	3,055,705	2,988,081	6,043,786
Net Position - Ending	\$ 5,451,018	\$ 4,704,790	\$ 10,155,808

The notes to the financial statements are an integral part of this statement.

TOWN OF BENNETT, COLORADO

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Year Ended December 31, 2018**

	<u>Water</u>	<u>Waste Water</u>	<u>Total</u>
Cash Flows from Operating Activities			
Cash Received from Customers	\$ 1,060,766	\$ 798,523	\$ 1,859,289
Cash Payments to Suppliers for Goods and Services	(526,282)	(341,224)	(867,506)
Cash Payments to Employees for Services	(144,216)	(125,831)	(270,047)
Net Cash Provided by Operating Activities	<u>390,268</u>	<u>331,468</u>	<u>721,736</u>
Cash Flows from Noncapital Financing Activities			
Net borrowings/repayments with other funds	-	(14,338)	(14,338)
Transfers to Other Funds	(39,840)	(42,502)	(82,342)
Net Cash (Used) by Noncapital Financing Activities	<u>(39,840)</u>	<u>(56,840)</u>	<u>(96,680)</u>
Cash Flows from Capital and Related Financing Activities			
System Development Fees	1,481,950	546,117	2,028,067
Capital Grant Received	5,000	872,741	877,741
Loan Proceeds	198,296	3,426,953	3,625,249
Acquisition and Construction of Capital Assets	(520,444)	(4,621,248)	(5,141,692)
Principal Paid on Long-Term Debt	(116,386)	(73,044)	(189,430)
Interest Paid on Long-Term Debt	(181,695)	(11,818)	(193,513)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>866,721</u>	<u>139,701</u>	<u>1,006,422</u>
Cash Flows from Investing Activities			
Net Cash Provided by Investing Activities	<u>17,301</u>	<u>11,146</u>	<u>28,447</u>
Net Increase (Decrease) In Cash and Cash Equivalents	1,234,450	425,475	1,659,925
Cash and Cash Equivalents - Beginning	599,124	770,508	1,369,632
Cash and Cash Equivalents - Ending	<u>\$ 1,833,574</u>	<u>\$ 1,195,983</u>	<u>\$ 3,029,557</u>
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating Income	<u>\$ 217,485</u>	<u>\$ 322,406</u>	<u>\$ 539,891</u>
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities			
Depreciation	160,565	47,892	208,457
Effect of Changes In Operating Assets and Liabilities			
Accounts Receivable	(45,795)	(8,223)	(54,018)
Accounts Payable	55,920	(18,255)	37,665
Compensated Absences	(2,561)	(1,192)	(3,753)
Unearned Revenue	4,654	-	4,654
Other Current Liabilities	-	(11,160)	(11,160)
Total Adjustments	<u>172,783</u>	<u>9,062</u>	<u>181,845</u>
Net Cash Provided by Operating Activities	<u>\$ 390,268</u>	<u>\$ 331,468</u>	<u>\$ 721,736</u>
Noncash Investing, Capital and Financing Activities			
Contribution of capital assets	<u>\$ 823,700</u>	<u>\$ 529,915</u>	<u>\$ 1,353,615</u>

The notes to the financial statements are an integral part of this statement.

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS December 31, 2018

The financial statements of the Town of Bennett, Colorado (the Town) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and reporting principles. The following notes to the financial statements are an integral part of the Town's financial statements.

Note 1. Definition of Reporting Entity

The Town of Bennett, Colorado was incorporated in 1929 in Adams County and is governed by a seven-member elected Board of Trustees. The Town provides public works (roads and streets), parks and recreation, water, waste water and general administrative services. The Town contracts with Adams and Arapahoe County for police protection and Adams County for animal control.

The Town follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

As required by accounting principles generally accepted in the United States of America, these financial statements present the primary government and its component units, those entities for which the Town is considered to be financially accountable. Discretely presented component units are legally separate entities for which the financial data are presented separately from the financial data of the Town.

The Town presents one General Improvement District, Antelope Hills, as a discretely presented component unit.

The General Improvement District (GID) was created under provisions of Colorado state statute. The district has the power to acquire, construct or install public improvements within its own boundaries and to finance such improvements by levying a general property tax upon the benefiting property. The GID is a legally separate entity from the Town. The Town Trustees sit as the Board of Directors for the GID. Services provided by the GIDs are entirely for the benefit of the citizens of each respective district. The fiscal year-end for the District is December 31.

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

Note 2. Summary of Significant Accounting Policies

The more significant accounting policies of the Town are described as follows:

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 the activities of the Town. 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 user fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of net position reports all financial and capital resources of the Town. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the 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

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS December 31, 2018

collected within 60 days after year-end. Property taxes, sales taxes, franchise taxes and interest are susceptible to accrual and so have been recognized as revenues in the current period. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. All other revenue items are considered to be measurable and available only when cash is received by the Town. Expenditures are recorded when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Conservation Trust Fund* accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investment.

The *Cemetery Fund* accounts for the operations of the Mountview Cemetery.

The *Sales Tax Improvement Fund* accounts for the proceeds of the Town's 2016 Sales Tax Revenue Bonds and the additional 1% sales tax approved by the voters in November 2015 restricted to construction and maintenance of the Town's roads.

The *Road and Bridge Fund* is used to account for state highway users trust funds, county road and bridge taxes, and other revenues assigned for the construction and maintenance of roads and bridges.

The Town reports the following major proprietary funds:

The *Water Fund* accounts for revenues and expenses associated with providing water services to Town residents.

The *Waste Water Fund* accounts for revenues and expenses associated with providing waste water services to Town residents.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the Town's water and waste water functions and various other functions of government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS December 31, 2018

Amounts reported as program revenues include 1) charges to customers or applicant for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all Town levied taxes.

Proprietary funds distinguish between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principle ongoing operations. The principle operating revenues of the Town's enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds 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 nonoperating revenues and expenses. The Town's water and waste water enterprise funds recognize as capital contributions the entire portion of tap fees, as they are intended to recover the cost of the capital investment in the water and waste water distribution systems.

Pooled Cash and Investments

The Town follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

Cash and investments are presented in the basic financial statements at fair value.

For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets) with a maturity when purchased of three months or less and all local government investment pools to be cash equivalents.

Property Taxes

Property taxes are levied by the Town's Board of Trustees. Property taxes are levied by December 15 of each year and are due in full the following year. The lien date is January 1 following the levy. Taxes may be paid in two equal installments, on or before February 28 and June 15; or in full, on or before April 30. Delinquent taxpayers are notified in August and generally, sales of the tax liens on delinquent properties are held in November or December. Property taxes are collected by Adams County and then remitted, net of a 1% collection fee, to the Town.

Taxes are recorded as a receivable and a deferred inflow of resources when levied, and subsequently recorded as revenue in the year they are available or collected.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Restricted Assets

Certain assets of the Town’s Capital Improvement Fund, Water and Waste Water funds are classified as restricted assets on the balance sheet because their use is limited to specific capital improvements/maintenance or applicable debt covenants.

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. The Town currently capitalizes expenditures that cost more than \$5,000 and have a life of one year or more. Such capital assets are recorded at historical cost or at estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capital assets because their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities. Generally accepted accounting principles requires the Town to report general infrastructure assets obtained subsequent to January 1, 2004 but allows the Town to retroactively capitalize general infrastructure assets obtained prior to that date. The Town elected to not report general infrastructure assets retroactively.

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. Major outlays for capital assets and improvements are capitalized as projects are constructed and depreciated over their remaining useful lives.

Capital assets of the Town are depreciated, using the straight-line method over their estimated useful lives:

Buildings	40 years
Buildings Improvements	15 years
Streets, Curbs and Gutters	15-30 years
Parks and Ball fields	10-40 years
Water and Waste Water Systems	15-50 years
Furniture and Equipment	5-10 years

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position/balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position/balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance 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 unavailable revenue for property taxes to be collected in the subsequent period and therefore not yet available.

Compensated Absences

Vacation leave is based on an employee's length of employment and is earned ratably during the span of employment. Upon termination, employees are paid full value for any accrued general leave earned.

It is the Town's policy to permit employees to accumulate earned but unused vacation leave benefits. All leave is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if it is expected to be liquidated with expendable available financial resources.

Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the term of the bonds. The balance of these deferrals is combined with the corresponding long term debt in the financial statements.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, even if withheld from the actual new proceeds received, are reported as debt service expenditures.

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

Net Position and Fund Equity

Net Position

The government-wide financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted Net Position is subject to restrictions by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation

Unrestricted net position represents assets that do not have any third-party limitations on their use.

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

Nonspendable fund balance – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

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

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

The Town reports the following Restricted Fund Balances:

Restricted for TABOR Emergencies – Emergency reserves have been provided for as required by Article X, Section 20 of the Constitution of the State of Colorado (see Note 11).

Restricted for Parks and Recreation – Represents the balance of funds remaining from the Conservation Trust (State Lottery) Fund proceeds.

