

TOWN OF FOWLER, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2018

TOWN OF FOWLER, COLORADO

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HANCOCK FROESE & COMPANY LLC

CERTIFIED PUBLIC ACCOUNTANTS
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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Town of Fowler, Colorado

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Comparative Actual Information

Other auditors previously audited the Town's 2017 financial statements and expressed unmodified audit opinions on those audited financial statements in their report dated September 28, 2018. In our opinion, based on the report of other auditors, the comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Required Supplementary Information

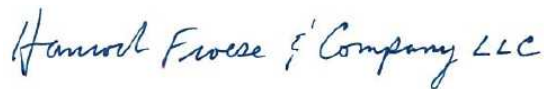
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, pension schedules and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Fowler, Colorado's basic financial statements. The combining and individual fund financial statements and budget schedules, and the local highway finance report, 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 combining and individual fund financial statements and budget schedules and the local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and budget schedules and the local highway finance report are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other auditors previously audited, in accordance with auditing standards generally accepted in the United States of America, the Town of Fowler, Colorado's basic financial statements for the year ended December 31, 2017, which are not presented with the accompanying financial statements and they expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information. Based on the report of other auditors, that audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Fowler, Colorado's basic financial statements as a whole. The combining and individual fund financial statements and other schedules, related to the 2017 financial statements for the year ended December 31, 2017, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of those 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, based on the report of other auditors, the 2017 combining and individual fund financial statements and other schedules are fairly stated in all material respects in relation to the basic financial statements from which they have been derived.



HANCOCK FROESE & COMPANY LLC

Rocky Ford, Colorado
July 30, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Town of Fowler's (the "Town") Annual Financial Report provides readers with a narrative overview and analysis of the Town's financial performance during the fiscal year that ended on December 31, 2018. We encourage readers to consider the information presented here in conjunction with the Town of Fowler's basic financial statements and notes to the financial statements to enhance their understanding of the activities and financial health of the Town of Fowler.

FINANCIAL HIGHLIGHTS

The Town's total net position increased from \$5,293,059 to \$6,101,965 over the course of the Town's operations in 2018.

During the year, the Town's governmental revenues generated in taxes and other revenues for governmental programs (after other financing sources) were \$149,078 more than the \$543,759 of expenditures for general government and governmental services.

The Town's business-type funds, the water, sewer, sanitation, storm drainage and natural resources funds, had an increase in total net position of \$659,819 over the year, up from \$2,418,268 in 2017 to \$3,078,087 in 2018.

Overview of the Financial Statements

The discussion and analysis is intended to serve as an introduction to the Town's *Basic Financial Statements*. The Basic Financial Statements contain three components: (1), government-wide financial statements; (2), fund financial statements (including component unit statements, if applicable); and (3), notes to the financial statements. In addition, this report contains other *Required Supplementary Information*, and a *Supplemental Information* section that presents *combining statements* for non-major governmental funds and internal service funds (along with actual and budget comparison schedules).

The basic financial statements include two kinds of statements that present different views of the Town: *government-wide financial statements* and *fund financial statements*.

The first two statements are government-wide financial statements that provide both *long-term* and *short-term* information about the Town's *overall* financial status.

The remaining statements are *fund financial statements* that focus on *individual parts* of the Town government, reporting the Town's operations in more detail than the government-wide statements.

Governmental Fund statements tell how *general government* services like public safety, highways and streets, welfare, and cultural and recreation, were financed in the short-term as well as what remains for future spending.

Proprietary Fund statements offer *short-term* and *long-term* financial information about the activities the Town government operates in, similar to a private business, such as the Fowler Water Department, and the internal service funds which provide services to other departments or governmental units within the Town.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *required supplementary information* that further explain and support the information in the financial statements. In addition to these required components, a section is included with combining statements that provide further detail about the Town's non-major governmental funds and internal service fund, each of which are added together and presented in single columns in each of the basic financial statements.

Government-wide Statements

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

The two government-wide statements report the Town's net position and how they have changed. Net position, the difference between the Town's assets and liabilities, is one way to measure the Town's financial health or current position.

Over time, increases or decreases in the Town's net position is an indicator of whether its financial health is improving or deteriorating, respectively.

To assess the overall health of the Town, consideration should be given to additional non-financial factors such as changes in the Town's property tax base and the condition of the Town's streets, sewer mains, and water treatment and distribution systems.

The government-wide financial statements of the Town are divided into three categories.

1. *Governmental Activities.* Most of the Town's basic services are included in governmental activities such as public safety, streets, recreation and general administration. Property and sales taxes and state and federal grants finance most of these activities.
2. *Business-type Activities.* The Town charges fees to customers to help cover the costs of certain services it provides. The Town's water, sewer, sanitation, storm drainage, and natural resources enterprise funds are included here.
3. *Component Units.* Component units are legally separate organizations for which the Town's Board is financially accountable. Currently, the Town has no component units.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's most significant funds, the Town as a whole. Funds are accounting devices that the Town uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by state law and by bond covenants.

The Town Council establishes other funds to show that certain taxes and grants are used appropriately (i.e. Special Revenue Funds).

The Town has two kinds of funds:

1. *Governmental Funds.* Most of the Town's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. Because this information does not encompass the additional long-term focus of the government-wide funds statement that explains the relationship (or differences) between the two types of statements.
2. *Proprietary Funds.* Services for which the Town charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

The Town's Enterprise Funds are classified as business-type activities on the government-wide statements, but more detailed information is provided in the Proprietary Fund Statements, such as its cash flows.

Financial Analysis of the Town as a Whole

Net Position: As discussed earlier, net position may serve as a useful indicator of a government's financial position. As of December 31, 2018, total Town's net position was \$6,101,965, governmental activity net position was \$3,023,878 and business-type activities net position was \$3,078,087. The table below provides a comparative summary of the Town's Governmental and Business-type net position for 2018 and 2017:

The 2018 MD&A presentation includes comparative changes in net position for the past two years below:

Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets						
Current and other	\$ 1,081,364	\$ 1,005,784	\$ 2,541,508	\$ 2,219,410	\$ 3,622,872	\$ 3,225,194
Capital Assets	\$ 2,234,161	\$ 2,215,408	\$ 3,756,520	\$ 3,501,735	\$ 5,990,681	\$ 5,717,143
Total Assets	\$ 3,315,525	\$ 3,221,192	\$ 6,298,028	\$ 5,721,145	\$ 9,613,553	\$ 8,942,337
Deferred Outflows of Resources	\$ 14,575	\$ 39,150	\$ -	\$ -	\$ 14,575	\$ 39,150
Total Assets and Deferred Outflows	\$ 3,330,100	\$ 3,260,342	\$ 6,298,028	\$ 5,721,145	\$ 9,628,128	\$ 8,981,487
Liabilities						
Current Liab.	\$ 135,638	\$ 202,373	\$ 468,886	\$ 412,600	\$ 604,524	\$ 614,973
Long-term Liab.	\$ 96,475	\$ 115,837	\$ 2,751,055	\$ 2,890,277	\$ 2,847,530	\$ 3,006,114
Total Liabilities	\$ 232,113	\$ 318,210	\$ 3,219,941	\$ 3,302,877	\$ 3,452,054	\$ 3,621,087
Deferred Inflows of Resources	\$ 74,109	\$ 67,341	\$ -	\$ -	\$ 74,109	\$ 67,341
Net Position						
Net Investment in Capital Assets	\$ 2,118,615	\$ 2,081,425	\$ 1,943,378	\$ 1,601,642	\$ 4,061,993	\$ 3,683,067
Restricted	\$ 27,751	\$ 140,904	\$ 479,415	\$ -	\$ 507,166	\$ 140,904
Unrestricted	\$ 877,512	\$ 652,462	\$ 655,294	\$ 816,626	\$ 1,532,806	\$ 1,469,088
Total Net Position	\$ 3,023,878	\$ 2,874,791	\$ 3,078,087	\$ 2,418,268	\$ 6,101,965	\$ 5,293,059
Total Liabilities, Deferred Inflows & Net Position	\$ 3,330,100	\$ 3,260,342	\$ 6,298,028	\$ 5,721,145	\$ 9,628,128	\$ 8,981,487

A significant portion (67%) of the net position represents the *net investment in capital asset*. This includes land, buildings, machinery and equipment, and infrastructure assets, offset with associated long-term and short-term debt liabilities. Capital assets are restricted for the purpose of providing services to the citizens of Fowler; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Other *restricted net position* represents resources that are subject to external restrictions on how they may be used. Included in this category are restricted amounts for conservation trust, TABOR emergency fund, facility fees, and debt service. This portion makes up 8% of the total.

The remaining 25% of net position represent the *unrestricted* portion available for the Town's ongoing obligations to its citizens.

At the end of 2018, the Town of Fowler had positive balances in all three categories of net position.

Changes in Revenues and Expenditures

The table below presents the Town's 2018 revenues and expenditures for Governmental and Business-type activities as they are reported in the Statement of Activities compared to 2017. The revenues and expenditures include the Governmental Funds (General Fund, and Special Revenue Funds) and the Enterprise Funds (Water Utility Fund, Sewer Utility Fund, Sanitation Utility Fund, Storm Drainage Fund, and a Natural Resource Fund).

The 2018 MD&A presentation includes changes in revenues and expenditures for the past two years below:

	Changes in Revenues and Expenditures					
	Governmental Activities		Business-Type Activities		Total	
REVENUES	2018	2017	2018	2017	2018	2017
Governmental Revenues:						
Charges for Services	\$ 36,381	\$ 57,325			\$ 36,381	\$ 57,325
Operating Grants & Contributions	\$ 83,545	\$ 4,000			\$ 83,545	\$ 4,000
Taxes	\$ 452,419	\$ 440,652			\$ 452,419	\$ 440,652
Fees & Fines	\$ 20,441	\$ 17,916			\$ 20,441	\$ 17,916
Other	\$ 100,247	\$ 247,085			\$ 100,247	\$ 247,085
Total Government Revenues	\$ 693,033	\$ 766,978			\$ 693,033	\$ 766,978
Business-type Revenues						
Charges for Services			\$ 1,058,660	\$ 937,320	\$ 1,058,660	\$ 937,320
Other			\$ 4,331	\$ 42,197	\$ 4,331	\$ 42,197
Grants & Contributions			\$ 241,662	\$ 41,947	\$ 241,662	\$ 41,947
Total Business-type Revenues			\$ 1,304,653	\$ 1,021,464	\$ 1,304,653	\$ 1,021,464
TOTAL REVENUES	\$ 693,033	\$ 766,978	\$ 1,304,653	\$ 1,021,464	\$ 1,997,686	\$ 1,788,442
Government Expenditures						
General Government	\$ 187,273	\$ 234,535			\$ 187,273	\$ 234,535
Public Safety	\$ 111,968	\$ 200,702			\$ 111,968	\$ 200,702
Public Works	\$ 96,904	\$ 117,670			\$ 96,904	\$ 117,670
Culture and Recreation	\$ 139,515	\$ 133,067			\$ 139,515	\$ 133,067
Interest	\$ 8,099	\$ 5,448			\$ 8,099	\$ 5,448
Total Government Expenditures	\$ 543,759	\$ 691,422			\$ 543,759	\$ 691,422
Business-type Expenditures						
Personal Services, Materials, Supplies			\$ 565,669	\$ 625,411	\$ 565,669	\$ 625,411
Net Depreciation			\$ 111,490	\$ 112,654	\$ 111,490	\$ 112,654
Total Business-type Expenditures			\$ 677,159	\$ 738,065	\$ 677,159	\$ 738,065
TOTAL EXPENDITURES	\$ 543,759	\$ 691,422	\$ 677,159	\$ 738,065	\$ 1,220,918	\$ 1,429,487
EXCESS (DEFICIENCY) BEFORE TRANSFERS & SPECIAL ITEM	\$ 149,274	\$ 75,556	\$ 627,494	\$ 283,399	\$ 776,768	\$ 358,955
Transfers In (Out)	\$ (187)	\$ 27,899	\$ 187	\$ (27,899)	\$ -	\$ -
Special Item	\$ -	\$ -	\$ 32,138	\$ -	\$ 32,138	\$ -
CHANGE IN NET POSITION	\$ 149,087	\$ 103,455	\$ 659,819	\$ 255,500	\$ 808,906	\$ 358,955
NET POSITION – BEGINNING	\$ 2,874,791	\$ 2,771,336	\$ 2,418,268	\$ 2,162,768	\$ 5,293,059	\$ 4,934,104
NET POSITION - ENDING	\$ 3,023,878	\$ 2,874,791	\$ 3,078,087	\$ 2,418,268	\$ 6,101,965	\$ 5,293,059

Governmental Activities: Governmental activities accounted for \$149,087 of revenues over expenses for 2018. Total revenues from governmental activities including the general fund and other governmental funds amounted to \$62,846.

Total expenses for governmental activities in 2018 including the general fund and other governmental funds amounted to \$543,759.

Business-type Activities: The business activities had revenues in excess of expenses totaling \$659,819 in 2018 due to current year operations.

The Water Utility Fund had revenues in excess of expenses of \$307,617 due to grant revenues received in the amount of \$241,662.

The Sewer Utility Fund had revenues in excess of expenses of \$245,265. This was due to an increase in operating revenues in 2018 compared to 2017.

The Sanitation Utility Fund had revenues in excess of expenses of \$34,308 due to a significant reduction in the closure and post closure cost estimate for the landfill that is reported as a special item for \$32,138.

The Storm Drainage Fund had expenses in excess of revenues of (\$9,825) which was an increase from the prior year.

The Natural Resource Fund had revenue in excess of expenses of \$82,454 which was a decrease from the prior year of \$16,468.

Financial Analysis of the Town's Funds

Governmental Funds Overview: The Town of Fowler uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. As described earlier, the Town's governmental funds provide information on short-term inflows and outflows, as well as what remains for future spending. Such information is useful in assessing the Town's financial requirements. For example, the 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. The following information is supplemental to the information presented in the previous section.

At the end of 2018, the Town of Fowler reported a fund balance for total governmental funds of \$825,036 compared to \$729,796 in 2017. Of the total fund balance, \$548,489 is unassigned which is the portion of fund balance that serves as a measure of current available financial resources. The fund balance is further divided into restricted and assigned. The assigned portion of \$248,796 are resources the government intends to use for a specific purpose.

The restricted fund balance represents resources not available for spending or those on which legal restrictions have been placed. The Town's restricted fund balance includes the following: restricted for emergencies- Tabor \$14,000; and restricted for conservation trust \$13,751.

General Fund: The General Fund of the Town accounts for all transactions not accounted for in other funds. As the Town's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property and sales taxes and charges for services. The General Fund completed the year with a fund balance of \$562,489. This was an increase of \$74,518 from the previous year's fund balance of \$487,971. The General Fund had total budgeted revenues of \$478,675 and actual revenues of \$552,957 and total budgeted expenditures of \$466,912 and actual expenditures of \$463,523.

Proprietary Funds Overview: The proprietary funds are used to account for activities similar to those found in the private sector where determination of net income is necessary or useful to sound financial administration. The Town has one type of proprietary fund, consisting of Enterprise Funds. The Town's proprietary fund statements provide the same type of information found in the government-wide statements, but in more detail.

Enterprise Funds: The Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises where the costs (expenses, including depreciation) of providing goods or services to the general public are being financed or recovered primarily through users charges on a continuing basis. The Town of Fowler has five enterprise funds: In 2018 the Water Utility Fund had an unrestricted net position (deficit) of (\$60,716), the Sewer Utility Fund with an unrestricted net position of \$376,223, the Sanitation Utility Fund with an unrestricted net position of \$96,225, the Storm Drainage Fund with an unrestricted net position of \$20,117 and the Natural Resources Fund with an unrestricted net position of \$223,445.

Capital Asset and Debt Administration

Capital Assets: At the end of 2018, the Town had acquired \$5,990,681 (net of accumulated depreciation) in a broad range of capital assets for its governmental and business-type activities, including land, buildings, park facilities, roads, heavy machinery, vehicle and equipment.

1. The total increase in net capital assets for 2018 was \$273,538.
2. Additional information on the Town's net position can be found in Notes 1 and 3 of the Notes to Financial Statements.

Long-Term Debt

At December 31, 2018, the Town of Fowler had outstanding long-term debt in the governmental-type and business-type activities of \$115,546 and \$2,889,093, respectively. More detailed information is presented in Note 4.

Economic Factors and Next Year's Budgets and Rates

The Denver-Aurora-Lakewood consumer price index changed approximately 3.4% in 2018.

Unemployment in Otero County for December 2018 was approximately 5%.

The Colorado State Demography Office estimated the population of Fowler as 3,835 for 2016.

The 2018 budget reflects General Fund revenues that are comparable to prior years with a decrease in expenditures with an emphasis on satisfying the amount due to other funds. As the Town continues to focus on savings in fuel, repairs and maintenance and other operating expenses, those savings will be utilized to continue to move the general fund into a positive cash position.

Contacting the Town's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Town Clerk/Administrator, 317 S. Main Street, Fowler, CO 81039.

BASIC FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO

STATEMENT OF NET POSITION

DECEMBER 31, 2018

	PRIMARY GOVERNMENT		
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
ASSETS			
CASH OR EQUIVALENTS	\$ 696,539	\$ 556,196	\$ 1,252,735
CASH WITH TRUSTEE	-	1,201,241	1,201,241
RECEIVABLES - NET:			
ACCOUNTS / OTHER	50,954	135,714	186,668
GRANT	-	128,663	128,663
INTERNAL	245,397	-	245,397
PROPERTY TAXES	66,353	-	66,353
PREPAID EXPENSES	-	7,470	7,470
INVENTORY	-	65,709	65,709
RESTRICTED ASSETS	-	446,515	446,515
NET PENSION ASSET	22,121	-	22,121
CAPITAL ASSETS	4,601,541	6,714,966	11,316,507
ACCUMULATED DEPRECIATION	(2,367,380)	(2,958,446)	(5,325,826)
TOTAL ASSETS	3,315,525	6,298,028	9,613,553
DEFERRED OUTFLOWS OF RESOURCES			
PENSION RELATED	14,575	-	14,575
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 3,330,100	\$ 6,298,028	\$ 9,628,128
LIABILITIES			
ACCOUNTS PAYABLE	\$ 108,497	\$ 4,504	\$ 113,001
INTERNAL PAYABLES	-	245,397	245,397
ACCRUED EXPENSES	3,554	24,681	28,235
COMPENSATED ABSENCES	4,516	7,166	11,682
NON CURRENT LIABILITIES:			
DUE WITHIN ONE YEAR	19,071	187,138	206,209
DUE IN MORE THAN ONE YEAR	96,475	2,751,055	2,847,530
TOTAL LIABILITIES	232,113	3,219,941	3,452,054
DEFERRED INFLOWS OF RESOURCES			
PENSION RELATED	7,756	-	7,756
DEFERRED REVENUES - PROPERTY TAXES	66,353	-	66,353
TOTAL DEFERRED INFLOWS OF RESOURCES	74,109	-	74,109
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	2,118,615	1,943,378	4,061,993
RESTRICTED FOR:			
DEBT SERVICE	-	85,219	85,219
EMERGENCIES - TABOR	14,000	-	14,000
CULTURE AND RECREATION	13,751	-	13,751
FACILITY FEES	-	394,196	394,196
UNRESTRICTED	877,512	655,294	1,532,806
TOTAL NET POSITION	3,023,878	3,078,087	6,101,965
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 3,330,100	\$ 6,298,028	\$ 9,628,128

TOWN OF FOWLER, COLORADO

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES	
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS
GOVERNMENTAL ACTIVITIES:			
GENERAL GOVERNMENT	\$ 187,273	\$ 2,156	\$ 10,000
PUBLIC WORKS	96,904	-	57,941
PUBLIC SAFETY	111,968	-	-
CULTURE AND RECREATION	139,515	34,225	15,604
INTEREST ON LONG TERM DEBT	8,099	-	-
TOTAL GOVERNMENTAL ACTIVITIES	543,759	36,381	83,545
BUSINESS-TYPE ACTIVITIES:			
WATER FUND	327,845	322,202	-
SEWER FUND	202,240	437,256	-
SANITATION FUND	45,535	47,568	-
STORM DRAINAGE FUND	18,396	11,479	-
NATURAL RESOURCES FUND	83,143	240,155	-
TOTAL BUSINESS-TYPE ACTIVITIES	677,159	1,058,660	-
TOTAL PRIMARY GOVERNMENT	\$ 1,220,918	\$ 1,095,041	\$ 83,545

GENERAL REVENUES

PROPERTY TAXES

SALES AND USE TAXES

FRANCHISE TAXES

OTHER TAXES

FINES AND FORFEITS

EARNINGS ON INVESTMENTS

OTHER REVENUES

TRANSFERS IN (OUT)

SPECIAL ITEM

TOTAL GENERAL REVENUES, TRANSFERS AND SPECIAL ITEM

CHANGE IN NET POSITION

NET POSITION JANUARY 1

NET POSITION DECEMBER 31

SEE NOTES TO FINANCIAL STATEMENTS

NET (EXPENSES) REVENUE
AND CHANGES IN NET POSITION

CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT		TOTAL
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
\$ -	\$ (175,117)	\$ -	\$ (175,117)
-	(38,963)	-	(38,963)
-	(111,968)	-	(111,968)
-	(89,686)	-	(89,686)
-	(8,099)	-	(8,099)
-	(423,833)	-	(423,833)
241,662	-	236,019	236,019
-	-	235,016	235,016
-	-	2,033	2,033
-	-	(6,917)	(6,917)
-	-	157,012	157,012
241,662	-	623,163	623,163
<u>\$ 241,662</u>	<u>(423,833)</u>	<u>623,163</u>	<u>199,330</u>
	64,231	-	64,231
	307,017	-	307,017
	61,201	-	61,201
	19,970	-	19,970
	20,441	-	20,441
	1,925	4,331	6,256
	98,322	-	98,322
	(187)	187	-
	-	32,138	32,138
	<u>572,920</u>	<u>36,656</u>	<u>609,576</u>
	149,087	659,819	808,906
	<u>2,874,791</u>	<u>2,418,268</u>	<u>5,293,059</u>
<u>\$</u>	<u>3,023,878</u>	<u>\$ 3,078,087</u>	<u>\$ 6,101,965</u>

TOWN OF FOWLER, COLORADO

GOVERNMENTAL FUNDS

BALANCE SHEET

DECEMBER 31, 2018

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS			
CASH OR EQUIVALENTS	\$ 405,149	\$ 266,040	\$ 671,189
RECEIVABLES:			
ACCOUNTS	50,954	-	50,954
PROPERTY TAXES	66,353	-	66,353
DUE FROM OTHER FUNDS	311,062	31,053	342,115
TOTAL ASSETS	\$ 833,518	\$ 297,093	\$ 1,130,611
LIABILITIES			
ACCOUNTS PAYABLE	\$ 12,739	\$ -	\$ 12,739
ACCRUED EXPENSES	257	-	257
DUE TO OTHER ENTITIES	95,758	-	95,758
DUE TO OTHER FUNDS	95,922	34,546	130,468
TOTAL LIABILITIES	204,676	34,546	239,222
DEFERRED INFLOWS OF RESOURCES			
DEFERRED PROPERTY TAXES	66,353	-	66,353
FUND BALANCE			
RESTRICTED FOR:			
EMERGENCIES	14,000	-	14,000
CONSERVATION TRUST	-	13,751	13,751
ASSIGNED	-	248,796	248,796
UNASSIGNED	548,489	-	548,489
TOTAL FUND BALANCE	562,489	262,547	825,036
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	\$ 833,518	\$ 297,093	\$ 1,130,611

TOWN OF FOWLER, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

DECEMBER 31, 2018

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION
ARE DIFFERENT BECAUSE:

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$	825,036
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CAPITAL ASSETS USED IN GOVERNMENTAL ACTIVITIES ARE NOT FINANCIAL
RESOURCES AND THEREFORE ARE NOT REPORTED IN FUNDS.

THE COST OF CAPITAL ASSETS IS	\$	4,601,541	
ACCUMULATED DEPRECIATION IS		<u>(2,367,380)</u>	2,234,161

INTERNAL SERVICE FUNDS ARE USED BY MANAGEMENT TO CHARGE THE COSTS OF CERTAIN DATA PROCESSING AND FLEET MANAGEMENT SERVICES PROVIDED TO OTHER DEPARTMENTS. THE ASSETS AND LIABILITIES OF THE INTERNAL SERVICES FUND ARE INCLUDED IN GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET POSITION	59,100
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LONG-TERM LIABILITIES ARE NOT DUE AND PAYABLE IN THE CURRENT PERIOD
AND THEREFORE ARE NOT REPORTED IN THE FUNDS.

LONG TERM DEBT	(115,546)	
COMPENSATED ABSENCES	(4,516)	
ACCRUED INTEREST ON THE LEASES	(3,297)	
DEFERRED INFLOWS - PENSION RELATED AMOUNTS	(7,756)	
DEFERRED OUTFLOWS - PENSION RELATED AMOUNTS	14,575	
NET PENSION ASSETS	<u>22,121</u>	<u>(94,419)</u>

NET POSITION OF GOVERNMENTAL ACTIVITIES	\$	<u><u>3,023,878</u></u>
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TOWN OF FOWLER, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2018

	GENERAL	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES			
TAXES	\$ 350,091	\$ 102,328	\$ 452,419
LICENSES AND PERMITS	16,734	-	16,734
INTERGOVERNMENTAL	57,941	11,604	69,545
CHARGES FOR SERVICES	31,349	5,032	36,381
FINES	20,441	-	20,441
GRANTS	-	4,000	4,000
INTEREST	1,924	-	1,924
MISCELLANEOUS	74,477	7,111	81,588
TOTAL REVENUES	<u>552,957</u>	<u>130,075</u>	<u>683,032</u>
EXPENDITURES			
GENERAL GOVERNMENT	173,047	-	173,047
PUBLIC SAFETY	111,968	-	111,968
PUBLIC WORKS	30,552	-	30,552
CULTURE AND RECREATION	61,795	56,840	118,635
DEBT SERVICE:			
PRINCIPAL	18,436	-	18,436
INTEREST	4,803	-	4,803
CAPITAL OUTLAY	62,922	57,374	120,296
TOTAL EXPENDITURES	<u>463,523</u>	<u>114,214</u>	<u>577,737</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>89,434</u>	<u>15,861</u>	<u>105,295</u>
OTHER FINANCING SOURCES (USES)			
TRANSFERS IN	27,584	82,244	109,828
TRANSFERS (OUT)	(42,500)	(87,383)	(129,883)
CONTRIBUTIONS	-	10,000	10,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(14,916)</u>	<u>4,861</u>	<u>(10,055)</u>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES (USES)	74,518	20,722	95,240
FUND BALANCE JANUARY 1	<u>487,971</u>	<u>241,825</u>	<u>729,796</u>
FUND BALANCE DECEMBER 31	<u>\$ 562,489</u>	<u>\$ 262,547</u>	<u>\$ 825,036</u>

TOWN OF FOWLER, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

AMOUNTS REPORTED FOR GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF ACTIVITIES
ARE DIFFERENT BECAUSE:

NET CHANGE IN FUND BALANCE	\$	95,240
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GOVERNMENTAL FUNDS REPORT CAPITAL OUTLAYS AS EXPENDITURES. HOWEVER, IN
THE STATEMENT OF ACTIVITIES THE COST OF THOSE ASSETS IS ALLOCATED OVER THEIR
ESTIMATED USEFUL LIVES AND REPORTED AS DEPRECIATION EXPENSE. THIS IS THE
AMOUNT BY WHICH CAPITAL OUTLAY EXCEEDED DEPRECIATION IN THE CURRENT PERIOD.

CAPITAL OUTLAY	\$ 120,296	
DEPRECIATION EXPENSE	<u>(90,023)</u>	
		30,273

SOME EXPENSES REPORTED IN THE STATEMENT OF ACTIVITIES DO NOT REQUIRE THE
USE OF CURRENT FINANCIAL RESOURCES AND THEREFORE, ARE NOT REPORTED AS
EXPENDITURES IN THE GOVERNMENTAL FUNDS

DEBT PAYMENTS	18,436	
COMPENSATED ABSENCES	125	
ACCRUED INTEREST EXPENSE	(3,296)	
PENSION RELATED AMOUNTS	<u>(38)</u>	
		15,227

THE NET REVENUES (LOSS) OF CERTAIN ACTIVITIES OF THE INTERNAL SERVICE FUND IS
REPORTED WITH GOVERNMENTAL ACTIVITIES.