Restricted for Capital Projects – Represents funds restricted for roads improvements and maintenance.

Restricted for Debt Service – Represents the portion of fund balance that is legally restricted to payment of principal and interest on long-term debt maturing in future years.

Committed fund balance – The portion of fund balance 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 Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

Assigned fund balance – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

The following fund balances are assigned:

Parks and Recreation – used to account for the portion of the year-end fund balance which is assigned for the purchase and construction of a future park location.

Cemetery Operations – assigned to the operations of the Mountview Cemetery.

Road and Bridge Fund – assigned for construction and maintenance of roads and bridges.

Unassigned fund balance – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the Town’s practice to use the most restrictive classification first.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Use of Estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. An example of such an estimate that has been made by management is depreciation expense.

Note 3. Cash Deposits and Investments

The Town's unrestricted and restricted cash deposits and investments are presented as follows at December 31, 2018:

	Governmental Activities	Business- type Activities	Component Units	Total
Unrestricted	\$ 3,026,680	\$ 3,015,828	\$ 60,956	\$ 6,103,464
Restricted	972,280	13,729	-	986,009
Total	\$ 3,998,960	\$ 3,029,557	\$ 60,956	\$ 7,089,473

Cash and investments as of December 31, 2018 consist of the following:

	Governmental Activities	Business- type Activities	Component Units	Total
On-hand	\$ 5	\$ 300	-	\$ 305
Deposits	737,189	64,673	(44,294)	757,568
Investments	3,261,766	2,964,584	105,250	6,331,600
Total	\$ 3,998,960	\$ 3,029,557	\$ 60,956	\$ 7,089,473

Restricted Cash and Investments

The Sales Tax Capital Improvement Fund reports cash and investments restricted for capital projects and debt service amounting to \$366,680 and \$605,600, respectively. In addition, \$13,729 is restricted in the Water Fund for the payment of long-term debt principal and interest.

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS December 31, 2018

Cash Deposits

Custodial credit risk

Custodial risk for deposits is the risk that, in the event of a failure of a depository financial institution, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in possession of an outside party. The Colorado Public Deposit Protection Act (PDPA) governs the investment of public funds. PDPA requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels (\$250,000) must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and as such, these deposits are considered to be 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, 2018, the Town's bank deposits amounting to \$1,311,503 were both insured by federal depository insurance and collateralized with securities held by third parties but not in the Town's name, and consequently were not exposed to custodial credit risk.

Investments

The Town has not adopted a formal investment policy; however, the Town follows state statutes regarding investments. Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Trustees, such actions are generally associated with a debt service reserve or sinking fund requirements.

The Town generally limits its concentration of investments to obligations of the United States, certain U.S. government agency securities and Local Government Investment Pools, which are believed to have minimal credit risk; minimal interest rate risk and no foreign currency risk. Additionally, the Town is not subject to concentration risk disclosure requirements or subject to investment custodial credit risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors, such actions are generally associated with a debt service reserve or sinking fund requirements.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

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

At December 31, 2018, the Town had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (Colotrust)	Weighted Average under 60 days	<u>\$ 6,331,600</u>

The Town invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor's. COLOTRUST records its investments at fair value and the Town records its investment in COLOTRUST using the net asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Note 4. Capital Assets

Capital asset activity for the year ended December 31, 2018 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 2,538,693	\$ -	\$ -	\$ 2,538,693
Construction in process	7,383,629	1,489,796	(8,634,298)	239,127
Total capital assets not being depreciated	9,922,322	1,489,796	(8,634,298)	2,777,820
Capital assets being depreciated				
Buildings	1,548,510	2,048,145	-	3,596,655
Streets, Curbs & Gutter	675,908	7,903,347	-	8,579,255
Parks and Ballfields	3,064,526	816,366	-	3,880,892
Public Art	-	5,200	-	5,200
Fleet-Equipment	250,360	72,300	(85,000)	237,660
Fleet-Vehicles	455,660	109,412	(23,812)	541,260
IT/Software	55,231	12,216	-	67,447
Street/Park Equipment	161,825	19,306	(79,671)	101,460
Total capital assets being depreciated	6,212,020	10,986,292	(188,483)	17,009,829
Less accumulated depreciation for:				
Buildings	(488,587)	(39,029)	-	(527,616)
Streets, Curbs & Gutter	(325,200)	(17,277)	-	(342,477)
Parks and Ballfields	(590,946)	(124,694)	-	(715,640)
Public Art	-	-	-	-
Fleet-Equipment	(183,627)	(4,767)	85,000	(103,394)
Fleet-Vehicles	(163,923)	(36,255)	23,812	(176,366)
IT/Software	(33,804)	(5,446)	-	(39,250)
Street/Park Equipment	(138,614)	(5,088)	79,671	(64,031)
Total accumulated depreciation	(1,924,701)	(232,556)	188,483	(1,968,774)
Total capital assets being depreciated, net	4,287,319	10,753,736	-	15,041,055
Governmental activities capital assets, net	\$ 14,209,641	\$ 12,243,532	\$ (8,634,298)	\$ 17,818,875

Depreciation expense is not allocated to specific departments.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Capital asset activity for the year ended December 31, 2018 (continued):

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land and land improvements	\$ 67,138	\$ -	\$ -	\$ 67,138
Water Rights	215,654	-	-	215,654
Construction in process	7,471,344	3,875,022	(11,322,874)	23,492
Total capital assets not being depreciated	<u>7,754,136</u>	<u>3,875,022</u>	<u>(11,322,874)</u>	<u>306,284</u>
Capital assets being depreciated:				
Ponds	656,605	-	-	656,605
Water System	3,926,341	5,315,839	-	9,242,179
Sewer Lines and Connections	985,523	546,522	-	1,532,045
Buildings	30,141	7,128,174	-	7,158,315
Equipment and other	756,272	123,364	-	879,636
Total capital assets being depreciated	<u>6,354,882</u>	<u>13,113,899</u>	<u>-</u>	<u>19,468,780</u>
Less accumulated depreciation for:				
Ponds	(250,537)	(16,304)	-	(266,841)
Water System	(2,275,022)	(128,830)	-	(2,403,852)
Sewer Lines and Connections	(357,749)	(18,883)	-	(376,632)
Buildings	(29,736)	(135)	-	(29,871)
Equipment and other	(273,452)	(44,305)	-	(317,757)
Total accumulated depreciation	<u>(3,186,496)</u>	<u>(208,457)</u>	<u>-</u>	<u>(3,394,953)</u>
Total capital assets being depreciated, net	<u>3,168,386</u>	<u>12,905,442</u>	<u>-</u>	<u>16,073,827</u>
Business-type activities capital assets, net	<u>\$ 10,922,522</u>	<u>\$ 16,780,464</u>	<u>\$ (11,322,874)</u>	<u>\$ 16,380,111</u>

Depreciation was charged to functions/programs as follows:

Business-type activities:	
Water	\$ 160,565
Waste Water	47,892
Total depreciation expense - Business-type Activities	<u>\$ 208,457</u>

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Note 5. Long-term Obligations

The following is an analysis of changes in long-term debt for the year ended December 31, 2018:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Reimbursement Agreements	\$ 43,050	\$ -	\$ 43,050	\$ -	\$ -
Sales Tax Revenue Bonds, 2016	5,370,000	-	150,000	5,220,000	150,000
Bond Premium - 2016 Bonds	498,286	-	34,440	463,846	-
Capital Lease - 2017	1,377,700	-	58,400	1,319,300	60,200
	<u>\$ 7,289,036</u>	<u>\$ -</u>	<u>\$ 285,890</u>	<u>\$ 7,003,146</u>	<u>\$ 210,200</u>
Business-type Activities					
Colorado Department of Local Affairs					
Energy Impact Assistance Loans:					
Water Fund, 2004	\$ 23,214	\$ -	\$ 2,852	\$ 20,362	\$ 2,994
Waste Water Fund, 2010	61,424	-	6,432	54,992	6,754
Colorado Water Conservation Board					
Water Fund, 2008	196,429	-	6,854	189,575	7,094
Water Fund, 2015	1,428,654	25,746	-	1,454,400	29,352
Colorado Water Resources & Power Development Authority					
Waste Water Fund, 2006	88,327	-	8,420	79,907	8,739
Water Fund, 2016	2,438,928	-	106,680	2,332,248	108,824
Waste Water Fund, 2017	2,066,844	433,156	50,922	2,449,078	83,020
Waste Water Fund, 2018	-	3,500,000	7,270	3,492,730	89,408
Total Business-type Activities	<u>\$ 6,303,820</u>	<u>\$ 3,958,902</u>	<u>\$ 189,430</u>	<u>\$ 10,073,292</u>	<u>\$ 336,185</u>

Public Improvements Reimbursement Agreements

On January 28, 2014, with an effective date of February 23, 2015, under a Public Improvements Reimbursement Agreement with a developer, the Town accepted improvements amounting to \$258,914 related to certain public improvements incurred by the developer. The source of the repayment is equal to 50% of the sales tax collections remitted to the Town by the developer. The term of the payments is for ten years beginning March 1, 2015. The Town's obligation to make any payments under the agreement expires at the end of the ten-year period. During the year ended December 31, 2018, the Town reimbursed the developer \$43,050, leaving a balance of \$0- at year-end.