CHANGES IN NET POSITION OF GOVERNMENTAL ACTIVITIES	<u>\$</u>	<u>149,087</u>
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TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF NET POSITION

DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES -		
	WATER	SEWER	SANITATION
CURRENT ASSETS			
CASH OR EQUIVALENTS	\$ 86,412	\$ 290,674	\$ 100,209
CASH WITH TRUSTEE	-	1,201,241	-
ACCOUNTS RECEIVABLE	41,814	63,487	6,230
GRANTS RECEIVABLE	128,663	-	-
PREPAID EXPENSES	7,470	-	-
DUE FROM OTHER FUNDS	457	9,585	75,000
INVENTORY	65,709	-	-
TOTAL CURRENT ASSETS	<u>330,525</u>	<u>1,564,987</u>	<u>181,439</u>
RESTRICTED ASSETS			
RESTRICTED CASH	<u>252,133</u>	<u>194,382</u>	<u>-</u>
PROPERTY AND EQUIPMENT- AT COST			
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	3,151,772	1,765,135	-
ACCUMULATED DEPRECIATION	(1,853,702)	(1,075,952)	-
NET PROPERTY AND EQUIPMENT	<u>1,298,070</u>	<u>689,183</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 1,880,728</u>	<u>\$ 2,448,552</u>	<u>\$ 181,439</u>
CURRENT LIABILITIES			
ACCOUNTS PAYABLE	\$ 4,504	\$ -	\$ -
COMPENSATED ABSENCES	4,587	2,579	-
ACCRUED INTEREST PAYABLE	7,243	-	-
DUE TO OTHER FUNDS	196,594	77,334	36,114
NOTES PAYABLE - CURRENT	-	98,307	-
LEASE PAYABLE - CURRENT	7,812	-	-
BORROWINGS FROM (TO) OTHER FUND - CURRENT	83,139	-	-
ACCRUED LANDFILL COSTS - CURRENT	-	-	12,275
TOTAL CURRENT LIABILITIES	<u>303,879</u>	<u>178,220</u>	<u>48,389</u>
TERM LIABILITIES			
NOTE PAYABLE	55,465	1,078,652	-
LEASE PAYABLE	102,086	-	-
BORROWINGS FROM (TO) OTHER FUND	83,139	-	-
ACCRUED LANDFILL COSTS	-	-	36,825
TOTAL TERM LIABILITIES	<u>240,690</u>	<u>1,078,652</u>	<u>36,825</u>
CUSTOMER DEPOSITS	<u>12,035</u>	<u>-</u>	<u>-</u>
TOTAL LIABILITIES	<u>556,604</u>	<u>1,256,872</u>	<u>85,214</u>
NET POSITION			
NET INVESTMENT IN CAPITAL ASSETS	1,132,707	588,175	-
RESTRICTED FOR:			
FACILITY FEES	199,814	194,382	-
DEBT SERVICE	52,319	32,900	-
UNRESTRICTED	(60,716)	376,223	96,225
TOTAL NET POSITION	<u>1,324,124</u>	<u>1,191,680</u>	<u>96,225</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,880,728</u>	<u>\$ 2,448,552</u>	<u>\$ 181,439</u>

SEE NOTES TO FINANCIAL STATEMENTS

ENTERPRISE FUNDS			GOVERNMENTAL
STORM	NATURAL	TOTAL	ACTIVITIES
DRAINAGE	RESOURCES		INTERNAL SERVICE
			FUND
\$ 31,543	\$ 47,358	\$ 556,196	\$ 25,350
-	-	1,201,241	-
1,132	23,051	135,714	-
-	-	128,663	-
-	-	7,470	-
-	2,576	87,618	33,750
-	-	65,709	-
<u>32,675</u>	<u>72,985</u>	<u>2,182,611</u>	<u>59,100</u>
-	-	446,515	-
-	1,798,059	6,714,966	84,807
-	(28,792)	(2,958,446)	(73,625)
-	<u>1,769,267</u>	<u>3,756,520</u>	<u>11,182</u>
<u>\$ 32,675</u>	<u>\$ 1,842,252</u>	<u>\$ 6,385,646</u>	<u>\$ 70,282</u>
\$ -	\$ -	\$ 4,504	\$ -
-	-	7,166	-
-	4,503	11,746	-
12,558	10,415	333,015	-
-	68,744	167,051	-
-	-	7,812	-
-	(83,139)	-	-
-	-	12,275	-
<u>12,558</u>	<u>523</u>	<u>543,569</u>	<u>-</u>
-	1,478,027	2,612,144	-
-	-	102,086	-
-	(83,139)	-	-
-	-	36,825	-
-	<u>1,394,888</u>	<u>2,751,055</u>	<u>-</u>
-	900	12,935	-
<u>12,558</u>	<u>1,396,311</u>	<u>3,307,559</u>	<u>-</u>
-	222,496	1,943,378	11,182
-	-	394,196	-
-	-	85,219	-
20,117	223,445	655,294	59,100
<u>20,117</u>	<u>445,941</u>	<u>3,078,087</u>	<u>70,282</u>
<u>\$ 32,675</u>	<u>\$ 1,842,252</u>	<u>\$ 6,385,646</u>	<u>\$ 70,282</u>

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEAR ENDED DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES -		
	WATER	SEWER	SANITATION
OPERATING REVENUES			
CHARGES FOR SERVICES	\$ 321,321	\$ 437,077	\$ 47,568
RENT	-	-	-
OTHER	881	179	-
TOTAL OPERATING REVENUES	<u>322,202</u>	<u>437,256</u>	<u>47,568</u>
OPERATING EXPENSES			
PERSONAL SERVICES, MATERIALS, SUPPLIES	283,903	131,474	45,535
DEPRECIATION	37,195	67,097	-
TOTAL OPERATING EXPENSES	<u>321,098</u>	<u>198,571</u>	<u>45,535</u>
OPERATING INCOME	<u>1,104</u>	<u>238,685</u>	<u>2,033</u>
NONOPERATING REVENUES (EXPENSE)			
INTEREST INCOME	2,376	1,301	137
INTEREST EXPENSE	(6,747)	(3,669)	-
GRANTS	241,662	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>237,291</u>	<u>(2,368)</u>	<u>137</u>
INCOME BEFORE TRANSFERS AND SPECIAL ITEM	<u>238,395</u>	<u>236,317</u>	<u>2,170</u>
TRANSFERS IN (OUT)	69,222	8,948	-
SPECIAL ITEM	-	-	32,138
CHANGE IN NET POSITION	<u>307,617</u>	<u>245,265</u>	<u>34,308</u>
NET POSITION JANUARY 1	<u>1,016,507</u>	<u>946,415</u>	<u>61,917</u>
NET POSITION DECEMBER 31	<u>\$ 1,324,124</u>	<u>\$ 1,191,680</u>	<u>\$ 96,225</u>

SEE NOTES TO FINANCIAL STATEMENTS

ENTERPRISE FUNDS			GOVERNMENTAL
STORM	NATURAL		ACTIVITY
DRAINAGE	RESOURCES	TOTAL	INTERNAL SERVICE
			FUND
\$ 11,479	\$ 161,855	\$ 979,300	\$ -
-	78,300	78,300	-
-	-	1,060	-
11,479	240,155	1,058,660	-
18,396	7,810	487,118	-
-	7,198	111,490	11,521
18,396	15,008	598,608	11,521
(6,917)	225,147	460,052	(11,521)
75	442	4,331	-
-	(68,135)	(78,551)	-
-	-	241,662	-
75	(67,693)	167,442	-
(6,842)	157,454	627,494	(11,521)
(2,983)	(75,000)	187	19,868
-	-	32,138	-
(9,825)	82,454	659,819	8,347
29,942	363,487	2,418,268	61,935
\$ 20,117	\$ 445,941	\$ 3,078,087	\$ 70,282

TOWN OF FOWLER, COLORADO

PROPRIETARY FUNDS

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2018

	BUSINESS-TYPE ACTIVITIES -		
	WATER	SEWER	SANITATION
CASH FLOWS FROM OPERATING ACTIVITIES			
CASH RECEIVED FROM CUSTOMERS	\$ 314,378	\$ 414,341	\$ 46,706
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(103,938)	(31,779)	(14,732)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(112,212)	(56,710)	(15,438)
NET CASH PROVIDED BY OPERATING ACTIVITIES	98,228	325,852	16,536
CASH FLOWS FROM NONCAPITAL AND OTHER FINANCING ACTIVITIES			
TRANSFERS IN (OUT)	69,222	8,948	-
GRANTS	112,999	6,495	-
NET CASH PROVIDED BY (USED FOR) NONCAPITAL AND OTHER FINANCING ACTIVITIES	182,221	15,443	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
ACQUISITION OF CAPITAL ASSETS	(325,803)	(40,473)	-
PROCEEDS FROM DEBT	168,564	-	-
INTEREST PAID ON DEBT	-	(3,669)	-
PRINCIPAL PAID ON DEBT	(175,796)	(126,790)	-
BORROWINGS FROM (TO) OTHER FUND	166,278	-	-
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	(166,757)	(170,932)	-
CASH FLOWS FROM INVESTING ACTIVITIES			
INTEREST ON INVESTMENTS AND OTHER	2,874	1,301	137
NET CASH USED FOR INVESTING ACTIVITIES	2,874	1,301	137
NET CHANGE IN CASH AND CASH EQUIVALENTS	116,566	171,664	16,673
CASH AND CASH EQUIVALENTS BEGINNING	221,979	1,514,633	83,536
CASH AND CASH EQUIVALENTS ENDING	\$ 338,545	\$ 1,686,297	\$ 100,209
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
OPERATING INCOME (LOSS)	\$ 1,104	\$ 238,685	\$ 2,033
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
DEPRECIATION	37,195	67,097	-
CHANGE IN ASSETS AND LIABILITIES			
ACCOUNTS RECEIVABLE AND PREPAIDS	(15,294)	(22,915)	(862)
INVENTORIES	(4,763)	-	-
DUE FROM (TO) OTHER FUNDS	86,618	50,337	19,798
ACCOUNTS PAYABLE	(4,942)	(4,096)	(4,433)
ACCRUED SALARIES, BENEFITS AND COMPENSATED ABSENCES	(1,690)	(3,256)	-
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$ 98,228	\$ 325,852	\$ 16,536

SEE NOTES TO FINANCIAL STATEMENTS

ENTERPRISE FUNDS			GOVERNMENTAL
STORM	NATURAL	TOTAL	ACTIVITY
DRAINAGE	RESOURCES		INTERNAL SERVICE
			FUND
\$ 11,919	\$ 156,645	\$ 943,989	\$ -
(2,623)	78,300	(74,772)	-
(9,971)	(10,007)	(204,338)	-
(675)	224,938	664,879	-
(2,983)	(75,000)	187	19,868
-	-	119,494	-
(2,983)	(75,000)	119,681	19,868
-	-	(366,276)	-
-	-	168,564	-
-	(67,117)	(70,786)	-
-	(66,979)	(369,565)	-
-	(166,278)	-	-
-	(300,374)	(638,063)	-
75	442	4,829	-
75	442	4,829	-
(3,583)	(149,994)	151,326	19,868
35,126	197,352	2,052,626	5,482
<u>\$ 31,543</u>	<u>\$ 47,358</u>	<u>\$ 2,203,952</u>	<u>\$ 25,350</u>
\$ (6,917)	\$ 225,147	\$ 460,052	\$ 919,000
-	7,198	111,490	185,785
440	(5,210)	(43,841)	(72,388)
-	-	(4,763)	(4,763)
5,943	(1,494)	161,202	235,786
(141)	(703)	(14,315)	(23,688)
-	-	(4,946)	(8,202)
<u>\$ (675)</u>	<u>\$ 224,938</u>	<u>\$ 664,879</u>	<u>\$ 1,231,530</u>

TOWN OF FOWLER, COLORADO

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2018

	<u>POLICE PENSION TRUST FUND</u>
ASSETS	
CASH OR EQUIVALENTS	<u>\$ 37,808</u>
TOTAL ASSETS	<u><u>\$ 37,808</u></u>
LIABILITIES	
DEPOSITS HELD FOR OTHERS	\$ -
NET POSITION	
NET POSITION HELD IN TRUST FOR PENSION BENEFITS	<u>37,808</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>\$ 37,808</u></u>

SEE NOTES TO FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 YEAR ENDED DECEMBER 31, 2018

	POLICE PENSION TRUST FUND
ADDITIONS	
EARNINGS ON INVESTMENTS	\$ 316
CONTRIBUTIONS	-
TOTAL ADDITIONS	316
DEDUCTIONS	
	-
CHANGES IN NET POSITION	316
NET POSITION JANUARY 1	37,492
NET POSITION DECEMBER 31	\$ 37,808

NOTES TO THE BASIC FINANCIAL STATEMENTS

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

REPORTING ENTITY

The Town of Fowler, Colorado (the "Town") is governed by an elected mayor and Board of Trustees, which are governed by state statutes and regulations. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Fowler (the primary government) and its component units, if applicable.

The Town is not included in any other governmental "reporting entity", as required by accounting principles generally accepted in the United States of America; these basic financial statements present the Town (the primary government) and its component units, if applicable. Currently no component units have been included in the Town's reporting entity because of a lack of significant operational or financial relationships with the Town.

Joint Venture:

Otero County Landfill, Inc.

The Town of Fowler is a participant along with six other entities within the County in a joint venture known as the Otero County Landfill, Inc. As a participant, the Town is responsible for a portion of closure and post-closure costs of the landfill. As of December 31, 2018, the Town's share of the closure and post-closure costs are estimated at \$49,100 or approximately 2.58% of the total. A complete financial report may be obtained from the administrative offices of Otero County. The Town also incurred additional costs of approximately \$17,000 for services provided by Otero County Landfill, Inc.

GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the later are excluded from the government-wide financial statements. Major individual governmental funds (General Fund) and individual enterprise funds (Water Utility, Sewer Utility, Sanitation Utility, Storm Drainage, and Natural Resources Enterprise Funds) are reported as 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 the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgements, are recorded only when payment is due.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Property and specific ownership taxes, sales taxes, franchise taxes, interest revenues, and charges for services are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Grants and entitlement awards are recorded as revenue when earned. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met. Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. All other revenue items are considered to be measurable and available only when cash is received.

The Town reports the following major governmental fund:

General Fund – The general fund is the general operation fund of the Town. It is used to account for all financial resources except those required to be accounted for in another fund.

The Town reports the following major proprietary funds:

Water Utility Fund - Accounts for the activities of water treatment and distribution to the residents and businesses of the Town.

Sewer Utility Fund - Accounts for the activities of the wastewater collection, disposal and treatment system of the Town.

Sanitation Utility Fund - Accounts for the activities of the Town's trash collection operations and waste disposal services.

Storm Drainage Fund – Accounts for the activities of the Town's storm drainage infrastructure.

Natural Resources Enterprise Fund – Accounts for the Town's purchase of land and water rights.

Additionally, the Town reports the following fund types:

Internal Service Fund – Accounts for data processing and fleet management services provided to other departments or agencies of the Town, or to other governments, on a cost reimbursement basis.

Police Pension Trust (Health and Safety) Fund – Accounts for resources that can be used to purchase health and safety items for the Town.

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

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

The proprietary funds account for transactions that are financed and operated in a manner similar to a private business enterprise where the intent of the governing body is that the costs and expenses of providing goods or services to the general public on a continuing basis, be financed or recovered primarily through charges. The proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the funds principal ongoing operations. The principal operating revenues of the funds are charges to customers for sales and service. Operating expenses include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

STEWARDSHIP

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to October 15, the Town Clerk submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain taxpayer comments. Prior to December 15, the budget is legally enacted through passage of an ordinance.

Revisions that alter total expenditures of any kind generally must be approved by the Board of Trustees. Budget amounts in the accompanying financial statements include revisions to the original approval. Appropriations lapse at year end and any open purchase item must be reappropriated in the following year.

All budget amounts presented in the accompanying supplemental information reflect the final budgets.

Expenditures may not legally exceed appropriations at the fund level. For the year ended December 31, 2018, expenditures exceeded appropriations in the, Conservation Trust Fund, Pool and Recreation Fund, Sanitation Utility Fund, and Storm Drainage Fund.

ENCUMBRANCES

Outstanding encumbrances represent a commitment for the estimated amount of expenditures, which could ultimately result from the fulfillment of uncompleted purchase orders and contracts. Encumbrances lapse at the end of each fiscal year (December 31). Lapsed encumbrances are then reviewed by department heads to determine those which will remain canceled and those, which will be reinstated and paid from appropriations for the following year. Encumbrances are, therefore, not considered expenditures until an actual liability is incurred.

CASH AND CASH EQUIVALENTS

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and highly liquid investments held in banks. For purposes of the statement of cash flows, the Town considers all highly liquid investments (including restricted assets and cash with trustee) with a maturity of six months or less when purchased to be cash equivalents.

State statutes authorize the Town to deposit in accounts of federally insured banks, credit unions, and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, bankers' acceptances, and mutual funds composed of otherwise legal investments.

ACCOUNTS RECEIVABLE

The Town grants credit terms in the normal course of business to its utility customers. Concentrations of credit risk with respect to accounts receivables which are uncollectible is limited due to customer deposits and account monitoring procedures which are utilized to minimize risk of loss. The Town recognized amounts due from utility customers as of year-end but not billed due to cycle billings. Recognition is based upon a direct ratio of days in the current period to the total days in each individual billing cycle.

INVENTORIES

The inventories of the General Fund are accounted for as expenditures at the time they are purchased. Consumable supplies on hand are not recognized. The inventories of the Proprietary Funds are valued at cost using the first-in, first-out method.

WATER INVENTORY

The water inventory is carried at the lower of cost or market, with cost determined using the expenses involved in acquiring water held in storage.

RESTRICTED ASSETS

Proprietary Funds - The cash is restricted for future major repairs and the related debt service costs.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

CAPITAL ASSETS

Capital assets which include property, plant, equipment and current infrastructure (e.g. roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town defines capital assets as assets with an initial life in excess of two years and an individual cost of \$5,000 or more. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

Expenditures for maintenance and repairs are charged to expenses as incurred; expenditures for renewals and betterments are generally capitalized. Gains or losses due to disposal are charged or credited to income.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. The Town incurred a total of \$94,487 in interest of which \$7,837 was capitalized and 86,650 was expensed during the current fiscal year.

Depreciation is determined using the straight-line method based on the estimated useful lives of the assets as follows:

Systems	5 - 40	Years
Equipment	5 - 25	Years

COMPENSATED ABSENCES

It is the Town's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. All vacation and sick pay are accrued when incurred in the government-wide and proprietary fund financial statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements. The liability for compensated absences totaled \$12,674 at December 31, 2018.

DEFERRED OUTFLOWS / INFLOWS OF RESOURCES

In addition to assets, the statement of financial position 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 that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town has one item that qualifies for reporting in this category which is for pension related amounts.

Pension related amounts include the difference between expected and actual experience, any changes of assumptions or other inputs, the net difference between projected and actual investment earnings on pension plan investments, and contributions made subsequent to the measurement date. More information on pension related items is included in Note 6.

In addition to liabilities, the statement of financial position 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 that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town has two types of items that qualify for reporting in this category.

The item, property taxes levied for subsequent years, arises only under a modified accrual basis of accounting. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable, and are recognized as an inflow of resources in the period they are collected.

Pension related amounts include the difference between expected and actual experience, any changes of assumptions or other inputs, the net difference between projected and actual investment earnings on pension plan investments, and contributions made subsequent to the measurement date. More information on pension related items is included in Note 6.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

DUE TO/FROM OTHER FUNDS

Outstanding balances between funds created by lending/borrowing or cash allocation in common purchasing activities are reported as due to/from other funds.

LEASE AGREEMENTS

Annual rentals pertaining to leases which convey merely the right to use the property are charged to current operations. Lease agreements which are substantially installment purchases of property have been recorded as purchases with a corresponding liability recognized in the government-wide financial statements.

NET POSITION / FUND BALANCE

In the government-wide and proprietary financial statements, net position is classified in the following categories:

Net investment in capital assets – This amount consists of capital assets, net of accumulated depreciation, reduced by outstanding debt, if applicable, attributed to the acquisition, construction, or improvement of those assets.

Restricted net position – This amount is restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position – This amount is all net position that do not meet the definition of “net investment in capital assets” or “restricted net position”

GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions” provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which the resources can be used:

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

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

Committed fund balance – amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint;

Assigned fund balance – amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;

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

The Board of Trustees establishes (and modifies or rescinds) fund balance commitments by passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established through the adoption or amendment of the budget as intended for specific purposes.

When both restricted and unrestricted resources are available in governmental funds, the Town applies expenditures against restricted fund balance first, followed by committed fund balance, assigned fund balance and unassigned fund balance.

LONG-TERM OBLIGATIONS

In the government-wide financial statements, and proprietary fund types in the fund type 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.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

LONG-TERM OBLIGATIONS (Continued)

Net pension liabilities and assets, associated with the Statewide Defined Benefit Plan administered by FPPA, represent the Town's total pension liabilities less the fiduciary net position. Amounts have been determined using the economic resources measurement focus and the accrual basis of accounting.

PROPERTY TAXES

Property taxes represent ad valorem taxes levied by the Town, which are payable to the County Treasurer, and are recognized as revenues by the Town in the year for which they are levied.

Property taxes are levied in December for collection in the subsequent year.

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid without penalty in either of two ways: (a) Full payment by April 30, or (b) First half must be paid by last day of February, and second half must be paid by June 15. Property taxes are reported as a receivable and a deferred revenue when levied and as a revenue when due for collection in the following year

ESTIMATES

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

ACCOUNTING PRINCIPLES

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

NOTE -2 DEPOSITS

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Town's deposits may not be returned to it. The Town does not have a deposit policy for custodial credit risk. As of December 31, 2018, the carrying value of cash deposits was \$1,705,780 and the bank balances were \$1,776,756 of which \$500,000 was covered by federal deposit insurance and the remaining balance was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institution through PDPA.

The Colorado Public Deposit Protection Act, (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 must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -3 CAPITAL ASSETS

A summary of the various fund types' property and equipment follows:

GOVERNMENTAL ACTIVITIES:

	Balances January 1, 2018	Additions	Deletions	Balances December 31, 2018
Capital assets not being depreciated:				
Land	\$ 64,270	\$ -	\$ -	\$ 64,270
Construction in Progress	1,011,508	-	-	1,011,508
Capital assets being depreciated:				
Site Improvements	1,677,421	120,296	-	1,797,717
Buildings	1,065,416	-	-	1,065,416
Equipment	<u>662,630</u>	<u>-</u>	<u>-</u>	<u>662,630</u>
	<u>4,481,245</u>	<u>120,296</u>	<u>-</u>	<u>4,601,541</u>
Less Accumulated Depreciation:				
Site Improvements	(711,197)	(73,407)	-	(784,604)
Buildings	(1,065,416)	-	-	(1,065,416)
Equipment	<u>(489,224)</u>	<u>(28,136)</u>	<u>-</u>	<u>(517,360)</u>
	<u>(2,265,837)</u>	<u>(101,543)</u>	<u>-</u>	<u>(2,367,380)</u>
Governmental Activities Net Capital Assets	<u>\$ 2,215,408</u>	<u>\$ 18,753</u>	<u>\$ -</u>	<u>\$ 2,234,161</u>

BUSINESS-TYPE ACTIVITIES:

	Balances January 1, 2018	Additions	Deletions	Balances December 31, 2018
Capital assets not being depreciated:				
Land	\$ 775,760	\$ -	\$ -	\$ 775,760
Water Rights	1,197,196	-	-	1,197,196
Construction in Process	405,108	366,275	-	771,383
Capital assets being depreciated:				
Systems and Equipment	<u>3,970,627</u>	<u>-</u>	<u>-</u>	<u>3,970,627</u>
	<u>6,348,691</u>	<u>366,275</u>	<u>-</u>	<u>6,714,966</u>
Less Accumulated Depreciation				
	<u>(2,846,956)</u>	<u>(111,490)</u>	<u>-</u>	<u>(2,958,446)</u>
Business-type Activities Net Capital Assets	<u>\$ 3,501,735</u>	<u>\$ 254,785</u>	<u>\$ -</u>	<u>\$ 3,756,520</u>

Depreciation expense was charged to functions as follows:

<u>Governmental Activities</u>	
General Government	\$ 2,791
Public Works	77,872
Culture and Recreation	<u>20,880</u>
Total Governmental Activities Depreciation	<u>\$ 101,543</u>

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -3 CAPITAL ASSETS (Continued)

<u>Business-Type Activities</u>	
Water Utility	\$ 37,195
Sewer Utility	67,097
Natural Resources	<u>7,198</u>
Total Business-Type Activities Depreciation	<u>\$ 111,490</u>

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS

The following is a summary of long-term obligation transactions of the Town for the year ended December 31, 2018:

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>	<u>CURRENT PORTION</u>
<u>Governmental Activities:</u>					
Loan Payable 1	\$ 7,500	\$ -	\$ -	\$ 7,500	\$ -
Loan Payable 2	50,447	-	(14,144)	36,303	14,345
Lease Payable	<u>76,036</u>	<u>-</u>	<u>(4,293)</u>	<u>71,743</u>	<u>4,726</u>
Totals	<u>\$ 133,983</u>	<u>\$ -</u>	<u>\$ (18,437)</u>	<u>\$ 115,546</u>	<u>\$ 19,071</u>

The compensated absences will be liquidated with resources of the general fund.

	<u>BEGINNING BALANCE</u>	<u>INCREASES</u>	<u>DECREASES</u>	<u>ENDING BALANCE</u>	<u>CURRENT PORTION</u>
<u>Business-Type Activities:</u>					
Lease Payable - Water	\$ 117,129	\$ -	\$ (7,232)	\$ 109,897	\$ 7,812
Loan Payable 1- Water	55,465	-	-	55,465	-
Loan Payable 2- Water	-	168,564	(168,564)	-	-
Loan Payable 1- Sewer	32,633	-	(28,915)	3,718	-
Loan Payable 2- Sewer	38,239	-	(17,152)	21,087	17,273
Loan Payable 3- Sewer	1,190,000	-	(70,000)	1,120,000	70,000
Loan Payable 4- Sewer	42,878	-	(10,723)	32,155	11,034
Loan Payable – Natural Resources	1,613,750	-	(66,979)	1,546,771	68,744
Estimated Closure & Post-Closure Costs	<u>81,238</u>	<u>-</u>	<u>(32,138)</u>	<u>49,100</u>	<u>12,275</u>
Totals	<u>\$3,171,332</u>	<u>\$ 168,564</u>	<u>\$ (401,703)</u>	<u>\$2,938,193</u>	<u>\$ 187,138</u>

LOAN PAYABLE 1

The Town entered into a promissory note with Otero County, Colorado for repairs to a town owned medical building on September 18, 2002. The note is in the amount of \$7,500 at a rate of 0%. The note is due only if one of the following conditions occurs: 1) The building is sold, or 2) the building is no longer used for medical purposes. The Town is actively pursuing the sale of the property.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LOAN PAYABLE 2

The Town entered into a Loan Agreement with the Fowler State Bank on November 21, 2011, in the amount of \$130,000 for the purpose of supplementing the Park School project. The loan is payable in annual principal and interest installments of \$15,426 at 3.5% per annum beginning December 21, 2011 with the final payment November 21, 2021.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 14,345	\$ 1,081	\$ 15,426
2020	14,853	573	15,426
2021	7,105	93	7,198
	<u>\$ 36,303</u>	<u>\$ 1,747</u>	<u>\$ 38,050</u>

LEASE PAYABLE

The Town entered into a Lease Agreement with Fowler State Bank on January 23, 2013, in the amount of \$89,371, for street lighting improvements. The lease is payable in various monthly principal and interest installments at 4.63% per annum beginning January 23, 2014 with the final payment January 23, 2028.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 4,726	\$ 3,322	\$ 8,048
2020	5,186	3,103	8,289
2021	5,675	2,863	8,538
2022	6,194	2,600	8,794
2023	6,745	2,313	9,058
2024-2028	43,217	6,316	49,533
	<u>\$ 71,743</u>	<u>\$ 20,517</u>	<u>\$ 92,260</u>

LEASE PAYABLE - WATER

The Town entered into a Lease Purchase Agreement with Fowler State Bank on January 23, 2013, in the amount of \$147,737 for water system equipment. The lease is payable in varying amounts beginning January 23, 2014 with an interest rate of 3.43% and with the final payment due January 23, 2028.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 7,812	\$ 3,769	\$ 11,581
2020	8,427	3,502	11,929
2021	9,074	3,213	12,287
2022	9,754	2,901	12,655
2023	10,468	2,567	13,035
2024-2028	64,362	6,914	71,276
	<u>\$ 109,897</u>	<u>\$ 22,866</u>	<u>\$ 132,763</u>

LOAN PAYABLE 1- WATER

The Town entered into a Loan Agreement with Colorado Water Conservation Board on October 14, 2013 in the amount of \$277,245 for a water augmentation project. At December 31, 2018, the Town has drawn \$55,465 of the available balance. The loan will not become payable until one year after the completion of the project. At the time, the note will be payable over a period of 30 years, requiring annual payments, with an interest rate 2.25%.

LOAN PAYABLE 2- WATER

The Town entered into a Loan Agreement with Fowler State Bank on February 22, 2018, in the amount of \$372,000 with an interest rate of 3.95% for water treatment system improvements. The full outstanding balance was paid, plus interest, in the current fiscal year.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LOAN PAYABLE - SEWER

The Town entered into a Loan Agreement with Fowler State Bank on December 1, 1999, in the amount of \$350,000 for sewer system improvements. The loan is payable in monthly principal and interest installments of \$2,508 beginning January 1, 2000 with an interest rate of 6.00% and with the final payment due June 3, 2020.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ -	\$ 223	\$ 223
2020	<u>3,718</u>	<u>50</u>	<u>3,768</u>
	<u>\$ 3,718</u>	<u>\$ 273</u>	<u>\$ 3,991</u>

LOAN PAYABLE 2 - SEWER

The Town entered into a Loan Agreement with Fowler State Bank on March 10, 2010, in the amount of \$150,000 for sewer system improvements. The loan is payable in monthly principal and interest installments of \$1,537 beginning April 10, 2010 with an interest rate of 4.25% and with the final payment due March 10, 2020.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 17,273	\$ 1,166	\$ 18,439
2020	<u>3,814</u>	<u>32</u>	<u>3,846</u>
	<u>\$ 21,087</u>	<u>\$ 1,198</u>	<u>\$ 22,285</u>

LOAN PAYABLE 3 - SEWER

The Town entered into a Loan Agreement with Colorado Resource & Power Development Authority on June 30, 2014, in the amount of \$1,400,000 for sewer system improvements. The loan is payable in semi-annual principal and interest installments of \$35,000 beginning May 1, 2015 with an interest rate of 0.00% and with the final payment due November 1, 2034.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 70,000	\$ -	\$ 70,000
2020	70,000	-	70,000
2021	70,000	-	70,000
2022	70,000	-	70,000
2023	70,000	-	70,000
2024-2028	350,000	-	350,000
2029-2033	350,000	-	350,000
2034	<u>70,000</u>	<u>-</u>	<u>70,000</u>
	<u>\$1,120,000</u>	<u>\$ -</u>	<u>\$1,120,000</u>

LOAN PAYABLE 4 - SEWER

The Town entered into a Loan Agreement with Fowler State Bank on October 20, 2016, in the amount of \$54,925 for equipment purchases. The loan is payable in monthly principal and interest installments of \$994 beginning November 20, 2016 with an interest rate of 3.25% and with the final payment due October 20, 2021.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 11,034	\$ 896	\$ 11,930
2020	11,401	529	11,930
2021	<u>9,720</u>	<u>149</u>	<u>9,869</u>
	<u>\$ 32,155</u>	<u>\$ 1,574</u>	<u>\$ 33,729</u>

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -4 CHANGES IN LONG-TERM OBLIGATIONS (Continued)

LOAN PAYABLE – NATURAL RESOURCES

The Town entered into a Loan Agreement with Fowler State Bank on December 12, 2014, in the amount of \$1,795,000 for the purchase of land and water rights. The loan is payable in monthly principal and interest installments of \$11,175 beginning January 12, 2015 with an interest rate of 4.25% with the final payment December 12, 2034.