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018

Sales Tax Revenue Bonds, Series 2016

Sales Tax Revenue Bonds, Series 2016, issued on April 21, 2016, in the original principal amount of \$5,700,000. The bonds consist of \$1,605,000 of serial bonds due annually in varying amounts from 2016 through 2025 and term bonds due annually in varying amounts from 2026 through 2040 in the amount of \$4,095,000. Interest on the serial and term bonds are payable semiannually at rates ranging from 2.0% to 4.0%, beginning June 1, 2016. The Bonds maturing on and after December 1, 2025 are subject to redemption prior to maturity, at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town shall determine and by lot within a maturity, on December 1, 2024 and on any date thereafter, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date.

The Bonds were issued to finance the construction, maintenance, repair, replacement, expansion, acquisition, rehabilitation and renovation of existing and planned streets and other street-related capital improvements within the Town.

The Bonds are revenue obligations of the Town payable solely from the pledged revenue, consisting of an additional 1% sales tax approved at an election held on November 3, 2015 (the Street Sales Tax). The Bonds are also secured by a Reserve Account of \$360,300 and amounts on deposit in a Surplus Account, if any. At December 31, 2018, the balance of the Surplus Account was \$360,300, equal to the Maximum Surplus Amount. The bonds are rated "A-" by Standard & Poor's. The bonds mature as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 150,000	\$ 51,600	\$ 201,600
2020	150,000	63,000	213,000
2021	150,000	74,000	224,000
2022	150,000	84,600	234,600
2023	175,000	94,800	269,800
2024-2028	945,000	613,800	1,558,800
2029-2033	1,130,000	816,400	1,946,400
2034-2038	1,380,000	979,500	2,359,500
2039-2040	990,000	424,500	1,414,500
	<u>\$ 5,220,000</u>	<u>\$ 3,202,200</u>	<u>\$ 8,422,200</u>

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

2017 Lease Purchase Agreement

On May 17, 2017, the Town and Key Government Finance, Inc. entered into a lease purchase agreement (the 2017 Lease) in the original amount of \$1,454,400 for the purpose of providing funds for the construction of a new Town Hall. Interest accrues on the 2017 Lease at 3.08%. Base lease payments, which include both principal and interest, are due, in varying amounts, beginning on December 1, 2017 through December 1, 2031.

The 2017 Lease may be prepaid partially or in full, subject to a prepayment premium as follows:

<u>Base Rental Payment Dates</u>	<u>Prepayment Premium</u>
May 18, 2017 through May 17, 2019	3%
May 18, 2019 through May 17, 2021	2%
May 18, 2021 through May 17, 2022	1 %
May 18, 2022 through December 1, 2031	0%

The 2017 Lease is secured through a Site Lease dated May 17, 2017, whereby the Leased Property (i.e., Town Hall) is pledged towards the payment of the lease. The lease is subject to annual appropriation by the Town.

Base lease payments are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 60,200	\$ 40,634	\$ 100,834
2020	62,100	38,780	100,880
2021	64,000	36,868	100,868
2022	65,900	34,896	100,796
2023	68,000	32,867	100,867
2024-2028	372,600	131,601	504,201
2029-2032	626,500	50,272	676,772
	\$ 1,319,300	\$ 365,918	\$ 1,685,218

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Colorado Department of Local Affairs – Energy Impact Assistance Loans

2004 Water Loan

On September 1, 2004, the Town issued a note with the Energy and Impact Assistance program in the original amount of \$50,000 for equipment related to the conversion of minerals and mineral fuels. The loan is payable in 20 installments of \$4,012, including interest at 5%. Payments are due each September 1 through 2024.

2010 Waste Water Loan

On September 24, 2010, the Town issued a note with the Energy and Impact Assistance program in the original amount of \$99,057 for construction of a waste water line that passes underneath railroad tracks to the waste water plant. The loan is payable in 15 installments of \$9,504, including interest at 5.0%. Payments are due each September 1 through 2025.

Colorado Water Conservation Board

2008 Water Loan

On March 21, 2008, the Town issued a note with the Colorado Water Conservation Board in the original amount of \$252,500 for the replacement of Well #5. The loan is payable in 30 installments of \$13,729, including interest at 3.5%. Payments are due each October 1 through 2038.

The Town is required to fund a Bond Reserve Account at the rate of \$1,373 annually beginning in 2009 and thereafter until the required reserve amount of \$13,729 is reached. At December 31, 2018, the Town had reserved \$13,729 towards the required amount.

The Town has pledged the revenue from the operation and use of the water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the loan. Additionally, the Town may only issue parity lien debt with the prior approval of the Colorado Water Conservation Board.

2015 Water Loan

On February 10, 2015, the Town issued a note with the Colorado Water Conservation Board up to an amount of \$1,454,400 for the replacement of Wells #3 and #6. The loan is payable in 30 annual installments of \$76,620, including interest at 3.25%. Annual payments are due beginning August 1, 2019 through August 1, 2048.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

The Town is required to fund a Bond Reserve Account at the rate of \$7,662 annually beginning in 2019 and thereafter until the required reserve amount of \$76,620 is reached.

The Town has pledged the revenue from the operation and use of the water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the loan. Additionally, the Town may only issue parity lien debt with the prior approval of the Colorado Water Conservation Board.

Colorado Water Resources and Power Development Authority (CWR&PDA)

2006 Waste Water Loan

On July 14, 2006, the Town issued a note with the CWR&PDA, Water Pollution Control Revolving Loan, in the original amount of \$161,000. The proceeds of the loan were used to upgrade the existing wastewater treatment lagoons; including lining an existing pond and adding additional aerated capacity and biological treatment. The note is payable in semi-annual installments of \$5,827 beginning on May 1, 2007 through November 1, 2026, including interest at 3.75%.

A provision of the note with the CWR&PDA requires the net revenues (total revenues less operating expenses) be at least 110% of the annual debt service due in any one year. During the year ended December 31, 2018, the Town complied with the rate covenant.

Additionally, the note requires the Town to maintain an operations and reserve fund in an amount equal to three months of operations and maintenance expenses, excluding depreciation, as set forth in the annual budget for the current fiscal year. Accordingly, the Town has restricted \$138,700 of the Waste Water Fund's net position, calculated as follows:

	2018 Budget
Total Expenditures	\$ 953,660
Less Capital Expenditures	(114,000)
Less Debt Service Expenditures	<u>(284,860)</u>
Operations and Maintenance Expenditures	\$ 554,800
3 Months of Operations and Maintenance	<u>\$ 138,700</u>

The Town has pledged the revenue from the operation and use of the waste water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the note.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Colorado Water Resources and Power Development Authority (CWR&PDA) (continued)

2016 Water Loan

On August 31, 2016, the Town issued a note with the CWR&PDA, Drinking Water Revolving Fund, in the original amount of \$2,500,000. The proceeds of the loan will be used to construct a new elevated water tank and provide hydraulic capacity to an existing tank, which will be removed from service. The note is payable in semi-annual installments of \$77,464 beginning on May 1, 2017 through November 1, 2036, including interest at 2.00%.

A provision of the note with the CWR&PDA requires the net revenues (total revenues less operating expenses) be at least 110% of the annual debt service due in any one year. During the year ended December 31, 2018, the Town complied with the rate covenant.

Additionally, the note requires the Town to maintain an operations and reserve fund in an amount equal to three months of operations and maintenance expenses, excluding depreciation, as set forth in the annual budget for the current fiscal year. Accordingly, the Town has restricted \$160,028 of the Water Fund's net position, calculated as follows:

	2018 Budget
Total Expenditures	\$ 2,028,125
Less Capital Expenditures	(809,500)
Less Debt Service Expenditures	(184,515)
Less Contingency	(394,000)
Operations and Maintenance Expenditures	<u>\$ 640,110</u>
3 Months of Operations and Maintenance	<u><u>\$ 160,028</u></u>

The Town has pledged the revenue from the operation and use of the water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the loan.

2017 Waste Water Loan

On September 22, 2017, the Town issued a note with the CWR&PDA, Water Pollution Control Revolving Loan, up to a maximum amount of \$2,500,000. The proceeds of the loan are being used for construction of a new mechanical wastewater treatment facility to replace the existing wastewater treatment lagoon system. The note is payable beginning on November 1, 2018 through May 1, 2048. The project was certified as a Green Project by the Water Quality Control Division of the Colorado Department of Health and Environment (WQCD); as such, no interest is paid on the note.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Colorado Water Resources and Power Development Authority (CWR&PDA) (continued)

A provision of the note with the CWR&PDA requires the net revenues (total revenues less operating expenses) be at least 110% of the annual debt service due in any one year. During the year ended December 31, 2018, the Town complied with the rate covenant.