Annual requirements of the lease as of December 31, 2018 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 68,744	\$ 65,352	\$ 134,096
2020	71,587	62,509	134,096
2021	74,912	59,184	134,096
2022	78,204	55,892	134,096
2023	81,642	52,454	134,096
2024-2028	465,028	205,452	670,480
2029-2033	576,827	93,653	670,480
2034	<u>129,827</u>	<u>3,073</u>	<u>132,900</u>
	<u>\$1,546,771</u>	<u>\$597,569</u>	<u>\$2,144,340</u>

ESTIMATED CLOSURE AND POSTCLOSURE CARE COSTS

In 1995 the Town entered into an intergovernmental agreement with Otero County and other municipalities within the County to form Otero County Landfill, Inc. to operate the landfill within the County. The agreement transfers the liability for closure and postclosure costs to this organization. The Town and all participating entities are responsible for a portion of the costs based on an average of the population and assessed valuation of each entity to the total of all entities. Based on the current allocation, the Town's share is approximately 2.58% of the estimated \$1,905,000 in closure and post-closure costs amounting to \$49,000. These amounts are based on estimates of what it would cost to perform all closure and post-closure care in 2018. Actual costs may be higher or lower due to inflation or deflation, changes in technology, or changes in applicable laws or regulations.

The Town and other municipalities are required by state and federal laws and regulations to make certain financial assurances. These have been based on the same percentage as stated above.

	<u>Manzanola</u>	<u>Otero #1</u>	<u>OTERO #2</u>		
			<u>Module #1</u>	<u>Module #2</u>	<u>Module #3</u>
Percent of capacity	97%	100%	82%	80%	36%
Estimated closure date	2019	Closed	2019	2019	2029

Due to the significant decrease in the estimated closure and post closure costs from 2017 to 2018, the Town's allocation was reduced by \$32,138 and is reported as a special item on the statement of activities and statement of revenues, expenses and changes in net position in the Solid Waste Disposal Utility Fund.

NOTE -5 WATER FUND – CONTRIBUTED CAPITAL

During 1979, the Town of Fowler received a grant of \$160,000 from the United States Department of Agriculture, Farmers Home Administration for an addition of the Town's water system.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS

FIRE & POLICE – STATEWIDE DEFINED BENEFIT PLAN

Plan Description:

The Statewide Defined Benefit Plan (SWDB) is a cost-sharing multiple – employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978 (New Hires), provided they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The SWDB plan became effective January 1, 1980. The SWDB plan is administered by Fire & Police Pension Association of Colorado (FPPA).

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

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

Benefits Provided:

A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55.

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

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

A member may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement at age 55. A member can continue to work while participating in the DROP, but must terminate employment within 5 years of entry into DROP. The member's participating percentage of retirement benefit is determined at the time of entry into the DROP. The monthly payments that begin at the entry into the DROP are accumulated in a DROP account until the member terminates service, at which time the DROP accumulated benefits can be paid as periodic installments, a lump sum, or if desired, a member may elect to convert the DROP to a lifetime monthly benefit with survivor benefits. While participating in the DROP, the member continues to make pension contributions that are credited to the DROP. Effective January 1, 2003, the member shall self-direct investments of their DROP funds. This amount was not included in the SWDB Plan net position.

Contributions:

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

Members of the SWDB plan and their employers are contributing at the rate of 9.5 percent and 8 percent, respectively, of base salary for a total contribution rate of 17.5 percent through 2017. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments reentering the system are established by resolution and approved by the FPPA Board of Directors. The reentry group has a combined contribution rate of 21.5 percent of base salary in 2017. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the reentry group also had their required member contribution rate increase 0.5 percent annually beginning in 2015 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

The member contribution rate as of December 31, 2018 for members hired prior to April 1, 2009 was 12% and the Town's contribution rate was 10%. For members hired after April 1, 2009 the member contribution rate as of December 31, 2018 was 10% and the Town's contribution rate was 8%. Contributions to the SWDB plan from the Town were \$6,419 for the year ended December 31, 2018.

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

At December 31, 2018, the Town reported an asset of \$22,120 for its proportionate share of the SWDB net pension asset. The net pension asset was measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset was based upon the January 1, 2018 actuarial valuation. The Town's proportion of the net pension asset was based on a projection of the Town's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined at January 1, 2018. At December 31, 2017, the Town's proportion was 0.0153 percent, which was a decrease of 0.0035 from its proportion measured as of December 31, 2016.

For the year ended December 31, 2018, the Town recognized pension expense of \$39. At December 31, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 8,757	\$ 245
Changes in Assumptions	3,333	-
Net difference between projected and actual earnings on pension plan investments	-	7,511
Changes in proportion	(3,934)	-
Contributions subsequent to the measurement date	6,419	-
Total	\$ 14,575	\$ 7,756

The \$6,419 reported as deferred outflows of resources related to pensions resulting from the Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability (asset) in the year ended December 31, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<i>Year ended December 31,</i>	<i>Amortization</i>
2019	\$ 80
2020	80
2021	52
2022	36
2023	80
2024-2027	72
Total	\$ 400

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

Actuarial Assumptions:

The actuarial valuations for the Statewide Defined Benefit Plan were used to determine the total pension liability and actuarially determined contributions for the fiscal year ending December 31, 2017. The valuations used the following actuarial assumption and other inputs:

Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return *	7.5%
Projected Salary Increases *	4.0% - 14.0%
Cost of Living Adjustment COLA	0.0%
* Includes Inflation at	2.5%

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2017 are summarized in the following table:

<i>Asset Class</i>	<i>Target Allocation</i>	<i>Long-Term Expected Rate of Return</i>
Global Equity	37%	8.33%
Equity Long/Short	9%	7.15%
Illiquid Alternatives	24%	9.70%
Fixed Income	15%	3.00%
Absolute Return	9%	6.46%
Managed Futures	4%	6.85%
Cash	2%	2.26%
Total	100%	

Discount Rate:

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

Sensitivity of the Town's proportionate share of the net pension liability to changes in the discount rate:

The following presents the Town's proportionate share of the net pension liability, calculated using a discount rate of 7.50%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percent lower or one percent higher:

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -6 PENSION PLANS (Continued)

	1% Decrease <u>(6.50%)</u>	Current Discount Rate <u>(7.50%)</u>	1% Increase <u>(8.50%)</u>
Net Pension Liability (Asset)	\$ 24,083	\$ (22,120)	\$ (60,486)

Pension Plan Fiduciary Net Position:

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial report.

Subsequent Event:

The FPPA Board completed an actuarial experience study and approved changes to the actuarial assumptions effective January 1, 2019. The inflation assumption will remain at 2.5%. The investment return assumption will be reduced from 7.5% to 7.0% which will increase the cost of pension benefits. The change in the investment return assumption reflects the reduced real return expectations from recent capital market data.

NOTE -7 PENSION TRUST FUND

The Pension Trust Fund covers all employees of the Town of Fowler, Police Department. Funding is accomplished by the aggregate cost method. This cost method received contributions from the State of Colorado, the Town's General Fund, and the covered employees.

The Town currently has no employee of the Police Department that has met the vesting requirements to receive pension benefits and has never had anyone meet those requirements. The Town has obtained permission to use the collective contributions for current and future police requirements.

NOTE -8 RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts; theft of; damage to; and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Town participates in a public entity risk pool to meet its insurance needs for workers' compensation. The Town utilizes the Colorado Intergovernmental Risk Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for over 100 Colorado governmental entities. The Town pays an annual premium to CIRSA for its workers compensation coverage.

It is the intent of the members of CIRSA to create a self-sustaining entity through member premiums and reinsurance through commercial companies for workers' compensation claims in excess of \$400,000 up to \$1 million for each insured event. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

NOTE -9 CONTINGENCIES AND COMMITMENTS

The Town participated in federally assisted grant programs. Under the terms of the grants, periodic compliance audits are required by the granting agencies and certain costs may be questioned as not being appropriate expenditures under the terms of the grants and could require reimbursement. Town administration believes disallowance, if any, will be immaterial.

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -10 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.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR. The Town's management believes a significant portion of its operations qualify for this exclusion.

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 on 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). A portion of the fund balance has been restricted in compliance with this requirement. At December 31, 2018, \$14,000 of the fund balance has been restricted.

Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

In November 2003, the authorized voters of the Town of Fowler, Colorado voted to authorize the Town to collect, retain, and expend all revenues from any source collected during 2004 and grants in future periods from any source, notwithstanding the limitation of Article X, Section 20 of Colorado constitution and providing that no local tax rate or mill levy be increased without further voter approval.

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 (and qualification as an Enterprise) will require judicial interpretation.

NOTE -11 RELATED PARTY TRANSACTIONS

As indicated in Note -1, the Town entered into an intergovernmental agreement with Otero County Landfill, Inc. (OCLI) regarding a landfill operation. For the year ended December 31, 2018, the Town had paid OCLI \$17,190 for its share of the costs of which \$4,298 was due and recorded as due to other funds in the Sanitation Utility Fund. The Town has recognized \$49,100 for its share of estimated closure and post closure care costs

NOTE -12 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS

Interfund Receivables and Payables:

During the course of operations, numerous transactions occur between the Town's funds for the reimbursement of expenditures. Related interfund receivables and payables are classified as "due from other funds" and "due to other funds" on the balance sheet and statement of net position and will be settled within a reasonable time period. The composition of due to / from other funds as of December 31, 2018 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General	Water Utility	\$ 187,920
General	Sewer Utility	74,758
General	Storm Drainage	12,310
General	Natural Resources	10,042
General	Conservation Trust	3,000
General	Library	<u>23,032</u>
		<u>311,062</u>
Pool & Recreation	General	20,471
Cemetery	General	2,814
Internal Services	General	33,751
Sanitation Utility	General	<u>38,886</u>
		<u>95,922</u>

TOWN OF FOWLER, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE -12 INTERFUND RECEIVABLES, PAYABLES, TRANSFERS AND BORROWINGS (Continued)

Interfund Receivables and Payables (Continued):

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Library	Pool & Recreation	7,768
Sewer Utility	Cemetery	746
Sewer Utility	Water Utility	8,591
Sewer Utility	Storm Drainage	249
Water Utility	Natural Resources	374
Natural Resources	Sewer Utility	<u>2,576</u>
		<u>20,304</u>
		<u>\$ 427,288</u>

Interfund Transfers:

Transfers are for the use of unrestricted revenues collected in the enterprise funds to finance various programs accounted for in other funds in accordance with the Board of Trustee authorizations.

The composition of interfund transfers as of December 31, 2018 is as follows:

	<u>Transfers In (Out)</u>				<u>Total</u>
	<u>General Fund</u>	<u>Non-Major Funds</u>	<u>Internal Service</u>	<u>Proprietary Funds</u>	
<u>Transfer In (Out):</u>					
Non-Major Funds	\$ 22,156	\$ 62,244	\$ -	\$ 2,983	\$ 87,383
Internal Service	2,632	-	(2,632)	-	-
General Fund	-	20,000	22,500	-	42,500
Proprietary Funds	<u>2,796</u>	<u>-</u>	<u>-</u>	<u>(2,796)</u>	<u>-</u>
Total	<u>\$ 27,584</u>	<u>\$ 82,244</u>	<u>\$ 19,868</u>	<u>\$ 187</u>	<u>\$ 129,883</u>

Interfund Borrowings:

Related borrowings are classified as "borrowings to other funds" and "borrowings from other funds" on the balance sheet and statement of net position. The funds borrowed were unrestricted cash used to pay for outstanding debt. The composition of borrowings to/from other funds as of December 31, 2018 is as follows:

<u>Borrowings to</u>	<u>Borrowings from</u>	<u>Current</u>	<u>Long-Term</u>	<u>Total</u>
Natural Resources	Water Utility	<u>\$ 83,139</u>	<u>\$ 83,139</u>	<u>\$ 166,278</u>

NOTE -13 SUBSEQUENT EVENTS

Subsequent events have been evaluated through the report date, which represents the date the financial statements were available to be issued. Subsequent events after that date have not been evaluated.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF FOWLER, COLORADO

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

STATEWIDE DEFINED BENEFIT PLAN

LAST 10 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability (asset)	0.0153%	0.0188%	0.0176%	0.0187%
Town's proportionate share of the net pension liability (asset)	\$ (22,120)	\$ 6,786	\$ (300)	\$ (21,105)
Town's covered payroll	\$ 89,938	\$ 106,637	\$ 114,950	\$ 95,675
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	24.59%	6.36%	0.26%	22.06%
Plan fiduciary net position as a percentage of the total pension liability (asset)	106.30%	98.21%	100.10%	106.80%

* Information above is presented as of the measurement date (December 31 of the previous fiscal year.)

Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Independent Auditors' Report.

TOWN OF FOWLER, COLORADO
 SCHEDULE OF TOWN'S CONTRIBUTIONS
 STATEWIDE DEFINED BENEFIT PLAN
 LAST 10 FISCAL YEARS*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Statutorily required contribution	\$ 6,419	\$ 7,195	\$ 8,531	\$ 9,196
Contributions in relation to the statutorily required contribution	<u>(6,419)</u>	<u>(7,195)</u>	<u>(8,531)</u>	<u>(9,196)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 80,235	\$ 89,938	\$ 106,637	\$ 114,950
Contributions as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%

* Information above is presented as of the Town's fiscal year-end.

Note: Information presented since inception of GASB 68. As information becomes available, each subsequent year will be added until a full 10-year trend is compiled.

See the accompanying Independent Auditors' Report.

TOWN OF FOWLER, COLORADO

GENERAL FUND

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

YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
TAXES	\$ 322,410	\$ 322,410	\$ 350,091	\$ 27,681
LICENSES AND PERMITS	10,450	10,450	16,734	6,284
INTERGOVERNMENTAL	47,760	47,760	57,941	10,181
CHARGES FOR SERVICES	29,084	29,084	31,349	2,265
FINES	33,050	33,050	20,441	(12,609)
INTEREST	400	400	1,924	1,524
MISCELLANEOUS	35,521	35,521	74,477	38,956
TOTAL REVENUES	478,675	478,675	552,957	74,282
EXPENDITURES				
GENERAL GOVERNMENT	115,171	120,391	173,047	(52,656)
PUBLIC SAFETY	210,486	210,486	111,968	98,518
PUBLIC WORKS	40,187	40,187	30,552	9,635
CULTURE AND RECREATION	72,609	72,609	61,795	10,814
DEBT SERVICE:				
PRINCIPAL	19,239	19,239	18,436	803
INTEREST	4,000	4,000	4,803	(803)
CAPITAL OUTLAY	-	-	62,922	(62,922)
TOTAL EXPENDITURES	461,692	466,912	463,523	3,389
REVENUES OVER (UNDER) EXPENDITURES	16,983	11,763	89,434	77,671
OTHER FINANCING SOURCES				
TRANSFERS IN	6,000	6,000	27,584	21,584
TRANSFERS OUT	(22,983)	(22,983)	(42,500)	(19,517)
TOTAL OTHER FINANCING SOURCES	(16,983)	(16,983)	(14,916)	2,067
REVENUES OVER (UNDER) EXPENDITURES AND OTHER SOURCES (USES)	-	(5,220)	74,518	79,738
FUND BALANCE JANUARY 1	487,971	487,971	487,971	-
FUND BALANCE (DEFICIT) DECEMBER 31	\$ 487,971	\$ 482,751	\$ 562,489	\$ 79,738

OTHER INFORMATION

TOWN OF FOWLER, COLORADO

GENERAL FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 405,149	\$ 486,487
RECEIVABLES:		
ACCOUNTS	50,954	98,501
PROPERTY TAXES	66,353	63,956
DUE FROM OTHER FUNDS	<u>311,062</u>	<u>252,490</u>
 TOTAL ASSETS	 <u>\$ 833,518</u>	 <u>\$ 901,434</u>
 LIABILITIES		
ACCOUNTS PAYABLE	\$ 12,739	\$ 169,133
ACCRUED EXPENSES	257	2,323
DUE TO OTHER FUNDS	95,922	178,051
DUE TO OTHER ENTITIES	<u>95,758</u>	<u>-</u>
 TOTAL LIABILITIES	 <u>204,676</u>	 <u>349,507</u>
 DEFERRED INFLOWS OF RESOURCES		
DEFERRED REVENUES - PROPERTY TAXES	<u>66,353</u>	<u>63,956</u>
 FUND BALANCE		
RESTRICTED FOR		
EMERGENCIES - TABOR	14,000	23,400
UNASSIGNED	<u>548,489</u>	<u>464,571</u>
 TOTAL FUND BALANCE	 <u>562,489</u>	 <u>487,971</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	 <u>\$ 833,518</u>	 <u>\$ 901,434</u>

TOWN OF FOWLER, COLORADO

GENERAL FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
REVENUES		
TAXES	\$ 350,091	\$ 302,840
LICENSES AND PERMITS	16,734	11,570
INTERGOVERNMENTAL	57,941	46,308
CHARGES FOR SERVICES	31,349	32,639
FINES	20,441	17,916
INTEREST	1,924	873
MISCELLANEOUS	74,477	228,895
	<hr/>	<hr/>
TOTAL REVENUES	552,957	641,041
	<hr/>	<hr/>
EXPENDITURES		
GENERAL GOVERNMENT	173,047	233,831
PUBLIC SAFETY	111,968	180,325
PUBLIC WORKS	30,552	51,318
CULTURE AND RECREATION	61,795	53,794
DEBT SERVICE:		
PRINCIPAL	18,436	17,565
INTEREST	4,803	5,448
CAPITAL OUTLAY	62,922	-
	<hr/>	<hr/>
TOTAL EXPENDITURES	463,523	542,281
	<hr/>	<hr/>
REVENUES OVER (UNDER) EXPENDITURES	89,434	98,760
	<hr/>	<hr/>
OTHER FINANCING SOURCES		
TRANSFERS IN	27,584	30,881
TRANSFERS (OUT)	(42,500)	(20,000)
	<hr/>	<hr/>
TOTAL OTHER FINANCING SOURCES	(14,916)	10,881
	<hr/>	<hr/>
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	74,518	109,641
	<hr/>	<hr/>
FUND BALANCE JANUARY 1	487,971	378,330
	<hr/>	<hr/>
FUND BALANCE (DEFICIT) DECEMBER 31	<u>\$ 562,489</u>	<u>\$ 487,971</u>

TOWN OF FOWLER, COLORADO

NONMAJOR GOVERNMENTAL FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2018

	CONSERVATION TRUST	LIBRARY	CEMETERY	POOL & RECREATION	TOTAL
ASSETS					
CASH OR EQUIVALENTS	\$ 16,751	\$ 66,149	\$ 89,985	\$ 93,155	\$ 266,040
DUE FROM OTHER FUNDS	-	7,768	2,814	20,471	31,053
TOTAL ASSETS	<u>\$ 16,751</u>	<u>\$ 73,917</u>	<u>\$ 92,799</u>	<u>\$ 113,626</u>	<u>\$ 297,093</u>
LIABILITIES					
DUE TO OTHER FUNDS	\$ 3,000	\$ 23,032	\$ 746	\$ 7,768	\$ 34,546
TOTAL LIABILITIES	<u>3,000</u>	<u>23,032</u>	<u>746</u>	<u>7,768</u>	<u>34,546</u>
FUND BALANCE					
RESTRICTED	13,751	-	-	-	13,751
ASSIGNED	-	50,885	92,053	105,858	248,796
TOTAL FUND BALANCE	<u>13,751</u>	<u>50,885</u>	<u>92,053</u>	<u>105,858</u>	<u>262,547</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 16,751</u>	<u>\$ 73,917</u>	<u>\$ 92,799</u>	<u>\$ 113,626</u>	<u>\$ 297,093</u>

TOWN OF FOWLER, COLORADO
NONMAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEAR ENDED DECEMBER 31, 2018

	CONSERVATION TRUST	LIBRARY	CEMETERY	POOL & RECREATION	TOTAL
REVENUES					
TAXES	\$ -	\$ 34,116	\$ 34,106	\$ 34,106	\$ 102,328
INTERGOVERNMENTAL	11,604	-	-	-	11,604
CHARGES FOR SERVICES	-	5,032	-	-	5,032
GRANTS	-	4,000	-	-	4,000
MISCELLANEOUS	170	346	3,776	2,819	7,111
TOTAL REVENUES	11,774	43,494	37,882	36,925	130,075
EXPENDITURES					
CULTURE AND RECREATION	2,000	51,373	257	3,210	56,840
CAPITAL OUTLAY	-	-	-	57,374	57,374
TOTAL EXPENDITURES	2,000	51,373	257	60,584	114,214
REVENUES OVER (UNDER) EXPENDITURES	9,774	(7,879)	37,625	(23,659)	15,861
OTHER FINANCING SOURCES					
TRANSFERS IN	-	20,000	-	62,244	82,244
TRANSFERS OUT	(62,244)	(5,718)	(8,703)	(10,718)	(87,383)
CONTRIBUTIONS	-	-	10,000	-	10,000
TOTAL OTHER FINANCING SOURCES	(62,244)	14,282	1,297	51,526	4,861
REVENUES OVER (UNDER) EXPENDITURES AND OTHER FINANCING SOURCES	(52,470)	6,403	38,922	27,867	20,722
FUND BALANCE JANUARY 1	66,221	44,482	53,131	77,991	241,825
FUND BALANCE DECEMBER 31	<u>\$ 13,751</u>	<u>\$ 50,885</u>	<u>\$ 92,053</u>	<u>\$ 105,858</u>	<u>\$ 262,547</u>

TOWN OF FOWLER, COLORADO

CONSERVATION TRUST FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CASH OR EQUIVALENTS	<u>\$ 16,751</u>	<u>\$ 73,891</u>
 LIABILITIES		
DUE TO OTHER FUNDS	\$ 3,000	\$ 7,670
 FUND BALANCE		
RESTRICTED	<u>13,751</u>	<u>66,221</u>
 TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 16,751</u>	<u>\$ 73,891</u>

TOWN OF FOWLER, COLORADO

CONSERVATION TRUST FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018		VARIANCE	2017
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
INTERGOVERNMENTAL INTEREST	\$ 11,604 170	\$ 12,500 100	\$ (896) 70	\$ 11,505 -
TOTAL REVENUES	11,774	12,600	(826)	11,505
EXPENDITURES				
RECREATION	2,000	1,000	(1,000)	3,500
TOTAL EXPENDITURES	2,000	1,000	(1,000)	3,500
REVENUES OVER (UNDER) EXPENDITURES	9,774	11,600	(1,826)	8,005
OTHER FINANCING SOURCES (USES)				
TRANSFER OUT	(62,244)	(62,244)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(62,244)	(62,244)	-	-
CHANGE IN FUND BALANCE	(52,470)	(50,644)	(1,826)	8,005
FUND BALANCE JANUARY 1	66,221	66,221	-	58,216
FUND BALANCE DECEMBER 31	\$ 13,751	\$ 15,577	\$ (1,826)	\$ 66,221

TOWN OF FOWLER, COLORADO

LIBRARY FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 66,149	\$ 57,458
TAXES RECEIVABLE	-	4,902
DUE FROM OTHER FUNDS	<u>7,768</u>	<u>7,768</u>
TOTAL ASSETS	<u>\$ 73,917</u>	<u>\$ 70,128</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 643
ACCRUED SALARIES	-	474
DUE TO OTHER FUNDS	<u>23,032</u>	<u>24,529</u>
TOTAL LIABILITIES	23,032	25,646
FUND BALANCE ASSIGNED	<u>50,885</u>	<u>44,482</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 73,917</u>	<u>\$ 70,128</u>

TOWN OF FOWLER, COLORADO

LIBRARY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018		VARIANCE	2017
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TAXES	\$ 34,116	\$ 29,000	\$ 5,116	\$ 30,540
CHARGES FOR SERVICES	5,032	1,675	3,357	1,855
GRANTS	4,000	4,000	-	4,000
OTHER	346	500	(154)	664
TOTAL REVENUES	43,494	35,175	8,319	37,059
EXPENDITURES				
SALARIES & BENEFITS	29,255	32,657	3,402	27,237
SUPPLIES	2,557	2,215	(342)	1,175
UTILITIES	6,397	5,275	(1,122)	5,713
BOOKS & SUBSCRIPTIONS	9,740	14,002	4,262	10,754
REPAIRS & MAINTENANCE	3,424	206	(3,218)	2,007
TOTAL EXPENDITURES	51,373	54,355	2,982	46,886
REVENUES OVER (UNDER) EXPENDITURES	(7,879)	(19,180)	11,301	(9,827)
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	20,000	20,000	-	
TRANSFERS OUT	(5,718)	-	(5,718)	20,000
TOTAL OTHER FINANCING SOURCES (USES)	14,282	20,000	(5,718)	20,000
CHANGE IN FUND BALANCE	6,403	820	5,583	10,173
FUND BALANCE JANUARY 1	44,482	44,482	-	34,309
FUND BALANCE DECEMBER 31	\$ 50,885	\$ 45,302	\$ 5,583	\$ 44,482

TOWN OF FOWLER, COLORADO

CEMETERY FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 89,985	\$ 53,548
TAXES RECEIVABLE	-	4,902
DUE FROM OTHER FUNDS	<u>2,814</u>	<u>-</u>
TOTAL ASSETS	<u>\$ 92,799</u>	<u>\$ 58,450</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ -
DUE TO OTHER FUNDS	<u>746</u>	<u>5,319</u>
TOTAL LIABILITIES	746	5,319
FUND BALANCE		
ASSIGNED	<u>92,053</u>	<u>53,131</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 92,799</u>	<u>\$ 58,450</u>

TOWN OF FOWLER, COLORADO

CEMETERY FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018		VARIANCE	2017
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TAXES	\$ 34,106	\$ 28,300	\$ 5,806	\$ 29,540
OTHER	3,776	100	3,676	144
TOTAL REVENUES	37,882	28,400	9,482	29,684
EXPENDITURES				
REPAIRS & MAINTENANCE	257	25,397	25,140	412
CAPITAL OUTLAY	-	-	-	4,256
TOTAL EXPENDITURES	257	25,397	25,140	4,668
REVENUES OVER (UNDER) EXPENDITURES	37,625	3,003	34,622	25,016
OTHER FINANCING SOURCES (USES)				
TRANSFER OUT	(8,703)	(2,983)	(5,720)	(2,982)
CONTRIBUTIONS	10,000	-	10,000	-
TOTAL OTHER FINANCING SOURCES (USES)	1,297	(2,983)	4,280	(2,982)
CHANGE IN FUND BALANCE	38,922	20	38,902	22,034
FUND BALANCE JANUARY 1	53,131	53,131	-	31,097
FUND BALANCE DECEMBER 31	\$ 92,053	\$ 53,151	\$ 38,902	\$ 53,131

TOWN OF FOWLER, COLORADO

POOL & RECREATION FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
ASSETS		
CASH OR EQUIVALENTS	\$ 93,155	\$ 67,560
TAXES RECEIVABLE	-	4,902
DUE FROM OTHER FUNDS	<u>20,471</u>	<u>18,018</u>
TOTAL ASSETS	<u>\$ 113,626</u>	<u>\$ 90,480</u>
LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 227
DUE TO OTHER FUNDS	<u>7,768</u>	<u>12,262</u>
TOTAL LIABILITIES	7,768	12,489
FUND BALANCE ASSIGNED	<u>105,858</u>	<u>77,991</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 113,626</u>	<u>\$ 90,480</u>

TOWN OF FOWLER, COLORADO

POOL & RECREATION FUND

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018		VARIANCE	2017
	ACTUAL	BUDGET	FAVORABLE (UNFAVORABLE)	ACTUAL
REVENUES				
TAXES	\$ 34,106	\$ 28,300	\$ 5,806	\$ 29,540
INTEREST	234	70	\$ 164	
OTHER	2,585	-	2,585	167
TOTAL REVENUES	36,925	28,370	8,555	29,707
EXPENDITURES				
REPAIRS & MAINTENANCE	\$ 3,210	3,572	362	\$ 3,955
CAPITAL OUTLAY	57,374	42,854	(14,520)	26,364
TOTAL EXPENDITURES	60,584	46,426	(14,158)	30,319
REVENUES OVER (UNDER) EXPENDITURES	(23,659)	(18,056)	(5,603)	(612)
OTHER FINANCING SOURCES (USES)				
TRANSFERS IN	62,244	62,244	-	-
TRANSFERS OUT	(10,718)	(5,000)	(5,718)	
TOTAL OTHER FINANCING SOURCES (USES)	51,526	57,244	(5,718)	-
CHANGE IN FUND BALANCE	27,867	39,188	(11,321)	(612)
FUND BALANCE JANUARY 1	77,991	77,991	-	78,603
FUND BALANCE DECEMBER 31	\$ 105,858	\$ 117,179	\$ (11,321)	\$ 77,991