The Town has pledged the revenue from the operation and use of the waste water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the note.

2018 Waste Water Loan

On March 5, 2018, the Town issued a note with the CWR&PDA, Water Pollution Control Revolving Loan, up to a maximum amount of \$3,500,000. The proceeds of the note provided additional funds towards the construction of a new mechanical wastewater treatment facility to replace the existing wastewater treatment lagoon system. A principal and interest payment of \$7,270 and \$5,513, respectively, was made on November 1, 2018. The remaining payments on the note are payable in semi-annual installments of \$77,500 beginning on May 1, 2019 through May 1, 2048, including interest at 1.89%.

A provision of the note with the CWR&PDA requires the net revenues (total revenues less operating expenses) be at least 110% of the annual debt service due in any one year. During the year ended December 31, 2018, the Town complied with the rate covenant.

The Town has pledged the revenue from the operation and use of the waste water system and other legally available revenue, after the payment of operation and maintenance expenses of the system, for the repayment of the note.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

The debt service requirements for the Town’s business-type activities are as follows:

	Water			Waste Water		
	Principal	Interest	Total	Principal	Interest	Total
2019	\$ 148,264	\$ 101,025	\$ 249,289	\$ 187,921	\$ 71,257	\$ 259,178
2020	151,804	97,485	249,289	190,286	68,892	259,178
2021	155,434	93,855	249,289	192,714	66,464	259,178
2022	159,158	90,131	249,289	195,206	63,972	259,178
2023	162,978	86,311	249,289	197,763	61,415	259,178
2024-2028	858,474	371,925	1,230,399	975,685	268,385	1,244,070
2029-2033	960,467	265,920	1,226,387	975,544	214,556	1,190,100
2034-2038	754,679	150,822	905,501	1,030,817	159,283	1,190,100
2039-2043	296,919	86,183	383,102	1,091,540	98,560	1,190,100
2044-2048	348,408	34,694	383,102	1,039,231	31,847	1,071,078
	<u>\$ 3,996,585</u>	<u>\$ 1,378,351</u>	<u>\$ 5,374,936</u>	<u>\$ 6,076,707</u>	<u>\$ 1,104,631</u>	<u>\$ 7,181,338</u>

Note 6. Long-term Obligations – Component Units

As discussed on Note 1, the Antelope Hills General Improvement District (the District), a separate legal entity, was created on August 24, 1999.

An analysis of changes in long-term obligations for the year ended December 31, 2018 follows:

	Beginning Balance	Additions	Payments	Ending Balance	Due Within One Year
General Obligation Refunding Note, Series 2017	<u>\$ 1,919,051</u>	<u>\$ -</u>	<u>\$ 89,800</u>	<u>\$ 1,829,251</u>	<u>\$ 25,000</u>

Antelope Hills General Improvement District 2017 General Obligation Refunding Note

On June 1, 2017 the Antelope Hills General Improvement District issued a General Obligation Refunding Note (the 2017 Note) in the original amount of \$1,995,000. The 2017 Note was issued to refund and pay the outstanding Series 2006 bonds in the amount of \$1,816,000 plus accrued interest in the amount of \$179,000. In addition, the remaining accrued interest on the Series 2006 Bonds in the amount of \$28,641 and outstanding principal of the Series 2000 Bonds in the amount of \$1,900,000 were also deemed to be refunded and retired.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

The 2017 Note bears interest of 5.50% and matures on December 1, 2040. The 2017 Note is subject to mandatory sinking fund redemption beginning on December 1, 2017 and continuing annually on each December 1 thereafter prior to the maturity date, upon payment of par and accrued interest, without redemption premium, in the amount of \$25,000 per annum.

The Note is subject to redemption prior to maturity, at the option of the District, as a whole or in part, on any date thereafter, upon payment of par and accrued interest to the date of redemption.

The 2017 Note is secured by and payable solely from and to the extent of the Net Pledged Revenue, which includes the following, after the payment of costs for Allowable Operations Expenses which are limited to an initial amount of \$12,500, which may be increased 2% per year (up to a maximum of \$15,000):

- a) the District's covenant to levy the Limited Mill Levy on all taxable property in the District
- b) any specific ownership tax revenues attributable to the Limited Mill Levy
- c) revenues collected from the Facilities Fees imposed by the District
- d) any other legally available funds of the District

The Limited Mill Levy is defined as an ad valorem mill levy not less than 35 mills and not in excess of 36.71 mills. Such minimum and maximum mill levies are subject to adjustment due to changes in the method of calculating assessed valuation after the issuance of the 2017 Note. For the purposes of this provision, collection year 2017 shall be the base year for the ratio for assessment to actual valuation and for making any determination of mill levy equivalency.

Note 7. Interfund Transfers

Interfund transfers for the year ended December 31, 2018 are as follows:

<u>Transfers out</u>	<u>Transfers in</u>
	<u>General Fund</u>
Primary Government	
Conservation Trust Fund	\$ 15,208
Cemetery Fund	52,567
Water Fund	39,840
Waste Water Fund	42,502
	<u>\$ 150,117</u>

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Transfers between funds provide support for various Town programs in accordance with budgetary authorizations. During the year ended December 31, 2018, the Town made one-time transfers to the General Fund from the Water and Waste Water funds to cover administrative costs. Additionally, the Town transferred funds from the Conservation Trust Fund to the General Fund to provide funds for projects accounted for within the General Fund.

Note 8. Risk Management

The Town is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters. These risks are financed and funded through participation in the Colorado Intergovernmental Risk Sharing Agency (CIRSA).

CIRSA is a separate legal entity established by member municipalities pursuant to the provisions of Colorado Revised Statutes and the Colorado Constitution.

CIRSA is a joint self-insurance pool created by intergovernmental agreement to provide property, general and automobile liability and public official's coverage to its members. A seven-member Board elected by and from its members governs CIRSA.

Coverage is provided through pooling of self-insured losses and the purchase of excess insurance coverage. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and those amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

The Town has not been informed of any excess losses that may have been incurred by the pool; there have been no claims in excess of insurance coverage in any of the past three years. There have been no significant changes in insurance coverage from the prior year in any of the major categories of risk.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Note 9. Commitments and Contingencies

Grant Programs

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

Note 10. Employee Retirement Plans

Defined Contribution Pension Plan

The Town participates in the Colorado County Officials and Employees Retirement Association (CCOERA), a multiple employer defined contribution plan, to which permanent employees contribute. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees become plan members after one year of regular full-time, or regular part-time service. Under this plan, 3% of the plan members' compensation is withheld and remitted to the Plan Administrator along with a matching payment of 3% from the Town. Employees are immediately vested in their own contributions and earnings on those contributions. The Town's contributions, plus earnings, become vested at the rate of 25% per year, but are in any case fully vested when one of the following events occur:

- Age 55, the normal retirement age; or
- Death or total disability

Nonvested Town contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. For the year ended December 31, 2018, forfeitures reduced the Town's pension expense by \$620.

For the year ended December 31, 2018, employee contributions totaled \$37,160, and the Town recognized pension expense of \$36,525.

There is no liability for benefits under the plan beyond the Town's matching payments.

TOWN OF BENNETT, COLORADO

**NOTES TO THE FINANCIAL STATEMENTS
December 31, 2018**

Deferred Compensation Plan

The Town has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan is administered by CCOERA. Participation in the plan is optional for all employees. The plan allows employees to defer a portion of their salary until future years.

Note 11. Tax Spending and Debt Limitations

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls or salary or benefit increases.

The Town's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, may require judicial interpretation.

On November 5, 1996, a majority of the Town's electors authorized the Town to collect, retain and expend, without imposing any new taxes or increases in its present mill levy on general property or its sales and use tax rates, the full revenues generated by the Town's sales and use tax, non-federal grants, its existing mill levy and any other excess revenues, commencing January 1, 1995, and each subsequent year, notwithstanding and state restriction on fiscal year spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution and spent as a voter approved change and exception to the limits which would otherwise apply for: (a) street construction, repair, and maintenance; (b) capital improvements; (c) parks and recreation; (d) police protection; (e) storm drainage; (f) snow removal; (g) street sweeping; and (h) other municipal services.

On November 3, 2015, a majority of the Town's electors approved the following ballot issue:

Shall Town of Bennett taxes be increased \$600,000 in 2016 (first full fiscal year dollar increase) and then annually by whatever additional amounts are raised thereafter by the imposition of a

TOWN OF BENNETT, COLORADO

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2018

sales tax at the rate of 1.00 % and shall Town of Bennett debt be increased \$5.7 million, with a maximum repayment cost of \$9.85 million; subject to the following: all or any portion of the net proceeds of the town sales tax, as determined by the Board of Trustees, may be deposited to the Town's sales tax capital improvement fund, which is hereby authorized to be created, to be collected, retained and spent to finance the construction, maintenance, repair, replacement, expansion, acquisition, rehabilitation and renovation of existing and planned streets and other street related capital improvements within the town as determined by Board of Trustees, or to pay debt service on debt issued for such purposes or to pay the costs of operating or maintaining improvements financed from the capital improvement fund; any portion of the net proceeds of such additional sales tax which are not deposited to the capital improvement fund shall be collected, retained and spent for operating or maintaining any existing or planned streets; the sales tax increase shall commence January 1, 2016 and be collected in addition to the Town's sales tax of 3.0% upon the Town's existing sales tax base; any such debt shall be payable from that portion of the Town sales taxes deposited to the Town's sales tax capital improvement fund; any such debt may be sold in one series or more, on terms and conditions as Board of Trustees may determine, including provisions for the redemption of the bonds prior to maturity with or without premium, any such debt may be refunded by the Town, provided that after the issuance of such refunding debt the total outstanding principal amount of all debt issued pursuant to this question does not exceed the maximum principal amount set forth above, and provided further that all debt issued by the Town pursuant to this question is issued on terms that do not exceed the repayment costs authorized in this question; and shall such tax revenues and the earnings thereon or on the investment of such debt proceeds (regardless of amount) constitute a voter-approved revenue change and an exception to the revenue and spending limits of Article X, Section 20 of the Colorado Constitution?

REQUIRED SUPPLEMENTARY INFORMATION

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TOWN OF BENNETT, COLORADO

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues					
Taxes					
Property Tax	\$ 329,240	\$ 329,240	\$ 329,990	\$ 750	\$ 265,862
Sales Tax	2,407,950	2,407,950	2,374,870	(33,080)	2,035,148
Cigarette Tax	6,340	6,340	5,983	(357)	6,199
Franchise Tax	79,660	79,660	65,442	(14,218)	68,288
Severance Tax	6,600	6,600	5,716	(884)	3,135
Subtotal Taxes	<u>2,829,790</u>	<u>2,829,790</u>	<u>2,782,001</u>	<u>(47,789)</u>	<u>2,378,632</u>
Intergovernmental					
Grants	428,000	428,000	600,966	172,966	693,327
Open Space Shareback	36,625	36,625	42,552	5,927	39,034
Subtotal Intergovernmental	<u>464,625</u>	<u>464,625</u>	<u>643,518</u>	<u>178,893</u>	<u>732,361</u>
Licenses and Permits					
Building Permits	257,770	257,770	266,267	8,497	59,459
Plan Reviews	155,275	155,275	49,819	(105,456)	19,481
Animal Licenses	410	410	745	335	445
Liquor Licenses	900	900	1,821	921	823
Miscellaneous	15,205	15,205	14,102	(1,103)	2,923
Subtotal Licenses and Permits	<u>429,560</u>	<u>429,560</u>	<u>332,754</u>	<u>(96,806)</u>	<u>83,131</u>
Charges for Services					
Rentals	39,810	39,810	40,788	978	30,107
Internal Departmental Charges	328,960	328,960	324,051	(4,909)	273,281
Other	300	300	14,789	14,489	65
Subtotal Charges for Services	<u>369,070</u>	<u>369,070</u>	<u>379,628</u>	<u>10,558</u>	<u>303,453</u>
Fines and Forfeitures					
Court Costs	43,580	43,580	12,756	(30,824)	22,936
Court Fines	-	-	-	-	185
Court Bonds/Restitution Fees	-	-	-	-	85
Subtotal Fines and Forfeitures	<u>43,580</u>	<u>43,580</u>	<u>12,756</u>	<u>(30,824)</u>	<u>23,206</u>
Impact Fees	391,190	391,190	231,339	(159,851)	16,479
Capital Credits	7,000	7,000	6,562	(438)	9,090
Bennett Arts & Cultural Fund	-	40,148	71,961	31,813	31,700
Contributions	1,500	1,500	3,531	2,031	40,992
Net Investment Income	475	475	25,204	24,729	1,392
Other	94,245	94,245	78,631	(15,614)	72,855
Total Revenues	<u>4,631,035</u>	<u>4,671,183</u>	<u>4,567,885</u>	<u>(103,298)</u>	<u>3,693,291</u>

(Continued)

TOWN OF BENNETT, COLORADO

**GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)**

(Continued)

Expenditures	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Current:					
General Government					
Administration	\$ 436,695	\$ 436,695	\$ 499,676	\$ (62,981)	\$ 380,803
Finance	250,060	250,060	288,472	(38,412)	199,516
Boards and Commissions	74,445	74,445	42,299	32,146	58,746
Town Clerk	138,060	138,060	132,229	5,831	130,532
Municipal Court	24,015	24,015	19,966	4,049	16,837
Community Development	521,730	521,730	449,208	72,522	283,853
Bennett Arts & Cultural Fund	40,345	80,493	80,492	1	35,496
Economic Development	236,645	236,645	179,840	56,805	212,332
Information Technology	101,295	101,295	113,810	(12,515)	64,238
Internal Services	242,480	242,480	213,928	28,552	218,617
Contingency	106,145	106,145	-	106,145	-
Subtotal General Government	<u>2,171,915</u>	<u>2,212,063</u>	<u>2,019,920</u>	<u>192,143</u>	<u>1,600,970</u>
Public Safety	<u>420,765</u>	<u>420,765</u>	<u>417,304</u>	<u>3,461</u>	<u>394,736</u>
Public Works					
Parks	262,710	262,710	234,424	28,286	147,037
Public Buildings and Grounds	130,015	130,015	146,727	(16,712)	216,442
Public Works Internal Services	354,625	354,625	488,524	(133,899)	327,946
Subtotal Public Works	<u>747,350</u>	<u>747,350</u>	<u>869,675</u>	<u>(122,325)</u>	<u>691,425</u>
Capital Outlay	<u>1,093,485</u>	<u>1,794,997</u>	<u>1,508,304</u>	<u>286,693</u>	<u>1,871,638</u>
Debt service					
Principal	58,400	58,400	58,400	-	76,700
Interest	42,440	42,440	42,433	7	24,140
Loan Issue Costs	-	-	-	-	53,898
Subtotal Debt Service	<u>100,840</u>	<u>100,840</u>	<u>100,833</u>	<u>7</u>	<u>154,738</u>
Total Expenditures	<u>4,534,355</u>	<u>5,276,015</u>	<u>4,916,036</u>	<u>359,979</u>	<u>4,713,507</u>
Excess Revenues Over (Under)					
Expenditures	<u>96,680</u>	<u>(604,832)</u>	<u>(348,151)</u>	<u>256,681</u>	<u>(1,020,216)</u>
Other Financing Sources (Uses)					
Transfers In	184,386	184,386	150,117	(34,269)	72,550
Loan Proceeds	-	-	-	-	1,454,400
Total Other Financing Sources (Uses)	<u>184,386</u>	<u>184,386</u>	<u>150,117</u>	<u>(34,269)</u>	<u>1,526,950</u>
Net Change in Fund Balance	<u>281,066</u>	<u>(420,446)</u>	<u>(198,034)</u>	<u>222,412</u>	<u>506,734</u>
Fund Balance - Beginning	<u>1,432,809</u>	<u>1,432,809</u>	<u>1,886,521</u>	<u>453,712</u>	<u>1,379,787</u>
Fund Balance - Ending	<u>\$ 1,713,875</u>	<u>\$ 1,012,363</u>	<u>\$ 1,688,487</u>	<u>\$ 676,124</u>	<u>\$ 1,886,521</u>

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TOWN OF BENNETT, COLORADO

**CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues				
Lottery	\$ 13,390	\$ 14,530	\$ 1,140	\$ 14,161
Net Investment Income	-	678	678	322
Total Revenues	13,390	15,208	1,818	14,483
Expenditures				
Current:				
Parks	17,045	-	17,045	53,041
Excess Revenues Over (Under)				
Expenditures	(3,655)	15,208	18,863	(38,558)
Other Financing Sources (Uses)				
Transfers In (Out)	-	(15,208)	(15,208)	-
Net Change in Fund Balance	(3,655)	-	3,655	(38,558)
Fund Balance - Beginning	3,655	-	(3,655)	38,558
Fund Balance - Ending	\$ -	\$ -	\$ -	\$ -

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TOWN OF BENNETT, COLORADO

CEMETERY FUND

**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2017 Actual</u>
Revenues					
Charges for Services	\$ 6,800	\$ 6,800	\$ 10,250	\$ 3,450	\$ 9,700
Net Investment Income	95	95	-	(95)	-
Miscellaneous	-	-	-	-	500
Total Revenues	<u>6,895</u>	<u>6,895</u>	<u>10,250</u>	<u>3,355</u>	<u>10,200</u>
Expenditures					
Current:					
Public Works	<u>10,780</u>	<u>11,965</u>	<u>11,435</u>	<u>530</u>	<u>8,671</u>
Excess Revenues Over (Under)					
Expenditures	(3,885)	(5,070)	(1,185)	3,885	1,529
Other Financing Sources (Uses)					
Transfers In (Out)	<u>-</u>	<u>(52,567)</u>	<u>(52,567)</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(3,885)	(57,637)	(53,752)	3,885	1,529
Fund Balance - Beginning	<u>48,555</u>	<u>57,637</u>	<u>53,752</u>	<u>(3,885)</u>	<u>52,223</u>
Fund Balance - Ending	<u>\$ 44,670</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 53,752</u>

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TOWN OF BENNETT, COLORADO

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
December 31, 2018**

Note 1: Stewardship, Compliance and Accountability

A. Budgetary Information

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

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

Public hearings are held at the regular Trustee meetings to obtain taxpayer input. Prior to December 15, the budget is legally enacted through passage of a budget ordinance. Expenditures may not exceed appropriations at the fund level.

The Town Treasurer is authorized to transfer budgeted amounts within a department of any fund. The Trustees must approve revisions that change total expenditures of any fund or department within a fund.

The appropriation can only be modified upon completion of notification and publication requirements.

The Town amended its annual budget for the General Fund, the Cemetery Fund, and the Waste Water Fund for the year ended December 31, 2018. The Antelope Hills General Improvement District budget for the Debt Service Fund was also amended.

SUPPLEMENTARY INFORMATION

TOWN OF BENNETT, COLORADO

**ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues				
Specific Ownership Tax	\$ 25,190	\$ 27,654	\$ 2,464	\$ 24,929
Highway Users Tax	70,545	89,490	18,945	70,976
County Road and Bridge Tax	88,430	100,664	12,234	92,288
Motor Vehicle Registration Fees	8,005	9,142	1,137	8,839
Net Investment Income	220	1,592	1,372	-
Proceeds from Sale of Assets	15,000	-	(15,000)	-
Miscellaneous	-	-	-	95,000
Total Revenues	207,390	228,542	21,152	292,032
Expenditures				
Current:				
Public Works	170,390	147,887	22,503	220,156
Capital Outlay	37,000	44,667	(7,667)	15,562
Total Expenditures	207,390	192,554	14,836	235,718
Net Change in Fund Balance	-	35,988	35,988	56,314
Fund Balance - Beginning	25,545	133,677	108,132	77,363
Fund Balance - Ending	\$ 25,545	\$ 169,665	\$ 144,120	\$ 133,677

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TOWN OF BENNETT, COLORADO

**SALES TAX CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
For the Year Ended December 31, 2018
(With Comparative Totals for the Year Ended December 31, 2017)**

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues				
Sales Tax	\$ 657,230	\$ 699,573	\$ 42,343	\$ 663,419
Grants	450,000	-	(450,000)	-
Net Investment Income	2,000	19,911	17,911	11,590
Total Revenues	<u>1,109,230</u>	<u>719,484</u>	<u>(389,746)</u>	<u>675,009</u>
Expenditures				
Current:				
Public Works	49,260	88,024	(38,764)	-
Debt Service				
Debt Service-Principal	-	150,000	(150,000)	130,000
Debt Service-Interest	360,300	210,300	150,000	214,200
Capital Outlay	680,000	230,438	449,562	492,474
Total Expenditures	<u>1,089,560</u>	<u>678,762</u>	<u>410,798</u>	<u>836,674</u>
Net Change in Fund Balance	19,670	40,722	21,052	(161,665)
Fund Balance - Beginning	197,968	1,012,055	814,087	1,173,720
Fund Balance - Ending	<u>\$ 217,638</u>	<u>\$ 1,052,777</u>	<u>\$ 835,139</u>	<u>\$ 1,012,055</u>

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TOWN OF BENNETT, COLORADO

WATER FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	Original and Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues				
Water Sales	\$ 944,670	\$ 1,032,047	\$ 87,377	\$ 919,377
Bulk Water	50	1,164	1,114	48
Water Development Fees	1,237,000	1,481,950	244,950	205,200
Grants	37,500	5,873	(31,627)	5,000
Loan Proceeds	-	25,746	25,746	240,931
Net Investment Income	300	17,301	17,001	-
Other	32,665	68,696	36,031	46,300
Total Revenues	<u>2,252,185</u>	<u>2,632,777</u>	<u>380,592</u>	<u>1,416,856</u>
Expenditures				
Personnel	180,130	141,655	38,475	100,007
Operations	311,390	323,871	(12,481)	257,957
Professional Services	108,750	200,842	(92,092)	75,516
Capital Outlay	809,500	469,720	339,780	2,539,963
Debt Service-Principal	184,515	116,386	68,129	70,410
Debt Service-Interest	-	111,156	(111,156)	81,322
Contingency	394,000	-	394,000	-
Transfers Out	39,840	39,840	-	36,275
Total Expenditures	<u>2,028,125</u>	<u>1,403,470</u>	<u>624,655</u>	<u>3,161,450</u>
Excess Revenues Over (Under)				
Expenditures	224,060	1,229,307	1,005,247	(1,744,594)
Funds Available - Beginning	<u>576,635</u>	<u>618,748</u>	<u>42,113</u>	<u>2,363,342</u>
Funds Available - Ending	<u>\$ 800,695</u>	<u>\$ 1,848,055</u>	<u>\$ 1,047,360</u>	<u>\$ 618,748</u>
Funds Available is Computed as Follows:				
Current Assets		\$ 1,980,506		\$ 871,938
Current Liabilities		(280,715)		(369,575)
Add Current Portion of Long-Term Debt		<u>148,264</u>		<u>116,385</u>
		<u>\$ 1,848,055</u>		<u>\$ 618,748</u>

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TOWN OF BENNETT, COLORADO

WASTE WATER FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE -
BUDGET AND ACTUAL (BUDGETARY BASIS)**

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>	<u>2017 Actual</u>
Revenues					
Service Fees	\$ 888,350	\$ 888,350	\$ 781,254	\$ (107,096)	\$ 743,004
Waste Water Development Fees	629,300	629,300	546,117	(83,183)	11,160
Net Investment Income	-	-	11,146	11,146	-
Loan Proceeds	-	3,510,299	3,933,156	422,857	2,066,844
Loan Forgiveness	-	-	44,100	44,100	-
Grant Revenues	54,500	54,500	317,292	262,792	645,983
Other	23,745	23,745	25,492	1,747	12,897
Total Revenues	<u>1,595,895</u>	<u>5,106,194</u>	<u>5,658,557</u>	<u>552,363</u>	<u>3,479,888</u>
Expenditures					
Personnel	163,710	163,710	124,639	39,071	102,170
Operations	236,750	236,750	196,786	39,964	148,248
Professional Services	50,500	50,500	71,903	(21,403)	27,598
Capital Outlay	148,000	3,658,299	3,943,320	(285,021)	2,720,243
Debt Service-Principal	-	-	73,044	(73,044)	14,239
Debt Service-Interest	264,860	264,860	11,765	253,095	6,766
Contingency	50,000	50,000	-	50,000	-
Transfers Out	39,840	39,840	42,502	(2,662)	36,275
Total Expenditures	<u>953,660</u>	<u>4,463,959</u>	<u>4,463,959</u>	<u>-</u>	<u>3,055,539</u>
Excess Revenues Over (Under)					
Expenditures	642,235	642,235	1,194,598	552,363	424,349
Funds Available - Beginning	<u>720,795</u>	<u>720,795</u>	<u>806,336</u>	<u>85,541</u>	<u>381,987</u>
Funds Available - Ending	<u>\$ 1,363,030</u>	<u>\$ 1,363,030</u>	<u>\$ 2,000,934</u>	<u>\$ 637,904</u>	<u>\$ 806,336</u>
Funds Available is Computed as Follows:					
Current Assets			\$ 2,473,018		\$ 2,030,128
Current Liabilities			(660,005)		(1,238,644)
Add Current Portion of Long-Term Debt			<u>187,921</u>		<u>14,852</u>
			<u>\$ 2,000,934</u>		<u>\$ 806,336</u>

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COMPONENT UNITS

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TOWN OF BENNETT, COLORADO

**BALANCE SHEET
COMPONENT UNIT
December 31, 2018**

	Antelope Hills General Improvement District		
	General Fund	Debt Service Fund	Total
Assets			
Cash and Investments	\$ 65,683	\$ (4,727)	\$ 60,956
Cash with County Treasurer	-	1,063	1,063
Property Taxes Receivable	-	178,898	178,898
Total Assets	\$ 65,683	\$ 175,234	\$ 240,917
Deferred Inflows of Resources			
Property Taxes	\$ -	\$ 178,898	\$ 178,898
Fund Balances			
Restricted for TABOR Emergencies	382	-	382
Unassigned	65,301	(3,664)	61,637
Total Fund Balances	65,683	(3,664)	62,019
Total Deferred Inflows of Resources and Fund Balances	\$ 65,683	\$ 175,234	\$ 240,917
Amounts reported for governmental activities in the statement of net position are different because:			
Total Fund Balances - Component Units	\$ 65,683	\$ (3,664)	\$ 62,019
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds	-	(1,829,251)	(1,829,251)
Net Position - Governmental Activities	\$ 65,683	\$ (1,832,915)	\$ (1,767,232)

See the Independent Auditor's Report

TOWN OF BENNETT, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

COMPONENT UNIT

For the Year Ended December 31, 2018

	Antelope Hills General Improvement District		
	General Fund	Debt Service Fund	Total
Revenues			
Property Taxes	\$ -	\$ 178,713	\$ 178,713
Specific Ownership Taxes	-	12,968	12,968
Building Permits	-	10,500	10,500
Net Investment Income	-	2,185	2,185
Total Revenues	-	204,366	204,366
Expenditures			
Current			
Administrative	21,935	-	21,935
Treasurer's Fees	-	2,681	2,681
Debt Service			
Principal	-	89,800	89,800
Interest	-	104,610	104,610
Total Expenditures	21,935	197,091	219,026
Excess Revenues Over (Under) Expenditures	(21,935)	7,275	(14,660)
Other Financing Sources (Uses)			
Transfers In (Out)	12,735	(12,735)	-
Net Change in Fund Balances	(9,200)	(5,460)	(14,660)
Fund Balances - Beginning	74,883	1,796	76,679
Fund Balances - Ending	\$ 65,683	\$ (3,664)	\$ 62,019
Net Change in Fund Balances - Component Units	\$ (9,200)	\$ (5,460)	\$ (14,660)
Amounts reported for governmental activities in the statement of activities are different because:			
Long-term debt (e.g., issuance of bonds, notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.			
Principal Payment - Refunding Note	-	89,800	89,800
Change in Net Position - Governmental Activities	\$ (9,200)	\$ 84,340	\$ 75,140

See the Independent Auditor's Report

TOWN OF BENNETT, COLORADO

**ANTELOPE HILLS GENERAL IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GENERAL FUND - BUDGET AND ACTUAL**

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	Original and Final Budget	Actual	Variance with Final Budget - Positive (Negative)	2017 Actual
Expenditures				
Current:				
Accounting	\$ 5,000	\$ -	\$ 5,000	\$ -
Audit	500	1,000	(500)	500
Legal	1,500	-	1,500	2,723
Contingency	2,500	-	-	-
Miscellaneous	21,000	20,935	65	-
Total Expenditures	30,500	21,935	6,065	3,223
Excess Revenues Over (Under) Expenditures	(30,500)	(21,935)	6,065	(3,223)
Other Financing Sources				
Transfers In	12,735	12,735	-	12,485
Net Change in Fund Balance	(17,765)	(9,200)	6,065	9,262
Fund Balance - Beginning	74,906	74,883	(23)	65,621
Fund Balance - Ending	\$ 57,141	\$ 65,683	\$ 6,042	\$ 74,883

See the Independent Auditor's Report

TOWN OF BENNETT, COLORADO

**ANTELOPE HILLS GENERAL IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
DEBT SERVICE FUND - BUDGET AND ACTUAL**

For the Year Ended December 31, 2018

(With Comparative Totals for the Year Ended December 31, 2017)

	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)	2017 Actual
Revenues					
Property Taxes	\$ 178,455	\$ 178,455	\$ 178,713	\$ 258	\$ 158,103
Specific Ownership Taxes	12,000	12,000	12,968	968	13,455
Building Permits	-	10,500	10,500	-	14,000
Net Investment Income	100	100	2,185	2,085	119
Total Revenues	190,555	201,055	204,366	3,311	185,677
Expenditures					
Debt Service:					
Treasurer's Fees	3,569	3,569	2,681	888	2,372
Bond Principal	63,875	83,146	89,800	(6,654)	75,949
Bond Interest	109,726	109,726	104,610	5,116	98,907
Paying Agent Fees	650	650	-	650	1,475
Total Expenditures	177,820	197,091	197,091	-	178,703
Excess Revenues Over (Under) Expenditures	12,735	3,964	7,275	3,311	6,974
Other Financing Sources (Uses)					
Proceeds from Refunding Note	-	-	-	-	1,995,000
Bond Refunding-Principal	-	-	-	-	(1,816,000)
Bond Refunding-Accrued Interest	-	-	-	-	(179,000)
Transfers Out	(12,735)	(12,735)	(12,735)	-	(12,485)
Total Other Financing Sources (Uses)	(12,735)	(12,735)	(12,735)	-	(12,485)
Net Change in Fund Balance	-	(8,771)	(5,460)	3,311	(5,511)
Fund Balance - Beginning	-	8,771	1,796	(6,975)	7,307
Fund Balance - Ending	\$ -	\$ -	\$ (3,664)	\$ (3,664)	\$ 1,796

See the Independent Auditor's Report

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Bennett
		YEAR ENDING : December 2018
This Information From The Records Of Town of Bennett	Prepared By: Phone:	Danette Ruvalcaba 303-644-3249

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)	123,116
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	42,586
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	
3. Other local imposts (from page 2)	827,807	c. Other	186,309
4. Miscellaneous local receipts (from page 2)	21,504	d. Total (a. through c.)	186,309
5. Transfers from toll facilities		4. General administration & miscellaneous	159,005
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	511,016
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	210,300
7. Total (1 through 6)	849,311	b. Redemption	150,000
B. Private Contributions		c. Total (a. + b.)	360,300
C. Receipts from State government (from page 2)	98,632	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	947,942	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	360,300
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	871,315

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	5,928,179	0	150,000	5,778,179
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,145,936	947,942	871,315	1,222,563	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2018

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	21,504
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	699,572	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	128,234	g. Other Misc. Receipts	
6. Total (1. through 5.)	827,807	h. Other	
c. Total (a. + b.)	827,807	i. Total (a. through h.)	21,504
	(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	89,490	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	9,142	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	9,142	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	98,632	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		0	0
b. Engineering Costs		43,626	43,626
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		58,161	58,161
(4). System Enhancement & Operation		21,329	21,329
(5). Total Construction (1) + (2) + (3) + (4)	0	79,490	79,490
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	123,116	123,116
			(Carry forward to page 1)

Notes and Comments:

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OTHER INFORMATION

TOWN OF BENNETT, COLORADO

SCHEDULES OF FUTURE DEBT SERVICE REQUIREMENTS

December 31, 2018

**\$50,000 Energy/Mineral Impact Assistance Loan
Water Fund - Dated April 29, 2004**

Year	Rate	Principal	Interest	Total
2019	5.000	\$ 2,994	\$ 1,018	\$ 4,012
2020	5.000	3,144	868	4,012
2021	5.000	3,301	711	4,012
2022	5.000	3,466	546	4,012
2023	5.000	3,639	373	4,012
2024	5.000	3,818	194	4,012
2025	-	-	-	-
2026	-	-	-	-
		<u>\$ 20,362</u>	<u>\$ 3,710</u>	<u>\$ 24,072</u>

**\$161,000 Colorado Water Resources and
Power Development Authority
Waste Water Fund - Dated July 14, 2006**

Year	Rate	Principal	Interest	Total
2019	3.750	\$ 8,739	\$ 2,915	\$ 11,654
2020	3.750	9,069	2,585	11,654
2021	3.750	9,413	2,241	11,654
2022	3.750	9,769	1,885	11,654
2023	3.750	10,139	1,515	11,654
2024	3.750	10,523	1,131	11,654
2025	3.750	10,920	734	11,654
2026	3.750	11,335	319	11,654
		<u>\$ 79,907</u>	<u>\$ 13,325</u>	<u>\$ 93,232</u>

**\$252,500 Colorado Water Conservation Board
Water Fund - Dated March 21, 2008**

Year	Rate	Principal	Interest	Total
2019	3.500	\$ 7,094	\$ 6,635	\$ 13,729
2020	3.500	7,342	6,387	13,729
2021	3.500	7,599	6,130	13,729
2022	3.500	7,865	5,864	13,729
2023	3.500	8,140	5,589	13,729
2024	3.500	8,425	5,304	13,729
2025	3.500	8,720	5,009	13,729
2026	3.500	9,025	4,704	13,729
2027	3.500	9,341	4,388	13,729
2028	3.500	9,668	4,061	13,729
2029	3.500	10,006	3,723	13,729
2030	3.500	10,356	3,373	13,729
2031	3.500	10,719	3,010	13,729
2032	3.500	11,094	2,635	13,729
2033	3.500	11,482	2,247	13,729
2034	3.500	11,884	1,845	13,729
2035	3.500	12,300	1,429	13,729
2036	3.500	12,731	998	13,729
2037	3.500	13,176	553	13,729
2038	3.500	2,608	91	2,699
		<u>\$ 189,575</u>	<u>\$ 73,975</u>	<u>\$ 263,550</u>

**\$99,057 Energy/Mineral Impact Assistance Loan
Waste Water Fund - Dated September 1, 2010**

Year	Rate	Principal	Interest	Total
2019	5.000	\$ 6,754	\$ 2,750	\$ 9,504
2020	5.000	7,092	2,412	9,504
2021	5.000	7,446	2,058	9,504
2022	5.000	7,819	1,685	9,504
2023	5.000	8,209	1,295	9,504
2024	5.000	8,620	884	9,504
2025	5.000	9,052	452	9,504
2026	-	-	-	-
2027	-	-	-	-
2028	-	-	-	-
2029	-	-	-	-
2030	-	-	-	-
2031	-	-	-	-
2032	-	-	-	-
2033	-	-	-	-
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
2037	-	-	-	-
2038	-	-	-	-
		<u>\$ 54,992</u>	<u>\$ 11,536</u>	<u>\$ 66,528</u>

TOWN OF BENNETT, COLORADO

SCHEDULES OF FUTURE DEBT SERVICE REQUIREMENTS

December 31, 2018

<p>\$5,700,000 Sales Tax Revenue Bonds Series 2016</p>	<p>\$2,500,000 Colorado Water Resources and Power Development Authority Water Fund - Dated August 31, 2016</p>
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Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2019	3.000	\$ 150,000	\$ 51,600	\$ 201,600	2.000	\$ 108,824	\$ 46,104	\$ 154,928
2020	3.000	150,000	63,000	213,000	2.000	111,012	43,916	154,928
2021	4.000	150,000	74,000	224,000	2.000	113,243	41,685	154,928
2022	4.000	150,000	84,600	234,600	2.000	115,519	39,409	154,928
2023	4.000	175,000	94,800	269,800	2.000	117,841	37,087	154,928
2024	4.000	175,000	104,600	279,600	2.000	120,210	34,718	154,928
2025	4.000	175,000	114,000	289,000	2.000	122,626	32,302	154,928
2026	4.000	195,000	123,200	318,200	2.000	125,091	29,837	154,928
2027	4.000	200,000	132,000	332,000	2.000	127,605	27,323	154,928
2028	4.000	200,000	140,000	340,000	2.000	130,170	24,758	154,928
2029	4.000	200,000	148,000	348,000	2.000	132,787	22,141	154,928
2030	4.000	220,000	156,000	376,000	2.000	135,456	19,472	154,928
2031	4.000	230,000	163,800	393,800	2.000	138,178	16,750	154,928
2032	4.000	235,000	170,800	405,800	2.000	140,956	13,972	154,928
2033	4.000	245,000	177,800	422,800	2.000	143,789	11,139	154,928
2034	4.000	255,000	184,800	439,800	2.000	146,679	8,249	154,928
2035	4.000	265,000	190,800	455,800	2.000	149,627	5,301	154,928
2036	4.000	275,000	196,800	471,800	2.000	152,635	2,293	154,928
2037	4.000	285,000	201,300	486,300	-	-	-	-
2038	4.000	300,000	205,800	505,800	-	-	-	-
2039	4.000	310,000	210,300	520,300	-	-	-	-
2040	4.000	680,000	214,200	894,200	-	-	-	-
		<u>\$ 5,220,000</u>	<u>\$ 3,202,200</u>	<u>\$ 8,422,200</u>		<u>\$ 2,332,248</u>	<u>\$ 456,456</u>	<u>\$ 2,788,704</u>

\$1,454,000 Capital Lease - Town Hall
Series 2017

Year	Rate	Principal	Interest	Total
2019	3.080	\$ 60,200	\$ 40,634	\$ 100,834
2020	3.080	62,100	38,780	100,880
2021	3.080	64,000	36,868	100,868
2022	3.080	65,900	34,896	100,796
2023	3.080	68,000	32,867	100,867
2024	3.080	70,100	30,772	100,872
2025	3.080	72,200	28,613	100,813
2026	3.080	74,500	26,389	100,889
2027	3.080	76,700	24,095	100,795
2028	3.080	79,100	21,732	100,832
2029	3.080	81,600	19,296	100,896
2030	3.080	84,100	16,783	100,883
2031	3.080	460,800	14,193	474,993
		<u>\$ 1,319,300</u>	<u>\$ 365,918</u>	<u>\$ 1,685,218</u>

TOWN OF BENNETT, COLORADO

SCHEDULES OF FUTURE DEBT SERVICE REQUIREMENTS

December 31, 2018

**\$2,500,000 Colorado Water Resources and
Power Development Authority
Waste Water Fund - Dated September 9, 2017**

**\$1,454,500 Colorado Water Conservation Board
Water Fund - Completion Date August 1, 2018**

Year	Rate	Principal	Interest	Total	Rate	Principal	Interest	Total
2019	0.000	\$ 83,020	\$ -	\$ 83,020	3.250	\$ 29,352	\$ 47,268	\$ 76,620
2020	0.000	83,020	-	83,020	3.250	30,306	46,314	76,620
2021	0.000	83,020	-	83,020	3.250	31,291	45,329	76,620
2022	0.000	83,020	-	83,020	3.250	32,308	44,312	76,620
2023	0.000	83,020	-	83,020	3.250	33,358	43,262	76,620
2024	0.000	83,020	-	83,020	3.250	34,442	42,178	76,620
2025	0.000	83,020	-	83,020	3.250	35,562	41,059	76,621
2026	0.000	83,020	-	83,020	3.250	36,717	39,903	76,620
2027	0.000	83,020	-	83,020	3.250	37,911	38,710	76,621
2028	0.000	83,020	-	83,020	3.250	39,143	37,477	76,620
2029	0.000	83,020	-	83,020	3.250	40,415	36,205	76,620
2030	0.000	83,020	-	83,020	3.250	41,728	34,892	76,620
2031	0.000	83,020	-	83,020	3.250	43,085	33,536	76,621
2032	0.000	83,020	-	83,020	3.250	44,485	32,135	76,620
2033	0.000	83,020	-	83,020	3.250	45,931	30,690	76,621
2034	0.000	83,020	-	83,020	3.250	47,423	29,197	76,620
2035	0.000	83,020	-	83,020	3.250	48,965	27,656	76,621
2036	0.000	83,020	-	83,020	3.250	50,556	26,064	76,620
2037	0.000	83,020	-	83,020	3.250	52,199	24,421	76,620
2038	0.000	83,020	-	83,020	3.250	53,896	22,725	76,621
2039	0.000	83,020	-	83,020	3.250	55,647	20,973	76,620
2040	0.000	83,020	-	83,020	3.250	57,456	19,165	76,621
2041	0.000	83,020	-	83,020	3.250	59,323	17,297	76,620
2042	0.000	83,020	-	83,020	3.250	61,251	15,369	76,620
2043	0.000	83,020	-	83,020	3.250	63,242	13,379	76,621
2044	0.000	83,020	-	83,020	3.250	65,297	11,323	76,620
2045	0.000	83,020	-	83,020	3.250	67,419	9,201	76,620
2046	0.000	83,020	-	83,020	3.250	69,610	7,010	76,620
2047	0.000	83,020	-	83,020	3.250	71,873	4,748	76,621
2048	0.000	41,498	-	41,498	3.250	74,209	2,412	76,621
		<u>\$ 2,449,078</u>	<u>\$ -</u>	<u>\$ 2,449,078</u>		<u>\$ 1,454,400</u>	<u>\$ 844,210</u>	<u>\$ 2,298,610</u>

TOWN OF BENNETT, COLORADO

SCHEDULES OF FUTURE DEBT SERVICE REQUIREMENTS

December 31, 2018

**\$3,500,000 Colorado Water Resources and
Power Development Authority**

Waste Water Fund - Dated March 5, 2018

<u>Year</u>	<u>Rate</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	1.890	\$ 89,408	\$ 65,592	\$ 155,000
2020	1.890	91,105	63,895	155,000
2021	1.890	92,835	62,165	155,000
2022	1.890	94,598	60,402	155,000
2023	1.890	96,395	58,605	155,000
2024	1.890	98,225	56,775	155,000
2025	1.890	100,090	54,910	155,000
2026	1.890	101,991	53,009	155,000
2027	1.890	103,928	51,072	155,000
2028	1.890	105,901	49,099	155,000
2029	1.890	107,912	47,088	155,000
2030	1.890	109,961	45,039	155,000
2031	1.890	112,049	42,951	155,000
2032	1.890	114,177	40,823	155,000
2033	1.890	116,345	38,655	155,000
2034	1.890	118,555	36,445	155,000
2035	1.890	120,806	34,194	155,000
2036	1.890	123,100	31,900	155,000
2037	1.890	125,437	29,563	155,000
2038	1.890	127,819	27,181	155,000
2039	1.890	130,247	24,753	155,000
2040	1.890	132,720	22,280	155,000
2041	1.890	135,240	19,760	155,000
2042	1.890	137,808	17,192	155,000
2043	1.890	140,425	14,575	155,000
2044	1.890	143,092	11,908	155,000
2045	1.890	145,809	9,191	155,000
2046	1.890	148,578	6,422	155,000
2047	1.890	151,399	3,601	155,000
2048	1.890	76,775	725	77,500
		<u>\$ 3,492,730</u>	<u>\$ 1,079,770</u>	<u>\$ 4,572,500</u>