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	2018	2017
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 86,412	\$ 46,678
ACCOUNTS RECEIVABLE	41,814	33,990
GRANTS RECEIVABLE	128,663	-
PREPAID EXPENSES	7,470	-
DUE FROM OTHER FUNDS	457	54,174
INVENTORY	65,709	60,946
TOTAL CURRENT ASSETS	<u>330,525</u>	<u>195,788</u>
RESTRICTED ASSETS		
RESTRICTED CASH	<u>252,133</u>	<u>175,301</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	3,151,772	2,825,970
ACCUMULATED DEPRECIATION	<u>(1,853,702)</u>	<u>(1,816,507)</u>
NET PROPERTY AND EQUIPMENT	<u>1,298,070</u>	<u>1,009,463</u>
TOTAL ASSETS	<u>\$ 1,880,728</u>	<u>\$ 1,380,552</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ 4,504	\$ 10,027
ACCRUED SALARIES AND BENEFITS	-	1,690
COMPENSATED ABSENCES	4,587	4,587
ACCRUED INTEREST PAYABLE	7,243	-
DUE TO OTHER FUNDS	196,594	163,693
LEASE PAYABLE - CURRENT	7,812	7,226
BORROWINGS FROM OTHER FUND - CURRENT	<u>83,139</u>	<u>-</u>
TOTAL CURRENT LIABILITIES	<u>303,879</u>	<u>187,223</u>
TERM LIABILITIES		
NOTE PAYABLE	55,465	165,368
LEASE PAYABLE	102,086	-
BORROWINGS FROM OTHER FUND	<u>83,139</u>	<u>-</u>
TOTAL TERM LIABILITIES	<u>240,690</u>	<u>165,368</u>
OTHER LIABILITIES		
CUSTOMER DEPOSITS	<u>12,035</u>	<u>11,454</u>
TOTAL LIABILITIES	<u>556,604</u>	<u>364,045</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	1,132,707	836,869
RESTRICTED FOR:		
FACILITY FEES	199,814	175,301
DEBT SERVICE	52,319	52,319
UNRESTRICTED	<u>(60,716)</u>	<u>(47,982)</u>
TOTAL NET POSITION	<u>1,324,124</u>	<u>1,016,507</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 1,880,728</u>	<u>\$ 1,380,552</u>

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 321,321	\$ 312,479
OTHER	881	598
	<u>322,202</u>	<u>313,077</u>
OPERATING EXPENSES		
SOURCE OF SUPPLY	141,823	121,138
SUPPLY MAINTENANCE	14,717	10,807
DISTRIBUTION AND OPERATING SUPPLIES	63,178	77,716
ACCOUNTING AND GENERAL ADMINISTRATION	64,185	85,854
DEPRECIATION	37,195	41,851
	<u>321,098</u>	<u>337,366</u>
TOTAL OPERATING EXPENSES		
	<u>1,104</u>	<u>(24,289)</u>
OPERATING INCOME		
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	2,376	-
GRANTS	241,662	7,197
INTEREST EXPENSE	(6,747)	(9,285)
	<u>237,291</u>	<u>(2,088)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>238,395</u>	<u>(26,377)</u>
INCOME (LOSS) BEFORE TRANSFERS		
TRANSFER IN	75,000	-
TRANSFER (OUT)	(5,778)	(2,983)
	<u>69,222</u>	<u>(2,983)</u>
TOTAL TRANSFERS		
	307,617	(29,360)
CHANGE IN NET POSITION		
NET POSITION JANUARY 1	<u>1,016,507</u>	<u>1,045,867</u>
NET POSITION DECEMBER 31	<u>\$ 1,324,124</u>	<u>\$ 1,016,507</u>

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 314,378	\$ 309,163
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(103,938)	(226,589)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(112,212)	(120,791)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>98,228</u>	<u>(38,217)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	69,222	(2,983)
GRANTS	112,999	14,726
NET CASH PROVIDED BY (USED FOR) NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>182,221</u>	<u>11,743</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(325,803)	(17,586)
PROCEEDS FROM DEBT	168,564	42,360
INTEREST PAID ON DEBT	-	(9,285)
PRINCIPAL PAID ON DEBT	(175,796)	(6,670)
BORROWINGS FROM OTHER FUND	166,278	-
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(166,757)</u>	<u>8,819</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	2,874	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	116,566	(17,655)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>221,979</u>	<u>239,634</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 338,545</u>	<u>\$ 221,979</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 1,104</u>	<u>\$ (24,289)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
DEPRECIATION	37,195	41,851
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(7,824)	(3,540)
PREPAID EXPENSES	(7,470)	-
INVENTORIES	(4,763)	2,188
DUE FROM (TO) OTHER FUNDS	86,618	(39,210)
ACCOUNTS PAYABLE	(5,523)	(14,998)
ACCRUED SALARIES AND BENEFITS	(1,690)	156
CUSTOMER DEPOSITS	581	(375)
TOTAL ADJUSTMENTS	<u>97,124</u>	<u>(13,928)</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ 98,228</u>	<u>\$ (38,217)</u>

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 290,674	\$ 160,815
CASH WITH TRUSTEE	1,201,241	1,247,695
ACCOUNTS RECEIVABLE	63,487	40,572
GRANTS RECEIVABLE	-	6,495
DUE FROM OTHER FUNDS	9,585	14,338
	<u>1,564,987</u>	<u>1,469,915</u>
TOTAL CURRENT ASSETS		
RESTRICTED ASSETS		
RESTRICTED CASH	<u>194,382</u>	<u>106,123</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	1,765,135	1,724,662
ACCUMULATED DEPRECIATION	<u>(1,075,952)</u>	<u>(1,008,855)</u>
	<u>689,183</u>	<u>715,807</u>
NET PROPERTY AND EQUIPMENT		
TOTAL ASSETS	<u>\$ 2,448,552</u>	<u>\$ 2,291,845</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 4,096
ACCRUED SALARIES AND BENEFITS	-	1,077
COMPENSATED ABSENCES	2,579	4,758
DUE TO OTHER FUNDS	77,334	31,750
NOTE PAYABLE - CURRENT	<u>98,307</u>	<u>126,740</u>
	178,220	168,421
TOTAL CURRENT LIABILITIES		
TERM LIABILITIES		
NOTE PAYABLE	<u>1,078,652</u>	<u>1,177,009</u>
	<u>1,256,872</u>	<u>1,345,430</u>
TOTAL LIABILITIES		
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	588,175	602,058
RESTRICTED FOR:		
FACILITY FEES	194,382	106,123
OPERATION AND MAINTENANCE	32,900	33,700
UNRESTRICTED	<u>376,223</u>	<u>204,534</u>
	<u>1,191,680</u>	<u>946,415</u>
TOTAL NET POSITION		
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,448,552</u>	<u>\$ 2,291,845</u>

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 437,077	\$ 329,131
OTHER	179	589
TOTAL OPERATING REVENUES	<u>437,256</u>	<u>329,720</u>
OPERATING EXPENSES		
COLLECTION SYSTEM	78,542	85,643
ACCOUNTING AND GENERAL ADMINISTRATION	52,932	48,882
DEPRECIATION	67,097	63,605
TOTAL OPERATING EXPENSES	<u>198,571</u>	<u>198,130</u>
OPERATING INCOME	<u>238,685</u>	<u>131,590</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	1,301	358
GRANTS	-	34,750
INTEREST EXPENSE	(3,669)	(6,453)
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>(2,368)</u>	<u>28,655</u>
INCOME (LOSS) BEFORE TRANSFERS	236,317	160,245
TRANSFERS IN	<u>8,948</u>	<u>8,948</u>
CHANGE IN NET POSITION	245,265	169,193
NET POSITION JANUARY 1	<u>946,415</u>	<u>777,222</u>
NET POSITION DECEMBER 31	<u>\$ 1,191,680</u>	<u>\$ 946,415</u>

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 414,341	\$ 319,516
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(31,779)	(84,087)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(56,710)	(70,419)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>325,852</u>	<u>165,010</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	8,948	8,948
GRANTS	6,495	42,423
NET CASH PROVIDED BY (USED FOR) NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>15,443</u>	<u>51,371</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
ACQUISITION OF CAPITAL ASSETS	(40,473)	(96,528)
INTEREST PAID ON DEBT	(3,669)	(6,453)
PRINCIPAL PAID ON DEBT	(126,790)	(124,012)
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(170,932)</u>	<u>(226,993)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	1,301	358
NET CHANGE IN CASH AND CASH EQUIVALENTS	171,664	(10,254)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	1,514,633	1,524,887
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 1,686,297</u>	<u>\$ 1,514,633</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 238,685</u>	<u>\$ 131,590</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	67,097	63,605
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(22,915)	(10,204)
INVENTORIES	-	5,028
DUE FROM (TO) OTHER FUNDS	50,337	(2,188)
ACCOUNTS PAYABLE	(4,096)	(23,764)
ACCRUED SALARIES AND BENEFITS	(1,077)	943
COMPENSATED ABSENCES	(2,179)	-
TOTAL ADJUSTMENTS	<u>87,167</u>	<u>33,420</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 325,852</u>	<u>\$ 165,010</u>

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 100,209	\$ 83,536
ACCOUNTS RECEIVABLE	6,230	5,368
DUE FROM OTHER FUNDS	<u>75,000</u>	<u>75,000</u>
TOTAL CURRENT ASSETS	<u>\$ 181,439</u>	<u>\$ 163,904</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 4,433
DUE TO OTHER FUNDS	36,114	16,316
ACCRUED LANDFILL - CURRENT PORTION	<u>12,275</u>	<u>2,437</u>
TOTAL CURRENT LIABILITIES	48,389	23,186
TERM LIABILITIES		
ACCRUED LANDFILL COSTS	<u>36,825</u>	<u>78,801</u>
TOTAL LIABILITIES	<u>85,214</u>	<u>101,987</u>
NET POSITION		
UNRESTRICTED	<u>96,225</u>	<u>61,917</u>
TOTAL NET POSITION	<u>96,225</u>	<u>61,917</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 181,439</u>	<u>\$ 163,904</u>

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 47,568	\$ 48,077
OPERATING EXPENSES		
COLLECTION	40,142	57,895
ACCOUNTING AND GENERAL ADMINISTRATION	<u>5,393</u>	<u>6,374</u>
TOTAL OPERATING EXPENSES	<u>45,535</u>	<u>64,269</u>
OPERATING INCOME (LOSS)	2,033	(16,192)
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	<u>137</u>	<u>51</u>
INCOME (LOSS) BEFORE SPECIAL ITEM	2,170	(16,141)
SPECIAL ITEM	<u>32,138</u>	<u>41,562</u>
CHANGE IN NET POSITION	34,308	25,421
NET POSITION JANUARY 1	<u>61,917</u>	<u>36,496</u>
NET POSITION DECEMBER 31	<u>\$ 96,225</u>	<u>\$ 61,917</u>

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 46,706	\$ 50,047
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(14,732)	(51,111)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(15,438)	(13,057)
	<u>16,536</u>	<u>(14,121)</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES		
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	137	51
	<u>137</u>	<u>51</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	16,673	(14,070)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>83,536</u>	<u>97,606</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 100,209</u>	<u>\$ 83,536</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 2,033</u>	<u>\$ (16,192)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(862)	1,970
DUE FROM (TO) OTHER FUNDS	19,798	101
ACCOUNTS PAYABLE	(4,433)	-
	<u>14,503</u>	<u>2,071</u>
TOTAL ADJUSTMENTS		
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 16,536</u>	<u>\$ (14,121)</u>

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 31,543	\$ 35,126
ACCOUNTS RECEIVABLE	1,132	1,572
TOTAL CURRENT ASSETS	<u>\$ 32,675</u>	<u>\$ 36,698</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 141
DUE TO OTHER FUNDS	12,558	6,615
TOTAL CURRENT LIABILITIES	12,558	6,756
NET POSITION		
UNRESTRICTED	<u>20,117</u>	<u>29,942</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 32,675</u>	<u>\$ 36,698</u>

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 11,479	\$ 12,567
TOTAL OPERATING REVENUES	<u>11,479</u>	<u>12,567</u>
OPERATING EXPENSES		
COLLECTION SYSTEM	8,129	12,138
ACCOUNTING AND GENERAL ADMINISTRATION	<u>10,267</u>	<u>6,167</u>
TOTAL OPERATING EXPENSES	<u>18,396</u>	<u>18,305</u>
OPERATING INCOME (LOSS)	<u>(6,917)</u>	<u>(5,738)</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	<u>75</u>	<u>45</u>
TOTAL NONOPERATING REVENUES (EXPENSES)	<u>75</u>	<u>45</u>
INCOME (LOSS) BEFORE TRANSFERS	(6,842)	(5,693)
TRANSFER OUT	<u>(2,983)</u>	<u>(2,983)</u>
CHANGE IN NET POSITION	(9,825)	(8,676)
NET POSITION JANUARY 1	<u>29,942</u>	<u>38,618</u>
NET POSITION DECEMBER 31	<u>\$ 20,117</u>	<u>\$ 29,942</u>

TOWN OF FOWLER, COLORADO

STORM DRAINAGE FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 11,919	\$ 12,343
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(2,623)	(6,624)
CASH PAYMENTS TO EMPLOYEES FOR SERVICES	(9,971)	(11,137)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>(675)</u>	<u>(5,418)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	<u>(2,983)</u>	<u>(2,983)</u>
NET CASH PROVIDED BY (USED FOR) NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(2,983)</u>	<u>(2,983)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	<u>75</u>	<u>45</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	(3,583)	(8,356)
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>35,126</u>	<u>43,482</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 31,543</u>	<u>\$ 35,126</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ (6,917)</u>	<u>\$ (5,738)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:		
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	440	(224)
DUE FROM (TO) OTHER FUNDS	5,943	403
ACCOUNTS PAYABLE	(141)	141
TOTAL ADJUSTMENTS	<u>6,242</u>	<u>320</u>
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	<u>\$ (675)</u>	<u>\$ (5,418)</u>

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 47,358	\$ 197,352
ACCOUNTS RECEIVABLE	23,051	17,841
DUE FROM OTHER FUNDS	2,576	2,576
BORROWINGS TO OTHER FUND - CURRENT	83,139	-
TOTAL CURRENT ASSETS	<u>156,124</u>	<u>217,769</u>
OTHER ASSETS		
BORROWINGS TO OTHER FUND	<u>83,139</u>	<u>-</u>
PROPERTY AND EQUIPMENT		
LAND, WATER RIGHTS AND BUILDING - AT COST	1,798,059	1,798,059
ACCUMULATED DEPRECIATION	<u>(28,792)</u>	<u>(21,594)</u>
NET PROPERTY AND EQUIPMENT	<u>1,769,267</u>	<u>1,776,465</u>
TOTAL ASSETS	<u>\$ 2,008,530</u>	<u>\$ 1,994,234</u>
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	\$ -	\$ 703
ACCRUED INTEREST PAYABLE	4,503	3,485
DUE TO OTHER FUNDS	10,415	11,909
NOTE PAYABLE - CURRENT	<u>68,744</u>	<u>65,850</u>
TOTAL CURRENT LIABILITIES	83,662	81,947
TERM LIABILITIES		
NOTE PAYABLE	1,478,027	1,547,900
OTHER LIABILITIES		
CUSTOMER DEPOSITS	<u>900</u>	<u>900</u>
TOTAL LIABILITIES	<u>1,562,589</u>	<u>1,630,747</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS UNRESTRICTED	<u>222,496</u> <u>223,445</u>	<u>162,715</u> <u>200,772</u>
TOTAL NET POSITION	<u>445,941</u>	<u>363,487</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 2,008,530</u>	<u>\$ 1,994,234</u>

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
CHARGES FOR SERVICES	\$ 161,855	\$ 156,478
RENT	78,300	77,400
	<u>240,155</u>	<u>233,878</u>
OPERATING EXPENSES		
ASSESSMENTS	1,890	7,333
REPAIRS AND MAINTENANCE	5,920	14,651
DEPRECIATION	7,198	7,198
	<u>15,008</u>	<u>29,182</u>
TOTAL OPERATING EXPENSES		
	<u>225,147</u>	<u>204,696</u>
OPERATING INCOME		
	<u>225,147</u>	<u>204,696</u>
NONOPERATING REVENUES (EXPENSES)		
INTEREST INCOME	442	181
INTEREST EXPENSE	(68,135)	(75,074)
	<u>(67,693)</u>	<u>(74,893)</u>
TOTAL NONOPERATING REVENUES (EXPENSES)		
	<u>(67,693)</u>	<u>(74,893)</u>
INCOME (LOSS) BEFORE TRANSFERS	157,454	129,803
TRANSFER OUT	(75,000)	(30,881)
	<u>82,454</u>	<u>98,922</u>
CHANGE IN NET POSITION		
	<u>82,454</u>	<u>98,922</u>
NET POSITION JANUARY 1	363,487	264,565
	<u>363,487</u>	<u>264,565</u>
NET POSITION DECEMBER 31	<u>\$ 445,941</u>	<u>\$ 363,487</u>

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
CASH RECEIVED FROM CUSTOMERS	\$ 156,645	\$ 156,861
CASH RECEIVED FROM RENT	78,300	77,400
CASH PAYMENTS TO SUPPLIERS OF GOODS OR SERVICES	(10,007)	(13,949)
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>224,938</u>	<u>220,312</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	(75,000)	(30,881)
NET CASH PROVIDED BY (USED FOR) NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>(75,000)</u>	<u>(30,881)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
INTEREST PAID ON DEBT	(67,117)	(71,589)
PRINCIPAL PAID ON DEBT	(66,979)	(63,143)
BORROWINGS FROM OTHER FUND	(166,278)	-
NET CASH USED FOR CAPITAL AND RELATED FINANCING ACTIVITIES	<u>(300,374)</u>	<u>(134,732)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
INTEREST ON INVESTMENTS AND OTHER	442	181
NET CHANGE IN CASH AND CASH EQUIVALENTS	(149,994)	54,880
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>197,352</u>	<u>142,472</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 47,358</u>	<u>\$ 197,352</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ 225,147</u>	<u>\$ 204,696</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	7,198	7,198
CHANGE IN ASSETS AND LIABILITIES		
ACCOUNTS RECEIVABLE	(5,210)	382
PREPAID EXPENSES	-	7,333
DUE FROM (TO) OTHER FUNDS	(1,494)	-
ACCOUNTS PAYABLE	(703)	703
TOTAL ADJUSTMENTS	<u>(209)</u>	<u>15,616</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ 224,938</u>	<u>\$ 220,312</u>

TOWN OF FOWLER, COLORADO

WATER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	\$ 307,600	\$ 307,600	\$ 321,321	\$ 13,721
INTEREST INCOME	260	260	2,376	2,116
GRANTS	1,010,698	1,010,698	241,662	(769,036)
OTHER	5,500	5,500	881	(4,619)
TOTAL REVENUES	1,324,058	1,324,058	566,240	(757,818)
EXPENDITURES				
SOURCE OF SUPPLY	149,191	178,941	141,823	37,118
SUPPLY MAINTENANCE	8,000	8,000	14,717	(6,717)
DISTRIBUTION AND OPERATING SUPPLIES	50,900	50,900	63,178	(12,278)
ACCOUNTING AND GENERAL ADMINISTRATION	67,130	67,130	64,185	2,945
DEPRECIATION	54,000	54,000	37,195	16,805
INTEREST EXPENSE	10,255	10,255	6,747	3,508
DEBT RETIREMENT	13,797	13,797	175,796	(161,999)
CAPITAL OUTLAY	1,431,198	1,431,198	325,803	1,105,395
TOTAL EXPENDITURES	1,784,471	1,814,221	829,444	984,777
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(460,413)	(490,163)	(263,204)	226,959
OTHER FINANCING SOURCES				
TRANSFERS	72,017	72,017	69,222	(2,795)
DEBT PROCEEDS	274,500	274,500	168,564	(105,936)
	<u>\$ (113,896)</u>	<u>\$ (143,646)</u>	(25,418)	<u>\$ 118,228</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
CAPITAL OUTLAY			325,803	
DEBT RETIREMENT			175,796	
DEBT PROCEEDS			(168,564)	
CHANGE IN NET POSITION			307,617	
NET POSITION JANUARY 1			<u>1,016,507</u>	
NET POSITION DECEMBER 31			<u>\$ 1,324,124</u>	

TOWN OF FOWLER, COLORADO

SEWER UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	\$ 425,696	\$ 425,696	\$ 437,077	\$ 11,381
INTEREST INCOME	290	290	1,301	1,011
GRANTS	600,000	600,000	-	(600,000)
OTHER	-	-	179	179
TOTAL REVENUES	<u>1,025,986</u>	<u>1,025,986</u>	<u>438,557</u>	<u>(587,429)</u>
EXPENDITURES				
COLLECTION SYSTEM	213,524	213,524	78,542	134,982
ACCOUNTING AND GENERAL ADMINISTRATION	37,056	37,056	52,932	(15,876)
DEPRECIATION	64,000	64,000	67,097	(3,097)
INTEREST EXPENSE	3,724	3,724	3,669	55
DEBT RETIREMENT	211,740	211,740	126,790	84,950
CAPITAL OUTLAY	3,600,000	3,600,000	40,473	3,559,527
TOTAL EXPENDITURES	<u>4,130,044</u>	<u>4,130,044</u>	<u>369,503</u>	<u>3,760,541</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(3,104,058)	(3,104,058)	69,054	3,173,112
OTHER FINANCING SOURCES				
TRANSFERS	(11,932)	(11,932)	8,948	20,880
DEBT PROCEEDS	3,000,000	3,000,000	-	(3,000,000)
	<u>\$ (115,990)</u>	<u>\$ (115,990)</u>	78,002	<u>\$ 193,992</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
CAPITAL OUTLAY			40,473	
DEBT RETIREMENT			126,790	
DEBT PROCEEDS			-	
CHANGE IN NET POSITION			245,265	
NET POSITION JANUARY 1			<u>946,415</u>	
NET POSITION DECEMBER 31			<u>\$ 1,191,680</u>	

TOWN OF FOWLER, COLORADO

SANITATION UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 46,900	\$ 46,900	\$ 47,568	\$ 668
INTEREST INCOME	24	24	137	113
TOTAL REVENUES	<u>46,924</u>	<u>46,924</u>	<u>47,705</u>	<u>781</u>
EXPENDITURES				
COLLECTION	39,232	39,232	40,142	(910)
ACCOUNTING AND GENERAL ADMINISTRATION	<u>5,949</u>	<u>5,949</u>	<u>5,393</u>	<u>556</u>
TOTAL EXPENDITURES	<u>45,181</u>	<u>45,181</u>	<u>45,535</u>	<u>(354)</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE SPECIAL ITEM	1,743	1,743	2,170	427
SPECIAL ITEM	-	-	<u>32,138</u>	<u>32,138</u>
CHANGE IN NET POSITION	<u>\$ 1,743</u>	<u>\$ 1,743</u>	34,308	<u>\$ 32,565</u>
NET POSITION JANUARY 1			<u>61,917</u>	
NET POSITION DECEMBER 31			<u>\$ 96,225</u>	

TOWN OF FOWLER, COLORADO

STORM DRAINAGE UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE
	ORIGINAL	FINAL		FAVORABLE (UNFAVORABLE)
REVENUES				
CHARGES FOR SERVICES	\$ 12,516	\$ 12,516	\$ 11,479	\$ (1,037)
INTEREST INCOME	20	20	75	55
TOTAL REVENUES	<u>12,536</u>	<u>12,536</u>	<u>11,554</u>	<u>(982)</u>
EXPENDITURES				
COLLECTION SYSTEM	9,283	9,283	8,129	1,154
ACCOUNTING AND GENERAL ADMINISTRATION	4,124	4,124	10,267	(6,143)
TOTAL EXPENDITURES	<u>13,407</u>	<u>13,407</u>	<u>18,396</u>	<u>(4,989)</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	(871)	(871)	(6,842)	(5,971)
OTHER FINANCING SOURCES				
TRANSFERS	(2,983)	(2,983)	(2,983)	-
CHANGE IN NET POSITION	<u>\$ (3,854)</u>	<u>\$ (3,854)</u>	<u>(9,825)</u>	<u>\$ (5,971)</u>
NET POSITION JANUARY 1			<u>29,942</u>	
NET POSITION DECEMBER 31			<u>\$ 20,117</u>	

TOWN OF FOWLER, COLORADO

NATURAL RESOURCES UTILITY FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION BUDGET AND ACTUAL

YEAR ENDED DECEMBER 31, 2018

	BUDGET		ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
	ORIGINAL	FINAL		
REVENUES				
CHARGES FOR SERVICES	\$ 152,000	\$ 152,000	\$ 161,855	\$ 9,855
RENT	78,300	78,300	78,300	-
INTEREST INCOME	170	170	442	272
TOTAL REVENUES	<u>230,470</u>	<u>230,470</u>	<u>240,597</u>	<u>10,127</u>
EXPENDITURES				
ASSESSMENTS	10,200	10,200	1,890	8,310
REPAIRS AND MAINTENANCE	350	350	5,920	(5,570)
UTILITIES	1,100	1,100	-	1,100
PROFESSIONAL FEES	200	200	-	200
OTHER	5,000	5,000	-	5,000
DEPRECIATION	7,200	7,200	7,198	2
INTEREST EXPENSE	68,246	68,246	68,135	111
DEBT RETIREMENT	65,850	65,850	66,979	(1,129)
TOTAL EXPENDITURES	<u>158,146</u>	<u>158,146</u>	<u>150,122</u>	<u>8,024</u>
REVENUES OVER (UNDER) EXPENDITURES BEFORE OTHER FINANCING SOURCES	72,324	72,324	90,475	18,151
OTHER FINANCING SOURCES				
TRANSFERS	(75,000)	(75,000)	(75,000)	-
	<u>\$ (2,676)</u>	<u>\$ (2,676)</u>	15,475	<u>\$ 18,151</u>
ADJUSTMENTS TO RECONCILE BUDGETARY BASIS TO GAAP BASIS				
DEBT RETIREMENT			<u>66,979</u>	
CHANGE IN NET POSITION			82,454	
NET POSITION JANUARY 1			<u>363,487</u>	
NET POSITION DECEMBER 31			<u>\$ 445,941</u>	

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

BALANCE SHEET

DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CURRENT ASSETS		
CASH OR EQUIVALENTS	\$ 25,350	\$ 5,482
DUE FROM OTHER FUNDS	<u>33,750</u>	<u>33,750</u>
TOTAL CURRENT ASSETS	<u>59,100</u>	<u>39,232</u>
PROPERTY AND EQUIPMENT		
LAND, WATER SYSTEM, AND EQUIPMENT - AT COST	84,807	84,807
ACCUMULATED DEPRECIATION	<u>(73,625)</u>	<u>(62,104)</u>
NET PROPERTY AND EQUIPMENT	<u>11,182</u>	<u>22,703</u>
TOTAL ASSETS	<u>\$ 70,282</u>	<u>\$ 61,935</u>
LIABILITIES		
ACCOUNTS PAYABLE	<u>\$ -</u>	<u>\$ -</u>
NET POSITION		
NET INVESTMENT IN CAPITAL ASSETS	11,182	22,702
UNRESTRICTED	<u>59,100</u>	<u>39,233</u>
TOTAL NET POSITION	<u>70,282</u>	<u>61,935</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 70,282</u>	<u>\$ 61,935</u>

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
OPERATING REVENUES		
OTHER	\$ -	\$ 15,000
TOTAL OPERATING REVENUES	<u>-</u>	<u>15,000</u>
OPERATING EXPENSES		
DEPRECIATION	11,521	16,962
TOTAL OPERATING EXPENSES	<u>11,521</u>	<u>16,962</u>
OPERATING INCOME	<u>(11,521)</u>	<u>(1,962)</u>
NONOPERATING REVENUES (EXPENSES)	<u>-</u>	<u>-</u>
INCOME (LOSS) BEFORE OTHER FINANCING SOURCES (USES)	<u>(11,521)</u>	<u>(1,962)</u>
OTHER FINANCING SOURCES (USES)		
TRANSFERS IN	22,500	-
TRANSFERS OUT	<u>(2,632)</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES	<u>19,868</u>	<u>-</u>
CHANGE IN NET POSITION	8,347	(1,962)
NET POSITION JANUARY 1	<u>61,935</u>	<u>63,897</u>
NET POSITION DECEMBER 31	<u>\$ 70,282</u>	<u>\$ 61,935</u>

TOWN OF FOWLER, COLORADO

INTERNAL SERVICE FUND

STATEMENT OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES		
TRANSFERS	\$ 19,868	\$ -
NET CASH PROVIDED BY (USED FOR) NONCAPITAL AND RELATED FINANCING ACTIVITIES	<u>19,868</u>	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	19,868	-
CASH AND CASH EQUIVALENTS BEGINNING OF YEAR	<u>5,482</u>	<u>5,482</u>
CASH AND CASH EQUIVALENTS END OF YEAR	<u>\$ 25,350</u>	<u>\$ 5,482</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
OPERATING INCOME (LOSS)	<u>\$ (11,521)</u>	<u>\$ (1,962)</u>
ADJUSTMENTS TO RECONCILE OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
DEPRECIATION	11,521	16,962
CHANGE IN ASSETS AND LIABILITIES DUE FROM (TO) OTHER FUNDS	<u>-</u>	<u>(15,000)</u>
TOTAL ADJUSTMENTS	<u>11,521</u>	<u>1,962</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>\$ -</u>	<u>\$ -</u>

LOCAL HIGHWAY FINANCE REPORT

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Fowler YEAR ENDING : Dec-18
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This Information From The Records Of (example - City of _ or County of Town of Fowler, CO)	Prepared By: Cindy Karle, Treasurer Phone: 719-263-4461
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	13,942
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	41,138	b. Snow and ice removal	
3. Other local imposts (from page 2)	77,129	c. Other	
4. Miscellaneous local receipts (from page 2)	13,780	d. Total (a. through c.)	-
5. Transfers from toll facilities		4. General administration & miscellaneous	7,509
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	154,132
a. Bonds - Original Issues		6. Total (1 through 5)	175,583
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	132,047	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	43,536	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	175,583	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	175,583

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	0	175,583	175,583	0	-

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE:
	Colorado
	YEAR ENDING (mm/yy): Dec-18

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	63,875	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	13,780
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Other - Specific Ownership	13,254	g. Other Misc. Receipts	
6. Total (1. through 5.)	13,254	h. Other	
c. Total (a. + b.)	77,129	i. Total (a. through h.)	13,780
	(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	43,536	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		d. Federal Transit Admin	
d. Other (DOLA)		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	-	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	43,536	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: