

Town of Mead, Colorado
Financial Statements
with Independent Auditors' Report
December 31, 2018

Town of Mead, Colorado

Table of Contents
December 31, 2018

Independent Auditors' Report	1
Management's Discussion and Analysis	i
Basic Financial Statements	
<i>Government-wide Financial Statements</i>	
Statement of Net Position	3
Statement of Activities	4
<i>Governmental Funds</i>	
Balance Sheet	5
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	6
Statement of Revenues, Expenditures and Changes in Fund Balance	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Activities	8
<i>Proprietary Fund</i>	
Statement of Net Position	9
Statement of Revenues, Expenses and Changes in Net Position	10
Statement of Cash Flows.....	11
<i>Notes to Financial Statements</i>	12
Required Supplementary Information	
Budgetary Comparison Schedule – General Fund	29
Budgetary Comparison Schedule – Mead Urban Renewal Authority Fund	31
<i>Notes to Required Supplementary Information</i>	32
Supplementary Information	
<i>Nonmajor Governmental Funds</i>	
Combining Balance Sheet	32
Combining Statement of Revenues, Expenditures and Changes in Fund Balance	34
<i>Budgetary Comparison Schedules</i>	
Conservation Trust Fund	35
Municipal Fund	36
Downtown Revitalization Fund	37
Storm Drainage Fund	38
Transportation Fund	39
Parks & Open Space Fund	40
Capital Improvement Fund	41
Art in Public Places Fund	42
Sewer Fund	43

Town of Mead, Colorado

Table of Contents
December 31, 2018
(Continued)

Compliance Section

Local Highway Finance Report.....	44
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Independent Auditors' Report

Honorable Mayor and Members of the Town Board
Town of Mead
Mead, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component unit and remaining fund information of the Town of Mead as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the basic financial statements of the Town of Mead, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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 discretely presented component unit and remaining fund information of the Town of Mead as of December 31, 2018, and the respective changes in financial position and the cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information 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 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 Mead's basic financial statements. The supplementary information 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. 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 basic financial statements. The 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 the information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Hick & Company, PC

Greenwood Village, Colorado
June 18, 2019



Management's Discussion and Analysis

The Management's Discussion and Analysis (MD&A) is designed to provide an easy-to-read discussion of the Town's financial condition and operating results, and to disclose to the reader important financial activities and issues related to the Town's basic operations and mission. The MD&A should be read in conjunction with a review of the Town's basic financial statements.

The Town has two separate financial categories or activities - governmental activities, and those activities referred to as business-type activities. Within the governmental activities, the Town has a General Fund and several Special Revenue Funds. The governmental activities are funded primarily through the Town's ad-valorem property tax, sales taxes, and charges for services. The business-type activities consist of the sanitation fund. This business-type activity is funded primarily through charges for services.

DESCRIPTION OF FINANCIAL STATEMENTS

This annual report consists of four parts – *Management's Discussion and Analysis* (this section), the *Basic Financial Statements*, *Required Supplementary Information*, and *Other Supplemental Schedules*. The basic financial statements include two kinds of statements that present different views of the Town:

- 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 on the Town's operations in more detail than the government-wide statements.

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

The basic financial statements are followed by a section of *required supplementary information* (required under generally accepted accounting principles) that further explains and supports the information in the financial statements.

Following the required supplementary information is *other supplemental schedules*. These schedules are not required by generally accepted accounting principles but present information that is required by the state of Colorado.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the Town as a whole and include *all* assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's *Net Position* and changes in them. The Town's Net Position – the difference between assets and liabilities – is one way to measure the Town's financial health, or *financial position*. Over time, increases or decreases in the Town's Net Position

are one indicator of whether its financial health, including liquidity and financial flexibility, is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base, growth prospects, citizen involvement, revisions to laws, and similar indicators need to be reviewed in order to assess the overall health of the Town.

The Statement of Net Position reports information by fund type. The Statement of Activities reports information by function, program, or service.

In the Statement of Net Position and the Statement of Activities, the Town is divided into two kinds of activities:

- **Governmental Activities** – The activities of the Town for its General Fund and Special Revenue Funds are reported here. Property taxes, sales taxes, and charges for services finance most of these activities.
- **Business-Type Activities** – The activities of the Town's Sanitation Fund are reported here. This fund is financed primarily by charges for services.

FUND FINANCIAL STATEMENTS

The fund financial statements provide more detailed information about the Town's funds, focusing on its most significant funds – not on the Town as a whole. The Town's two kinds of funds – *governmental and proprietary* – use different accounting approaches.

Governmental funds – The Town's activities in its General Fund and Special Revenue Funds are reported as governmental funds, which focus on how money flows into and out of these funds. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statement provides a detailed short-term view of the Town's general governmental operations and the basic services it provides. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs and services.

Proprietary (Enterprise) funds – The activity of the Town's enterprise fund, its Sanitation Fund, is reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

HIGHLIGHTS

GOVERNMENTAL ACTIVITIES

- Sales tax collections were 6.7% above 2017 actual and 19.4% above 2018 budget;
- Use tax collections were flat vs. 2017 actual and 73.5% below 2018 budget;
- Building permit fees were 34.5% below 2017 actual and 74.9% below 2018 budget;
- Severance Tax and Federal Mineral Lease Direct Distributions increased (39.3% above 2017 actual) due to an increase in oil & gas development;
- Royalty payments increased significantly (\$516,369 vs. \$23,050) due to wells drilled which the Town owns the mineral rights;
- Development slowed with 4 single family dwelling permits issued vs. 35 issued in 2017 and 2 commercial permits vs. 4 in 2017;

BUSINESS-TYPE ACTIVITIES

User fee revenues were \$656,918 in 2018 - an increase of 9.7% vs. 2017. 2018 Plant investment fees (PIFs) totaled \$56,500 compared to \$174,600 in 2017. The largest factor driving the decrease in PIF's was the number of residential units sold - 34 vs. 4 in 2017 and 2018, respectively. The Town was awarded a \$101,000 grant in 2018 from the Colorado Department of Local Affairs for improvements to the Lake Thomas lagoon. Operating and Administrative expenses decreased slightly, \$388,002 in 2018 vs. \$413,765 in 2017. In October 2018, the Town was awarded a second grant from the Colorado Department of Local Affairs for \$284,077 to decommission the North Creek Lift Station and construct a gravity sewer line. The project will begin in 2019.

STATEMENT OF NET POSITION

The perspective of the Statement of Net Position is of the Town as a whole. The following is a summary of the Town's Net Position for 2018 compared to 2017:

CONDENSED STATEMENT OF NET POSITION						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
ASSETS						
Current and Other Assets	\$ 14,726,726	\$ 11,252,470	\$ 1,088,323	\$ 1,095,793	\$ 15,815,049	\$ 12,348,263
Capital Assets	12,200,476	12,534,161	5,273,681	5,175,949	17,474,157	17,710,110
Total Assets	<u>26,927,202</u>	<u>23,786,631</u>	<u>6,362,004</u>	<u>6,271,742</u>	<u>33,289,206</u>	<u>30,058,373</u>
DEFERRED OUTFLOWS	<u>67,778</u>	<u>13,191</u>	<u>-</u>	<u>-</u>	<u>67,778</u>	<u>13,191</u>
LIABILITIES						
Current Liabilities	443,455	545,904	61,866	53,818	505,321	599,722
Noncurrent Liabilities	272,386	361,557	1,769,715	1,836,647	2,042,101	2,198,204
Total Liabilities	<u>715,841</u>	<u>907,461</u>	<u>1,831,581</u>	<u>1,890,465</u>	<u>2,547,422</u>	<u>2,797,926</u>
DEFERRED INFOWS	<u>4,217,942</u>	<u>2,696,910</u>	<u>65,045</u>	<u>68,808</u>	<u>4,282,987</u>	<u>2,765,718</u>
NET POSITION						
Net Investment in Capital Assets	11,962,451	12,282,458	3,484,988	3,346,026	15,447,439	15,628,484
Restricted	2,529,693	2,421,858	110,000	110,000	2,639,693	2,531,858
Unrestricted	7,569,053	5,635,433	870,390	856,443	8,439,443	6,491,876
Total Net Position	<u>\$ 22,061,197</u>	<u>\$ 20,339,749</u>	<u>\$ 4,465,378</u>	<u>\$ 4,312,469</u>	<u>\$ 26,526,575</u>	<u>\$ 24,652,218</u>

STATEMENT OF ACTIVITIES

The perspective of the Statement of Activities is of the Town as a whole. The following table reflects the change in Net Position for Fiscal Years 2018 and 2017.

CONDENSED STATEMENT OF ACTIVITIES						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
PROGRAM REVENUES						
Charges for Services	\$ 924,208	\$ 544,440	\$ 675,222	\$ 615,634	\$ 1,599,430	\$ 1,160,074
Operating Grants	561,231	572,472	99,820	-	661,051	572,472
Capital Grants	56,591	215,304	56,500	174,600	113,091	389,904
Total Program Revenues	<u>1,542,030</u>	<u>1,332,216</u>	<u>831,542</u>	<u>790,234</u>	<u>2,373,572</u>	<u>2,122,450</u>
GENERAL REVENUES						
Property Taxes	3,004,147	2,830,153	-	-	3,004,147	2,830,153
Specific Ownership Taxes	106,090	112,658	-	-	106,090	112,658
Sales and Use Taxes	1,943,029	1,828,715	-	-	1,943,029	1,828,715
Franchise and In Lieu of Taxes	188,046	164,435	-	-	188,046	164,435
Other Taxes	194,421	367,397	-	-	194,421	367,397
Interest Income	13,149	57,203	13,015	6,972	26,164	64,175
Gain (Loss) on Capital Assets	123,219	(39,124)	-	-	123,219	(39,124)
Other Revenues	70,962	129,913	-	-	70,962	129,913
Total General Revenues	<u>5,643,063</u>	<u>5,451,350</u>	<u>13,015</u>	<u>6,972</u>	<u>5,656,078</u>	<u>5,458,322</u>
Total Revenues	<u>7,185,093</u>	<u>6,783,566</u>	<u>844,557</u>	<u>797,206</u>	<u>8,029,650</u>	<u>7,580,772</u>
PROGRAM EXPENSES						
General Government	3,130,083	2,578,019	-	-	3,130,083	2,578,019
Public Safety	624,483	705,155	-	-	624,483	705,155
Public Works	974,514	1,153,392	-	-	974,514	1,153,392
Parks and Recreation	562,506	621,257	-	-	562,506	621,257
Sewer Operations	-	-	691,648	710,180	691,648	710,180
Noncapitalized Capital Outlay	166,549	(104,402)	-	-	166,549	(104,402)
Interest	5,510	1,366	-	-	5,510	1,366
Total Program Expenses	<u>5,463,645</u>	<u>4,954,787</u>	<u>691,648</u>	<u>710,180</u>	<u>6,155,293</u>	<u>5,664,967</u>
CHANGE IN NET POSITION	<u>1,721,448</u>	<u>1,828,779</u>	<u>152,909</u>	<u>87,026</u>	<u>1,874,357</u>	<u>1,915,805</u>
Net Position, Beginning	<u>20,339,749</u>	<u>18,510,970</u>	<u>4,312,469</u>	<u>4,225,443</u>	<u>24,652,218</u>	<u>22,736,413</u>
NET POSITION, ENDING	<u>\$ 22,061,197</u>	<u>\$ 20,339,749</u>	<u>\$ 4,465,378</u>	<u>\$ 4,312,469</u>	<u>\$ 26,526,575</u>	<u>\$ 24,652,218</u>

THE TOWN'S FUNDS

The Town has several funds that are used to provide financial accountability. The most significant is the general fund which accounts for all activity that is not accounted for in another fund. This includes general government activities (legislative, administrative, etc.) as well as public safety, parks, and capital expenditures that benefit the Town as whole. The other significant funds include the sanitation fund.

In addition, the Town has several funds that account for the revenues and expenses related to various impact fees.

As the Town completed the year, its governmental funds reported a combined fund balance of \$10,033,251, which is an increase from the previous year.

GENERAL FUND BUDGETARY HIGHLIGHTS

- General Fund actual total revenues, excluding transfers, lease proceeds, and developer bill backs, were \$39,901 (\$5,218,354 budget vs. \$5,258,255 actual) more than budget. While total revenues were basically flat vs. budget, fluctuations did occur in several accounts. Sales and Use Taxes ended the year \$130,000 less than budget. Better than expected sales tax collections (\$291,000 over budget) helped to offset a short fall in use tax revenues (\$573,000 budget vs. \$152,000 actual) due to the Town not realizing anticipated development (150 single family permits were budgeted vs. 4 actual). Revenues associated with oil and gas (royalty, Federal Mineral Lease, and State severance tax payments) exceeded budget by \$501,650. The excess revenue realized in oil and gas offset the shortfall of \$503,564 in building permit fees (\$672,000 budget vs. \$168,436 actual).
- General Fund actual total expenses, excluding transfers and developer bill backs, were \$1,085,763 less than 2018 budget. Staff vacancies resulted in approximately \$308,400 of unexpended wage and benefits. Reduced expenditures associated with development plan review accounted for expending \$269,094 less than budget. Road department repair and maintenance expenditures were over \$112,000 less due to bridge and concrete repairs not completed. Expenditures were also approximately \$187,000 less than budget for snow removal and street repairs and maintenance. Repair and maintenance costs were less than budget in the Park department due to park reseeding (\$30,000 budgeted) not completed. Landscaping (\$25,000) was also not completed in 2018. Several Park department capital equipment purchases were postponed resulting in expending \$26,000 less than budget and recreation events / programs not held or scaled back yielded \$34,000 in savings.

CAPITAL ASSETS

Capital asset governmental activity for the year ended December 31, 2018, is summarized below.

Governmental Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 2,658,885	\$ -	\$ -	\$ 2,658,885
Water Rights	73,095	-	-	73,095
Construction in Progress	520,308	-	(503,528)	16,780
<i>Total Capital Assets, Not Being Depreciated</i>	<u>3,252,288</u>	<u>-</u>	<u>(503,528)</u>	<u>2,748,760</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings	2,489,735	3,542	-	2,493,277
Improvements	252,265	18,906	-	271,171
Equipment	674,955	57,618	-	732,573
Vehicles	527,140	186,882	-	714,022
Infrastructure	8,560,810	425,036	-	8,985,846
<i>Total Capital Assets, Being Depreciated</i>	<u>12,504,905</u>	<u>691,984</u>	<u>-</u>	<u>13,196,889</u>
<i>Less Accumulated Depreciation</i>				
Buildings	(388,939)	(70,455)	-	(459,394)
Improvements	(150,390)	(9,326)	-	(159,716)
Equipment	(528,889)	(82,078)	-	(610,967)
Vehicles	(191,350)	(90,230)	-	(281,580)
Infrastructure	(1,963,464)	(348,222)	-	(2,311,686)
<i>Total Accumulated Depreciation</i>	<u>(3,223,032)</u>	<u>(600,311)</u>	<u>-</u>	<u>(3,823,343)</u>
<i>Total Capital Assets, Being Depreciated, net</i>	<u>9,281,873</u>	<u>91,673</u>	<u>-</u>	<u>9,373,546</u>
<i>Governmental Activities Capital Assets, net</i>	<u>\$ 12,534,161</u>	<u>\$ 91,673</u>	<u>\$ (503,528)</u>	<u>\$ 12,122,306</u>

Capital asset governmental activity for the year ended December 31, 2018, is summarized below.

Business-Type Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
<i>Capital Assets, Not Being Depreciated</i>				
Land (Sewer)	\$ 294,835	\$ -	\$ -	\$ 294,835
Construction in Progress	72,618	342,826	309,978	105,466
Total Capital Assets, Not Being Depreciated	367,453	342,826	309,978	400,301
<i>Capital Assets, Being Depreciated</i>				
Buildings	276,966	-	-	276,966
Improvements	32,114	290,045	-	322,159
Sewer Mains	415,788	-	-	415,788
Treatment Plant	6,091,787	-	-	6,091,787
Equipment and Vehicles	159,826	19,931	-	179,757
Total Capital Assets, Being Depreciated	6,976,481	309,976	-	7,286,457
Total capital assets	7,343,934	652,802	309,978	7,686,758
Less: Accumulated depreciation	(2,167,985)	(245,095)	-	(2,413,080)
Business-Type Activities Capital Assets, net \$	\$ 5,175,949	\$ 407,707	\$ 309,978	\$ 5,273,678

OUTSTANDING DEBT

The following is a summary of the Town's debt.

Governmental Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18	Due Within One Year
2012 Capital Lease - Grader	\$ 38,274	\$ -	\$ 30,524	\$ 7,750	\$ 7,750
2016 Capital Lease - Radios	13,136	-	13,136	-	-
2017 Capital Lease - Dump Truck	200,293	-	48,188	152,105	49,424
Compensated Absences	109,854	2,677	-	112,531	-
Total	\$ 361,557	\$ 2,677	\$ 91,848	\$ 272,386	\$ 57,174

Business-Type Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18	Due Within One Year
CWRPDA Note Payable	\$ 1,829,923	\$ -	\$ 66,868	\$ 1,763,055	\$ 69,223
Compensated Absences	6,724	-	64	6,660	-
Total	\$ 1,836,647	\$ -	\$ 66,932	\$ 1,769,715	\$ 69,223

ECONOMIC AND OTHER FACTORS AND NEXT YEAR'S BUDGET

Town residents deserve and insist on quality municipal services provided in a productive, friendly, and efficient manner at the lowest possible costs. Our citizens also need to feel confident that the Town is effectively planning for the future to ensure the highest quality of life possible for the community. To meet this challenge, Town Staff and Department Directors approach the budget process with thoughtfulness, professionalism, and a sincere desire to meet the current and future needs of the Town. Mead, like many other municipalities in Colorado, is committed to providing excellent service, maintaining the integrity of our infrastructure and property values, and responsively attending to road repairs, public safety needs and expectations for the provision of quality community amenities. We are also committed to maintaining a healthy financial position so that we can be prepared for unexpected contingencies and maintain superior credit ratings. We continue to emphasize cost control, cost avoidance, protection of infrastructure investments, growing our tax base through development, and diversifying our revenues to protect our financial condition. At the same time, we are paying attention to our human capital, our staff, and investing in them because the quality and stability of staff dictates the quality and effectiveness of the service we provide.

The Board of Trustees for the Town of Mead will continue to use a balanced budget approach to develop the annual budget. Expenses will be based on the available resources and the highest priority needs. The Town began allocating funds to the Capital Improvement Fund which will supplement the anticipated revenue from Development Impact Fees for infrastructure improvements needed to address future growth. As the Town continues to grow, its capital projects will also increase, and therefore, this fund will identify the funding sources and prioritization of expenditures for capital items. Building the Mead Police Department will require increased spending in the Public Safety budget in 2019 and beyond. Transportation expenses continue to increase due to repairs and maintenance required on aging roads and bridges. The 2019 Budget includes completing several studies to better prepare the Town for future growth including a Park Master Plan for Ames Park and Highland Lake, a Road Inventory and Assessment study, and a Wastewater Rate Study.

Several major annexations are nearing completion, the local economy continues to improve, and the Town continues to work with local developers while also trying to attract more businesses. These factors bode well for future residential / commercial growth.

2018 sales tax collections (\$1,791,071) exceeded budget (\$1,500,000), and collections are expected to remain steady through 2019. The Town's main revenue sources, especially sales / use and property tax, continue to be unpredictable and will continue to be monitored closely. The addition of several new businesses will help to even out sales tax revenue and reduce our concentration in one vendor. During 2018, the Mead Urban Renewal Authority (MURA) began to work with a local business to improve blighted conditions in the downtown area. Based upon 2018 revenues (MURA 2018 ending fund balance \$945,453), the Town anticipates more public/private partnership projects in 2019. Property tax collections will remain volatile due to the Town's exposure to oil and gas activity in Weld County. Both the State and the County Assessor have warned of volatile property tax and severance and federal mineral lease distribution revenues due to the oil and gas industry. The Town is treating revenues associated with oil & gas royalties as one-time sources of income and transferring excess revenues to the Capital Improvement Fund. As in the past, if revenues fail to meet projections, the Town will reduce expenditures accordingly.

Staff will continue to address, as best as possible, the majority of needs and desires of the community as identified each year. While enhanced public services are always in demand, Town budgets attempt to reconcile needs and desires with affordability.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide the general public with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact either the Town Manager or the Town Treasurer at:

TOWN OF MEAD
P.O. Box 626 (mailing address)
441 Third Street (street address)
Mead, Colorado 80542
Tel: 970/535-4477, Fax: 970/535-0831

Basic Financial Statements

Town of Mead, Colorado
Statement of Net Position
December 31, 2018

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Investments	\$ 9,926,897	\$ 1,009,651	\$ 10,936,548
Accounts Receivable	513,734	78,672	592,406
Property Taxes Receivable	4,199,808	-	4,199,808
Grants Receivable	34,433	-	34,433
Deposits	1,642	-	1,642
Net Pension Asset	50,212	-	50,212
Capital Assets, <i>Not being depreciated</i>	2,748,760	400,301	3,149,061
Capital Assets, <i>Net of accumulated depreciation</i>	9,373,546	4,873,380	14,246,926
Noncurrent receivable	78,170	-	78,170
 Total Assets	 26,927,202	 6,362,004	 33,289,206
Deferred Outflows of Resources			
Pension Related Outflows of Resources	67,778	-	67,778
Liabilities			
Accounts Payable	114,902	34,547	149,449
Accrued Liabilities	4,627	25,638	30,265
Accrued Salaries	33,864	1,681	35,545
Warranty Liability	290,062	-	290,062
Noncurrent Liabilities			
Due Within One Year	57,174	69,223	126,397
Due in More Than One Year	215,212	1,700,492	1,915,704
 Total Liabilities	 715,841	 1,831,581	 2,547,422
Deferred Inflows of Resources			
Property Taxes	4,199,808	-	4,199,808
Pensions, Net of Accumulated Amortization	18,134	-	18,134
Bond Premiums	-	65,045	65,045
Net Position			
Net Investment in Capital Assets	11,962,451	3,484,988	15,447,439
Restricted for:	2,529,693	110,000	2,639,693
Unrestricted	7,569,053	870,390	8,439,443
 Total Net Position	 \$ 22,061,197	 \$ 4,465,378	 \$ 26,526,575

Town of Mead, Colorado
Statement of Activities
For the Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General Government	\$ 3,130,083	\$ 683,090	\$ 135,259	\$ -	\$ (2,311,734)	\$ -	\$ (2,311,734)
Public Safety	624,483	26,126	-	-	(598,357)	-	(598,357)
Public Works	974,514	168,436	380,681	-	(425,397)	-	(425,397)
Parks and Recreation	562,506	46,556	45,291	56,591	(414,068)	-	(414,068)
Capital Outlay	166,549	-	-	-	(166,549)	-	(166,549)
Interest on Long-Term Debt	5,510	-	-	-	(5,510)	-	(5,510)
Total Governmental Activities	5,463,645	924,208	561,231	56,591	(3,921,615)	-	(3,921,615)
Business-Type Activities							
Water, Sanitation and Recreation	691,648	675,222	99,820	56,500	-	139,894	139,894
Total Business-Type Activities	691,648	675,222	99,820	56,500	-	139,894	139,894
Total Primary Government	\$ 6,155,293	\$ 1,599,430	\$ 661,051	\$ 113,091	(3,921,615)	139,894	(3,781,721)
General Revenues							
Property Taxes					3,004,147	-	3,004,147
Specific Ownership Taxes					106,090	-	106,090
Sales and Use Taxes					1,943,029	-	1,943,029
Franchise Fees					188,046	-	188,046
Special assessments and Impact fees					194,421	-	194,421
Other Taxes					13,149	-	13,149
Investment Income					123,219	13,015	136,234
Miscellaneous					70,962	-	70,962
Transfers					-	-	-
Total General Revenues and Transfers					5,643,063	13,015	5,656,078
Change in Net Position					1,721,448	152,909	1,874,357
NET POSITION, Beginning of year					20,339,749	4,312,469	24,652,218
NET POSITION, End of year					\$ 22,061,197	\$ 4,465,378	\$ 26,526,575

See Notes to Financial Statements.

Town of Mead, Colorado
Balance Sheet
Governmental Funds
December 31, 2018

	General	Mead Urban Renewal Authority	Nonmajor Governmental Funds	Total
Assets				
Cash and Investments	\$ 5,618,956	\$ 945,071	\$ 3,362,870	\$ 9,926,897
Grants Receivable	34,433	-	-	34,433
Property Taxes Receivable	1,368,667	2,831,141	-	4,199,808
Due from Other Governments	507,861	5,873	-	513,734
Other assets	1,500	142	-	1,642
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	\$ <u>7,531,417</u>	\$ <u>3,782,227</u>	\$ <u>3,362,870</u>	\$ <u>14,676,514</u>
Liabilities				
Accounts Payable	\$ 88,093	\$ 4,062	\$ 22,747	\$ 114,902
Accrued Liabilities	4,627	-	-	4,627
Accrued Salaries	32,293	1,571	-	33,864
Deposits	290,062	-	-	290,062
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	<u>415,075</u>	<u>5,633</u>	<u>22,747</u>	<u>443,455</u>
Deferred Inflows of Resources				
Property Taxes	<u>1,368,667</u>	<u>2,831,141</u>	<u>-</u>	<u>4,199,808</u>
Fund Balance				
Restricted	168,295	-	2,361,398	2,529,693
Committed	-	945,453	973,181	1,918,634
Unrestricted, Unassigned	<u>5,579,380</u>	<u>-</u>	<u>5,544</u>	<u>5,584,924</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Fund Balance	<u>5,747,675</u>	<u>945,453</u>	<u>3,340,123</u>	<u>10,033,251</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ <u>7,531,417</u>	\$ <u>3,782,227</u>	\$ <u>3,362,870</u>	\$ <u>14,676,514</u>

Town of Mead, Colorado
Reconciliation of Balance Sheet of the Governmental Funds
to the Statement of Net Position
For the Year Ended December 31, 2018

Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:

Total Fund Balance of Governmental Funds	\$ 10,033,251
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.	
Capital assets, not being depreciated	2,748,760
Capital assets, being depreciated	13,196,889
Accumulated depreciation	<u>(3,823,343)</u>
	12,122,306
Certain long-term assets are not available to pay for current year expenditures and therefore, are deferred in the governmental funds.	
Noncurrent Accounts Receivables	78,170
Certain long-term pension related costs and adjustments are not available to pay or are payable currently and are therefore not reported in the funds	
Net Pension Asset	50,212
Deferred Outflows Related to Pensions	67,778
Deferred Inflows Related to Pensions	<u>(18,134)</u>
	99,856
Long-term liabilities and related items, including the loss on debt refunding \$7,101, are not due and payable in the current year and, therefore, are not reported in governmental funds.	
Capital leases payable	(159,855)
Accrued compensated absences	<u>(112,531)</u>
	<u>(272,386)</u>
Total Net Position of Governmental Activities	\$ <u><u>22,061,197</u></u>

Town of Mead, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2018

	General	Mead Urban Renewal Authority	Nonmajor Governmental Funds	Total
Revenues				
Taxes	\$ 3,372,619	\$ 1,693,796	\$ -	\$ 5,066,415
Impact fees	-	-	194,421	194,421
Intergovernmental	737,272	-	45,291	782,563
Licenses and Permits	791,165	-	-	791,165
Fines and Forfeitures	25,060	-	-	25,060
Charges for Services	166,458	-	-	166,458
Internal Charges	-	7,653	-	7,653
Investment Income	71,414	12,335	39,470	123,219
Miscellaneous	94,267	-	-	94,267
Total Revenues	<u>5,258,255</u>	<u>1,713,784</u>	<u>279,182</u>	<u>7,251,221</u>
Expenditures				
Current				
General Government	1,287,282	1,219,362	20,451	2,527,095
Public Safety	711,148	-	-	711,148
Public Works	872,070	-	102,444	974,514
Parks and Recreation	530,189	-	32,317	562,506
Capital Outlay	315,185	-	39,820	355,005
Debt Service				
Principal	97,358	-	-	97,358
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	<u>3,813,232</u>	<u>1,219,362</u>	<u>195,032</u>	<u>5,227,626</u>
Excess Revenues Over (Under) Expenditures	<u>1,445,023</u>	<u>494,422</u>	<u>84,150</u>	<u>2,023,595</u>
Other Financing Sources (Uses)				
Transfers In	45,000	-	605,500	650,500
Transfers Out	(605,500)	-	(45,000)	(650,500)
Other Financing Sources (Uses)	<u>(560,500)</u>	<u>-</u>	<u>560,500</u>	<u>-</u>
Net Change in Fund Balance	884,523	494,422	644,650	2,023,595
Fund Balance, Beginning of year	<u>4,863,152</u>	<u>451,031</u>	<u>2,695,473</u>	<u>8,009,656</u>
Fund Balance, End of year	<u>\$ 5,747,675</u>	<u>\$ 945,453</u>	<u>\$ 3,340,123</u>	<u>\$ 10,033,251</u>

Town of Mead, Colorado
Reconciliation of the Statement of Revenues, Expenditures and changes in
Fund Balance of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2018

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:

Net Change in Fund Balance of Governmental Funds	\$ 2,023,595
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Capital Outlays	188,456
Depreciation Expense	(600,311)
	<u>(411,855)</u>
Certain long-term assets are not available to pay for current year expenditures and are therefore deferred in the funds	
Change in Noncurrent Receivables	(66,128)
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 governmental funds.	
Change in Net Pension Asset	50,212
Change in Deferred Outflows Related to Pensions	54,587
Change in Deferred Inflows Related to Pensions	(18,134)
	<u>86,665</u>
Repayments of long-term liabilities are expenditures in governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.	
Principal payments on capital leases	91,848
Change in accrued compensated absences	(2,677)
	<u>(2,677)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 1,721,448</u></u>

Town of Mead, Colorado
Statement of Net Position
Proprietary Fund
December 31, 2018

Assets	Sewer
<i>Current Assets</i>	
Cash and Investments	\$ 1,009,651
Receivables	
Utility Receivable	63,811
Other Receivables	<u>14,861</u>
Total Current Assets	<u>1,088,323</u>
<i>Noncurrent Assets</i>	
Capital Assets,	
<i>Not being depreciated</i>	400,301
Capital Assets,	
<i>Net of accumulated depreciation</i>	<u>4,873,380</u>
Total Noncurrent Assets	<u>5,273,681</u>
Total Assets	<u>6,362,004</u>
Liabilities	
<i>Current Liabilities</i>	
Accounts Payable	34,547
Accrued Salaries and Benefits	1,681
Accrued Interest Payable	25,638
Notes Payable, Current Portion	<u>69,223</u>
Total Current Liabilities	<u>131,089</u>
<i>Noncurrent Liabilities</i>	
Accrued Paid Time Off	6,660
Notes Payable	<u>1,693,832</u>
Total Noncurrent Liabilities	<u>1,700,492</u>
Total Liabilities	<u>1,831,581</u>
Deferred Inflows of Financial Resources	
Debt Premiums	<u>65,045</u>
Net Position	
Net Investment in Capital Assets	3,484,988
Restricted	110,000
Unrestricted	<u>870,390</u>
Total Net Position	<u>\$ 4,465,378</u>

See Notes to Financial Statements.

Town of Mead, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund
For the Year Ended December 31, 2018

	Sewer
Operating Revenues	
Charges for Services	\$ 656,918
Grant Revenue	99,820
Miscellaneous	18,304
Total Operating Revenues	775,042
Operating Expenses	
Operations	278,549
Administration	109,453
Depreciation	245,095
Total Operating Expenses	633,097
Net Operating Income	141,945
Nonoperating Revenues	
Interest Income	13,015
Interest Expense	(58,551)
Net Income (Loss) Before Contributed Capital	96,409
Contributed Capital	
Plant Investment Fees	56,500
Change in Net Position	152,909
Net Position, Beginning of year	4,312,469
Net Position, End of year	\$ <u><u>4,465,378</u></u>

Town of Mead, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2018

	<u>Sewer</u>
Cash Flows From Operating Activities	
Cash Received from Customers	\$ 668,382
Cash Received from Others	103,094
Cash Paid to Suppliers	(300,222)
Cash Paid to Employees	<u>(78,824)</u>
Net Cash Provided by Operating Activities	<u>392,430</u>
Cash Flows From Capital and Related Financing Activities	
Tap fees received	56,500
Acquisition and Construction of Capital Assets	(342,827)
Debt Principal Payments	(66,868)
Debt Interest Payments	<u>(63,286)</u>
Net Cash Used by Capital and Related Financing Activities	<u>(416,481)</u>
Cash Flows From Investing Activities	
Interest received	<u>13,015</u>
Net Cash Used by Capital and Related Financing Activities	<u>13,015</u>
Net Change in Cash and Cash Equivalents	(11,036)
Cash and Cash Equivalents, <i>Beginning of year</i>	<u>1,020,687</u>
Cash and Cash Equivalents, <i>End of year</i>	<u><u>\$ 1,009,651</u></u>
Reconciliation of Net Operating Income to	
Net Cash Provided by Operating Activities	
Net Operating Income	\$ 141,945
Adjustments to Reconcile Net Operating Income to	
Net Cash Provided by Operating Activities	
Depreciation Expense	245,095
Changes in Assets and Liabilities Related to Operations	
Utility Receivable	(6,840)
Other Receivable	3,274
Accounts Payable	8,823
Accrued Salaries and Benefits	197
Accrued Paid Time Off	<u>(64)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 392,430</u></u>

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 1: Summary of Significant Accounting Policies

The accounting policies of the Town of Mead (the Town) conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

Reporting Entity

The financial reporting entity consists of the Town, organizations for which the Town is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the Town. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the Town. Legally separate organizations for which the Town is financially accountable are considered part of the reporting entity. Financial accountability exists if the Town appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if there is a potential for the organization to provide benefits to, or impose financial burdens on, the Town.

Based on the application of these criteria, there is one component unit over which the Town exercises significant influence which is the Town of Mead Urban Renewal Authority. Significant influence or accountability is based primarily on operational or financial relationships with the Town (as distinct from legal relationships). The component unit is reported as a fund of the Town.

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 activities of the Town and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *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 *primary government* is reported separately from the legally separate *component unit* for which the Town is financially accountable.

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

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

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered measurable and available only when cash is received by the Town.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

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

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

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

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

The *Mead Urban Renewal Authority Fund* accounts for operations of the Mead Urban Renewal Authority (MURA) component unit. The revenues are derived from specific taxes or other designated revenues that are legally restricted to expenditures for specific purposes.

The *Municipal Fund* accounts for impact fees that were previously dedicated for municipal, capital equipment and recreation capital expenditures.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

The *Transportation Fund* accounts for impact fees that are dedicated to the Town's curb, gutter, sidewalk and street improvements.

The *Capital Improvement Fund* accounts for all other major capital improvements not accounted for in one of the impact fee funds and is primarily funded through General Fund transfer.

Additionally, the Town reports the following major proprietary fund:

The *Sewer Fund* was established to account for the acquisition, operation and maintenance of the Town's sewer facility and infrastructure.

Assets, Liabilities and Net Position/Fund Balance

Cash Equivalents – For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of three months or less.

Receivables – All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Capital Assets – Capital assets, which include land, buildings, plant, infrastructure, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of \$2,500 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at the acquisition value on the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives.

Buildings	30 – 40 years
Plant	40 years
Sewer Main	20 – 25 years
Machinery, Equipment and Vehicles	3 – 20 years
Infrastructure	25 years
Improvements	20 – 25 years

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 1: Summary of Significant Accounting Policies (Continued)

Assets, Liabilities and Net Position/Fund Balance (Continued)

Deferred Inflows of Resources – Deferred inflows of resources include property taxes earned but levied for a subsequent year.

Compensated Absences – Employees of the Town are allowed to accumulate unused paid time off (PTO) for up to 1.5 times their annual rate of accrual. Upon termination or resignation of employment from the Town, an employee will be compensated for all accrued PTO. Accumulated, unpaid PTO is accrued when earned in the government-wide and proprietary fund financial statements. A liability is reported in the governmental fund financial statements only when payment is due.

Long-Term Obligations – In the government-wide financial statements and the proprietary fund in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Debt premiums, discounts and refunding losses are deferred and amortized over the life of the debt using the straight-line method. In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts are reported as other financial uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Net Position/Fund Balance – In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed.

In the fund financial statements, governmental funds report committed fund balances when the Town Board formally commits resources for a specific purpose through passage of a resolution or approval of contractual agreements with third parties.

The Town Board is authorized to informally assign amounts to a specific purpose and has assigned this authority to the Town Manager or other designee. Such fund balance assignments are reported in the governmental fund financial statements.

The Town has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the Town uses restricted fund balance first, followed by committed, assigned and unassigned balances.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and collected in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the Town on a monthly basis.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 2: Cash and Investments

At December 31, 2018, cash and investments consisted of the following:

Petty Cash	\$ 275
Cash Deposits	2,874,595
Investments	<u>8,061,678</u>
Total	<u>\$ 10,936,548</u>

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

Investments

The Town is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk.

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

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 2: Cash and Investments (Continued)

Investments (Continued)

The Town's investment policy limits its investments to those allowed by Colorado Revised Statute 24-75-601.1 as described above.

The following are the major categories of assets and liabilities measured at fair value on a recurring basis during the year ended December 31, 2018, using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3):

	Level 1	Level 2	Level 3	Other Uncategorized	Total	Weighted Average Maturity	% of Total Investments	Rating
FNMA	\$ -	\$ 543,456	\$ -	\$ -	\$ 543,456	0.61	6.74%	AAA
U.S. Treasury Strips	-	226,412	-	-	226,412	0.62	2.81%	N/A
FHLMC	-	73,265	-	-	73,265	2.25	0.91%	AAA
Certificates of deposit	-	238,823	-	-	238,823	2.75	2.96%	N/A
ColoTrust Local Government Pool	-	-	-	6,979,722	6,979,722	N/A	86.58%	AAAm
Total Investments	\$ -	\$ 1,081,956	\$ -	\$ 6,979,722	\$ 8,061,678	1.20	100.00%	

Fair Value Measurements – The following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis:

- U.S. Treasuries and Agencies – Valued at quoted market prices of the assets.
- Mutual Fund Investments – Valued at the proportionate share of ownership of the quoted market prices of the underlying assets.
- Commercial Paper – Valued at quoted market prices of the assets.

The Town recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. During 2018, there were no changes in the methods or assumptions utilized to derive the fair value of the Town's assets and liabilities.

Interest Rate Risk – State statutes generally limit the maturity of investment securities to five years from the date of purchase, unless the governing board authorizes the investment for a period in excess of five years.

Credit Risk – State statutes limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more nationally recognized statistical rating organizations. At December 31, 2018, the Town's investment of \$6,979,722 in the Colorado Local Government Liquid Asset Trust (Colotrust) was rated AAAm by Standard and Poor's.

Concentration of Credit Risk – State statutes do not limit the amount the Town may invest in a single issuer of investment securities, except for corporate securities.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 2: Cash and Investments (Continued)

Investments (Continued)

Local Government Investment Pools – At December 31, 2018, the Town had \$6,979,722 invested in the Colorado Local Government Liquid Asset Trust (Colotrust). The pool is an investment vehicle established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at \$1. The pools are rated AAAm by Standard and Poor's. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Note 3: Capital Assets

Capital asset governmental activity for the year ended December 31, 2018, is summarized below.

Governmental Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
<i>Capital Assets, Not Being Depreciated</i>				
Land	\$ 2,658,885	\$ -	\$ -	\$ 2,658,885
Water Rights	73,095	-	-	73,095
Construction in Progress	520,308	-	(503,528)	16,780
Total Capital Assets, Not Being Depreciated	3,252,288	-	(503,528)	2,748,760
<i>Capital Assets, Being Depreciated</i>				
Buildings	2,489,735	3,542	-	2,493,277
Improvements	252,265	18,906	-	271,171
Equipment	674,955	57,618	-	732,573
Vehicles	527,140	186,882	-	714,022
Infrastructure	8,560,810	425,036	-	8,985,846
Total Capital Assets, Being Depreciated	12,504,905	691,984	-	13,196,889
<i>Less Accumulated Depreciation</i>				
Buildings	(388,939)	(70,455)	-	(459,394)
Improvements	(150,390)	(9,326)	-	(159,716)
Equipment	(528,889)	(82,078)	-	(610,967)
Vehicles	(191,350)	(90,230)	-	(281,580)
Infrastructure	(1,963,464)	(348,222)	-	(2,311,686)
Total Accumulated Depreciation	(3,223,032)	(600,311)	-	(3,823,343)
Total Capital Assets, Being Depreciated, net	9,281,873	91,673	-	9,373,546
Governmental Activities Capital Assets, net	\$ 12,534,161	\$ 91,673	\$ (503,528)	\$ 12,122,306

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 3: Capital Assets (Continued)

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

Governmental Activities

General Government	\$ 77,206
Public Safety	49,542
Public Works	378,093
Parks and Recreation	<u>95,470</u>
Total	<u>\$ 600,311</u>

Capital asset business-type activity for the year ended December 31, 2018, is summarized below.

Business-Type Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18
<i>Capital Assets, Not Being Depreciated</i>				
Land (Sewer)	\$ 294,835	\$ -	\$ -	\$ 294,835
Construction in Progress	<u>72,618</u>	<u>342,826</u>	<u>309,978</u>	<u>105,466</u>
Total Capital Assets, <i>Not Being Depreciated</i>	<u>367,453</u>	<u>342,826</u>	<u>309,978</u>	<u>400,301</u>
<i>Capital Assets, Being Depreciated</i>				
Buildings	276,966	-	-	276,966
Improvements	32,114	290,045	-	322,159
Sewer Mains	415,788	-	-	415,788
Treatment Plant	6,091,787	-	-	6,091,787
Equipment and Vehicles	<u>159,826</u>	<u>19,931</u>	<u>-</u>	<u>179,757</u>
Total Capital Assets, <i>Being Depreciated</i>	<u>6,976,481</u>	<u>309,976</u>	<u>-</u>	<u>7,286,457</u>
Total capital assets	7,343,934	652,802	309,978	7,686,758
Less: Accumulated depreciation	<u>(2,167,985)</u>	<u>(245,095)</u>	<u>-</u>	<u>(2,413,080)</u>
Business-Type Activities Capital Assets, <i>net</i>	<u>\$ 5,175,949</u>	<u>\$ 407,707</u>	<u>\$ 309,978</u>	<u>\$ 5,273,678</u>

Note 4: Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions of the governmental activities for the year ended December 31, 2018

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 4: Long-Term Debt (Continued)

Governmental Activities (Continued)

Governmental Activities	Balance 12/31/17	Additions	Deletions	Balance 12/31/18	Due Within One Year
2012 Capital Lease - Grader	\$ 38,274	\$ -	\$ 30,524	\$ 7,750	\$ 7,750
2016 Capital Lease - Radios	13,136	-	13,136	-	-
2017 Capital Lease - Dump Truck	200,293	-	48,188	152,105	49,424
Compensated Absences	109,854	2,677	-	112,531	-
Total	<u>\$ 361,557</u>	<u>\$ 2,677</u>	<u>\$ 91,848</u>	<u>\$ 272,386</u>	<u>\$ 57,174</u>

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

In May 2012, the Town entered into a lease agreement for financing the acquisition of a motor grader valued at \$207,600. The lease has an interest rate of 2.50% and requires quarterly payments of principal and interest through March 2019 of \$7,799. The equipment has an estimated useful life of 7 years. During the year ended December 31, 2018, \$29,657 was included in depreciation expense. The net book value of the asset was \$4,943 as of December 31, 2018. The lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date. It is the policy of the Town to make the lease payment from the General Fund.

In February 2016, the Town entered into a lease agreement for financing the acquisition of radios valued at \$39,004. The lease has an interest rate of 2.10% and requires semi-annual payments of principal and interest through September 2018 of \$6,672. The equipment has an estimated useful life of 5 years. During the year ended December 31, 2018, \$4,800 was included in depreciation expense. The net book value of the asset is \$17,552 as of December 31, 2018. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. It is the policy of the Town to make the lease payments from the General Fund.

In January 2017, the Town entered into a lease agreement for financing the acquisition of a dump truck valued at \$249,190. The lease has an interest rate of 2.54% and requires quarterly payments of principal and interest through December 2021 of \$13,205. The equipment has an estimated useful life of seven years. During the year ended December 31, 2018, \$35,599 was included in depreciation expense. The net book value of the asset is \$213,592 as of December 31, 2018. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of the future minimum lease payments as of the inception date. It is the policy of the Town to make the lease payments from the General Fund.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 4: Long-Term Debt (Continued)

Governmental Activities (Continued)

The future minimum lease payments of principal and interest as of December 31, 2018, were as follows:

<u>Year Ended December 31,</u>	<u>2012 Grader</u>	<u>2017 Dump Truck</u>	<u>Total</u>
2019	\$ 7,799	\$ 52,819	\$ 60,618
2020		52,819	52,819
2021		52,819	52,819
Total Future Minimum Lease Payments	<u>7,799</u>	<u>158,457</u>	<u>166,256</u>
Less: Interest	<u>(49)</u>	<u>(6,352)</u>	<u>(6,401)</u>
Present Value of Future Minimum Lease Payments	\$ <u>7,750</u>	\$ <u>152,105</u>	\$ <u>159,855</u>

Business-Type Activities

Following are the changes to long-term debt of the business-type activities for the year ended December 31, 2018:

<u>Business-Type Activities</u>	<u>Balance 12/31/17</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/18</u>	<u>Due Within One Year</u>
CWRPDA Note Payable	\$ 1,829,923	\$ -	\$ 66,868	\$ 1,763,055	\$ 69,223
Compensated Absences	<u>6,724</u>	<u>-</u>	<u>64</u>	<u>6,660</u>	<u>-</u>
Total	\$ <u>1,836,647</u>	\$ <u>-</u>	\$ <u>66,932</u>	\$ <u>1,769,715</u>	\$ <u>69,223</u>

In May 2007, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority for financing a wastewater treatment system project. This loan was restructured in April 2017 to extend the term an additional ten years. The loan has an interest rate of 3.49% and requires semi-annual payments of principal and interest of \$65,077 through February 2037. The Town has recorded a premium associated with this loan that is being amortized over the loan period. This loan is repaid through the Sewer Fund. The loan requires an operations and maintenance reserve equal to three months of budgeted operations and maintenance expenses excluding depreciation not to exceed \$1,250,000. At December 31, 2018, this amount has been recorded as restricted net position in the Sewer Fund. In addition, the Town has entered into a rate maintenance covenant requiring coverage equal to 110% of the maximum annual debt service of the loan. The coverage calculation for 2018 is included in Note 9. The Town has pledged all sewer revenues to the repayment of this debt.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 4: Long-Term Debt (Continued)

Business-Type Activities (Continued)

Future debt service requirements are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 69,223	\$ 60,932	\$ 130,155
2020	71,660	58,495	130,155
2021	74,182	55,973	130,155
2022	76,794	53,361	130,155
2023	79,497	50,658	130,155
2024-2028	441,490	209,285	650,775
2029-2033	524,870	125,905	650,775
2034-2037	<u>425,339</u>	<u>30,204</u>	<u>455,543</u>
Total	\$ <u>1,763,055</u>	\$ <u>644,813</u>	\$ <u>2,407,868</u>

The 2007 Colorado Water Resources and Power Development Authority sewer loan agreement require that Net Revenues shall represent a sum equal to 110% of the maximum amount necessary to pay when due the principal and interest on the loan and any parity debt coming due.

The computation of both the Water and Wastewater rate maintenance is as follows:

Revenues

Operating Revenues	\$ 675,222
System Improvement Fees	56,500
Investment Earnings	<u>13,015</u>
Total Revenues	<u>744,737</u>

Expenses

Operating Expenses	(633,097)
Less: Depreciation	245,095
Net Expenses	<u>(388,002)</u>
Net Revenues	<u>356,735</u>

Debt Services Requirements (Parity and Subordinate)

2007 CWRPDA Note Payable	130,155
Required Coverage	<u>110%</u>
Debt Service Coverage Amount	143,171
Net Revenue Excess (Shortfall)	\$ <u>213,564</u>

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 5: Interfund Transactions

Interfund transfers during the year ended December 31, 2018, consisted of the following:

Transfers In	Transfers Out	Amount
General Fund	Conservation Trust Fund	\$ 45,000
Capital Improvement Fund	General Fund	600,000
Art in Public Places Fund	General Fund	5,500
Total		\$ <u>650,500</u>

Note 6: Deferred Compensation Plan

Under Resolution No. 30-R-2015, the Town established a deferred compensation plan. Participation in the plan is at the employee's option and contributions are limited to the IRS maximum. Under the plan, the Town matches on a one-to-one percentage basis up to 5% of an employee's salary. During the year, employees deferred \$82,782 including \$29,630 of Roth contributions and the Town's match was \$50,137.

Note 7: Defined Benefit Pension Plan

General Information

Plan Description – The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Fire & Police Pension Association of Colorado (FPPA). The plan covers all full-time police officers. Title 31, Article 31 of the Colorado Revised Statutes (CRS) grants the authority to establish and amend benefit terms to the FPPA Board of Directors. FPPA issues a publicly available financial report that includes information on the plan. That report may be obtained at www.fppaco.org.

Benefits Provided – A plan member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. The annual normal retirement benefit is 2% 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% for each year of service thereafter. Benefits paid to retirees are evaluated and may be re-determined every October 1. The amount of any increase is based on the FPPA Board of Director's discretion and can range from zero to the higher of 3% or the Consumer Price Index.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 7: Defined Benefit Pension Plan (Continued)

General Information (Continued)

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

Plan members may elect to participate in the deferred retirement option plan (DROP) after reaching eligibility for normal retirement, early retirement, or vested retirement, and age 55. A member can continue to work while participating in the DROP, but must terminate employment within five years of entry into the DROP. The member's percentage of retirement benefits is determined at the time of entry into the DROP. The monthly payments that begin at 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. Each member shall self-direct the investments in their DROP account, which are held by a custodian and not included in the plan's net position.

Contributions – The Town and eligible employees are required to contribute to the plan at rates established by State statutes. Employer contribution rates can only be amended by the State Legislature. Employee contribution rates can be amended by the State Legislature or by election of the membership. The Town and eligible employees contributed 8% and 10% of base salary, respectively, for the year ended December 31, 2018. Plan members elected to increase the employee contribution rate 0.5% annually from 2015 through 2022, to a total of 12% of base salary. Employer contributions will remain at 8% of base salary. The Town's contributions to the plan for the year ended December 31, 2018, were \$19,436, equal to the required contributions.

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

At December 31, 2018, the Town reported a net pension asset of \$89,752, representing its proportionate share of the net pension asset of the plan. The net pension asset was measured at December 31, 2017, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2018. The Town's proportion of the net pension asset was based on the Town's contributions to the plan for the calendar year ended December 31, 2017, relative to the projected contributions of all participating employers. At December 31, 2017, the Town's proportion was 0.0003490164%.

For the year ended December 31, 2018, the Town recognized pension income of \$86,665. At December 31, 2018, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 7: Defined Benefit Pension Plan (Continued)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 31,839	\$ 471
Changes of assumptions and other inputs	6,516	-
Net difference between projected and actual		
Earnings on plan investments	-	17,664
Changes in proportion	9,987	-
Contributions subsequent to the measurement date	19,436	-
Total	\$ <u>67,778</u>	\$ <u>18,135</u>

Town contributions subsequent to the measurement date of \$19,436 will be recognized as an increase to the net pension asset in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended December 31,

2019	\$ 6,485
2020	(761)
2021	(3,448)
2022	6,647
2023	6,647
Thereafter	14,636
Total	\$ <u>30,207</u>

Actuarial Assumptions – The actuarial valuations as of January 1, 2018, determined the total pension liability using the following actuarial assumptions and other inputs:

Investment rate of return, compounded annually, net of plan	
Investment expenses, including inflation	7.5%
Inflation	2.5%
Projected salary increases	4.0% - 14.0%
Cost of living adjustment (COLA)	0.0%

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 7: Defined Benefit Pension Plan (Continued)

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

Mortality rates for active members were based on the RP-2014 Mortality Tables for Blue Collar Employees projected with Scale BB, using a 55% multiplier for off-duty mortality. The RP-2014 Mortality Tables for Blue Collar Employees were used in the projection of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants were used, and for post-retirement members ages 55 through 64, a blend of the tables was used. All tables were projected with Scale BB.

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors for first use in the actuarial valuation as of January 1, 2016, based upon the actuary's analysis and recommendations from the 2015 Experience Study.

The long-term expected rate of return on 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2017, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
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	<u>100.00%</u>	

Discount Rate – The discount rate used to measure the total pension liability was 7.5%. 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 in the FPPA Board of Director's funding policy, which establishes the contractually required rates under State statutes. Based on this assumption, the plan's fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.5%.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 7: Defined Benefit Pension Plan (Continued)

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

Sensitivity of the Net Pension Asset (Liability) to Changes in the Discount Rate – The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.5%, as well as the Town's proportionate share of the net pension asset (liability) if it were calculated using a discount rate that is one percentage point lower (6.5%) or one percentage point higher (8.5%) than the current rate, as follows:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
Town's Proportionate share of the Net pension asset (Liability)	\$ <u>(57,665)</u>	\$ <u>50,212</u>	\$ <u>137,298</u>

Pension Plan Fiduciary Net Position - Detailed information about the plan's fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

Note 8: Other Postemployment Benefits

Plan Description – The Town contributes to the Statewide Death and Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan administered by the Fire & Police Pension Association of Colorado (FPPA). All full-time police officers are members of the plan. Contributions to the plan are used solely for the payment of death and disability benefits. Benefits are established by State statute and generally allow for benefits upon the death or disability of a plan member prior to retirement. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the plan. That report may be obtained by contacting FPPA as described previously.

Funding Policy – The contribution requirements are established by State statute. The Town Board determines the contribution split between members and the Town. For members hired on or after January 1, 1997, the Town contributed 2.8% and 2.7% of base salaries during the years ended December 31, 2018 and 2017, respectively. The Town's contributions to the plan for the years ended December 31, 2018 and 2017 were \$6,560 and \$4,452, respectively, equal to the required contributions.

Note 9: 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 purchases commercial insurance for its workers compensation claims.

Town of Mead, Colorado
Notes to Financial Statements
December 31, 2018

Note 9: Risk Management (Continued)

Public Entity Risk Pool

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

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

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverages at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

Note 10: Commitments and Contingencies

Claims and Judgments

The Town participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental entities. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Town may be required to reimburse the grantor government. Management believes that additional disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the Town.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. On April 5, 1994, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1994 and subsequent years, notwithstanding the provisions of the Amendment.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2018, the emergency reserve of \$168,295 was reported as restricted fund balance in the General Fund.

Required Supplementary Information

Town of Mead, Colorado
Budgetary Comparison Schedule
General Fund
For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Taxes			
Property Taxes	\$ 1,307,550	\$ 1,310,351	\$ 2,801
Specific Ownership Taxes	100,000	106,090	6,090
Sales and Use Taxes	2,073,000	1,943,029	(129,971)
Cigarette Taxes	17,000	13,149	(3,851)
	<u>3,497,550</u>	<u>3,372,619</u>	<u>(124,931)</u>
Intergovernmental			
Highway Users	220,243	272,942	52,699
Road and Bridges Fees	95,416	107,739	12,323
Franchise Fees	165,000	188,046	23,046
Clerk/Motor Vehicle Fees	24,000	24,522	522
Mineral Lease	-	75,281	75,281
Federal Grants	-	56,591	56,591
State Grants	88,432	12,151	(76,281)
	<u>593,091</u>	<u>737,272</u>	<u>144,181</u>
Licenses and Permits			
Liquor Licenses	950	3,779	2,829
Building Permits	672,000	168,436	(503,564)
Animal Licenses	1,700	1,066	(634)
Business Licenses	8,100	12,328	4,228
Other Licenses	193,017	605,556	412,539
	<u>875,767</u>	<u>791,165</u>	<u>(84,602)</u>
Fines and Forfeitures	<u>34,000</u>	<u>25,060</u>	<u>(8,940)</u>
Charges for Services			
Recreation Fees	44,281	46,556	2,275
Other Charges for Services	18,000	119,902	101,902
	<u>62,281</u>	<u>166,458</u>	<u>104,177</u>
Investment Income	<u>35,329</u>	<u>71,414</u>	<u>36,085</u>
Other Revenues			
Reimbursement and Refunds	35,861	55,043	19,182
Donations	30,475	23,305	(7,170)
Other Miscellaneous Revenues	54,000	15,919	(38,081)
	<u>120,336</u>	<u>94,267</u>	<u>(26,069)</u>
Total Revenues	<u>5,218,354</u>	<u>5,258,255</u>	<u>39,901</u>

(Continued)

Town of Mead, Colorado
 Budgetary Comparison Schedule
 General Fund
 For the Year Ended December 31, 2018
 (Continued)

	Original and Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Current			
General Government	1,500,177	1,287,282	212,895
Public Safety	1,094,867	711,148	383,719
Public Works	1,167,176	872,070	295,106
Parks and Recreation	697,417	530,189	167,228
Capital Outlay	342,000	315,185	26,815
Debt Service	97,358	97,358	-
	<u>4,898,995</u>	<u>3,813,232</u>	<u>1,085,763</u>
Total Expenditures			
	<u>4,898,995</u>	<u>3,813,232</u>	<u>1,085,763</u>
Excess Revenues Over (Under) Expenditures	319,359	1,445,023	1,125,664
Other Financing Sources (Uses)			
Debt Proceeds	-	-	-
Transfers In	45,000	45,000	-
Transfers Out	(245,500)	(605,500)	(360,000)
	<u>118,859</u>	<u>884,523</u>	<u>765,664</u>
Net Change in Fund Balance			
	<u>4,595,982</u>	<u>4,863,152</u>	<u>267,170</u>
Fund Balance, Beginning of year			
	<u>4,595,982</u>	<u>4,863,152</u>	<u>267,170</u>
Fund Balance, End of year	<u>\$ 4,714,841</u>	<u>\$ 5,747,675</u>	<u>\$ 1,032,834</u>

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Mead Urban Renewal Authority Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Taxes			
Property Taxes	\$ 1,465,491	\$ 1,693,796	\$ 228,305
Internal Charges			
Administrative/Management fees	7,640	7,653	13
Investment Income	<u>3,538</u>	<u>12,335</u>	<u>8,797</u>
Total Revenues	<u>1,476,669</u>	<u>1,713,784</u>	<u>237,115</u>
Expenditures			
General Government			
Administration	1,026,400	1,219,362	(192,962)
Contingency Reserve	<u>887,040</u>	<u>-</u>	<u>887,040</u>
Total Expenditures	<u>1,913,440</u>	<u>1,219,362</u>	<u>694,078</u>
Excess Revenues Over (Under) Expenditures	(436,771)	494,422	931,193
Other Financing Sources (Uses)			
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(436,771)	494,422	931,193
Fund Balance, Beginning of year	<u>436,772</u>	<u>451,031</u>	<u>14,259</u>
Fund Balance, End of year	<u>\$ 1</u>	<u>\$ 945,453</u>	<u>\$ 945,452</u>

Town of Mead, Colorado
Notes to Required Supplementary Information
December 31, 2018

Note 1: Stewardship, Compliance, and Accountability

Budgets

Budgets are legally adopted for all funds of the Town. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary fund are presented on a non-GAAP budgetary basis, whereby capital outlay and debt principal are budgeted as expenditures.

The Town follows these procedures to establish the budgetary information reflected in the financial statements:

- Management submits to the Town Board a proposed budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally enacted through passage of a resolution.
- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Town Board.
- All appropriations lapse at year end.

Supplementary Information

Town of Mead, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
For the Year Ended December 31, 2018

	Conservation Trust	Downtown Revitalization	Municipal	Transportation	Capital Improvement	Storm Drainage	Parks & Open Space	Art in Public Places	Total
Assets									
Cash and Investments	<u>\$ 10,421</u>	<u>\$ 58,154</u>	<u>\$ 1,300,158</u>	<u>\$ 233,381</u>	<u>\$ 979,180</u>	<u>\$ 1,444</u>	<u>\$ 774,588</u>	<u>\$ 5,544</u>	<u>\$ 3,362,870</u>
Liabilities									
Accounts Payable	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,127</u>	<u>\$ 10,803</u>	<u>\$ 5,999</u>	<u>\$ 818</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,747</u>
Fund Balance									
Restricted	10,421	58,154	1,295,031	222,578	-	626	774,588	-	2,361,398
Committed to Capital Projects	-	-	-	-	973,181	-	-	-	973,181
Unrestricted, Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,544</u>	<u>5,544</u>
Total Fund Balance	<u>10,421</u>	<u>58,154</u>	<u>1,295,031</u>	<u>222,578</u>	<u>973,181</u>	<u>626</u>	<u>774,588</u>	<u>5,544</u>	<u>3,340,123</u>
Total Liabilities and Fund Balance	<u>\$ 10,421</u>	<u>\$ 58,154</u>	<u>\$ 1,300,158</u>	<u>\$ 233,381</u>	<u>\$ 979,180</u>	<u>\$ 1,444</u>	<u>\$ 774,588</u>	<u>\$ 5,544</u>	<u>\$ 3,362,870</u>

See the accompanying Independent Auditors' Report.

Town of Mead, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2018

	Conservation Trust	Downtown Revitalization	Municipal	Transportation	Capital Improvement	Storm Drainage	Parks & Open Space	Art in Public Places	Total
Revenues									
Impact Fees	\$ -	\$ -	\$ 45,956	\$ 126,813	\$ -	\$ 7,772	\$ 13,880	\$ -	\$ 194,421
Intergovernmental	45,291	-	-	-	-	-	-	-	45,291
Investment Income	82	783	17,360	3,456	6,865	138	10,742	44	39,470
	<u>45,373</u>	<u>783</u>	<u>63,316</u>	<u>130,269</u>	<u>6,865</u>	<u>7,910</u>	<u>24,622</u>	<u>44</u>	<u>279,182</u>
Total Revenues									
Expenditures									
Current									
General Government	-	-	-	-	-	-	20,451	-	20,451
Public Safety	-	-	-	-	-	-	-	-	-
Public Works	-	-	-	64,060	30,984	7,400	-	-	102,444
Parks and Recreation	-	-	-	-	-	-	32,317	-	32,317
Capital Outlay	-	-	18,906	-	19,315	-	1,599	-	39,820
	<u>-</u>	<u>-</u>	<u>18,906</u>	<u>64,060</u>	<u>50,299</u>	<u>7,400</u>	<u>54,367</u>	<u>-</u>	<u>195,032</u>
Total Expenditures									
Excess Revenues Over (Under) Expenditures	45,373	783	44,410	66,209	(43,434)	510	(29,745)	44	84,150
Other Financing Sources (Uses)									
Transfers In	-	-	-	-	600,000	-	-	5,500	605,500
Transfers Out	(45,000)	-	-	-	-	-	-	-	(45,000)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	373	783	44,410	66,209	556,566	510	(29,745)	5,544	644,650
Fund Balance, Beginning of year	10,048	57,371	1,250,621	156,369	416,615	116	804,333	-	2,695,473
Fund Balance, End of year	<u>\$ 10,421</u>	<u>\$ 58,154</u>	<u>1,295,031</u>	<u>\$ 222,578</u>	<u>\$ 973,181</u>	<u>\$ 626</u>	<u>\$ 774,588</u>	<u>\$ 5,544</u>	<u>\$ 3,340,123</u>

See the accompanying Independent Auditors' Report.

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Conservation Trust Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Intergovernmental	\$ 43,000	\$ 45,291	\$ 2,291
Investment Income	<u>12</u>	<u>82</u>	<u>70</u>
Total Revenues	<u>43,012</u>	<u>45,373</u>	<u>2,361</u>
Expenditures			
Parks and Recreation	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess Revenues Over (Under) Expenditures	43,012	45,373	2,361
Other Financing Sources (Uses)			
Transfers Out	<u>(45,000)</u>	<u>(45,000)</u>	<u>-</u>
Net Change in Fund Balance	(1,988)	373	2,361
Fund Balance, Beginning of year	<u>10,046</u>	<u>10,048</u>	<u>2</u>
Fund Balance, End of year	<u>\$ 8,058</u>	<u>\$ 10,421</u>	<u>\$ 2,363</u>

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Municipal Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact fees	\$ 265,800	\$ 45,956	\$ (219,844)
Investment Income	10,000	17,360	7,360
Total Revenues	275,800	63,316	(212,484)
Expenditures			
General Government	-	-	-
Public Safety	-	-	-
Capital Outlays	102,500	18,906	83,594
Miscellaneous Expense	2,000		2,000
Contingency Reserve	1,408,655	-	1,408,655
Total Expenditures	1,513,155	18,906	1,494,249
Net Change in Fund Balance	(1,237,355)	44,410	1,281,765
Fund Balance, Beginning of year	1,237,354	1,250,621	13,267
Fund Balance, End of year	\$ <u>(1)</u>	\$ <u>1,295,031</u>	\$ <u>1,295,032</u>

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Downtown Revitalization Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Investment Income	\$ 449	\$ 783	\$ 334
Expenditures			
General Government	5,000	-	5,000
Capital Outlay	15,000	-	15,000
Contingency Reserve	37,835	-	37,835
Total Expenditures	57,835	-	57,835
Net Change in Fund Balance	(57,386)	783	58,169
Fund Balance, Beginning of year	57,386	57,371	(15)
Fund Balance, End of year	\$ -	\$ 58,154	\$ 58,154

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Storm Drainage Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance Positive (Negative)
Revenues			
Impact fees	\$ 75,000	\$ 7,772	\$ (67,228)
Investment Income	97	138	41
	<u>75,097</u>	<u>7,910</u>	<u>(67,187)</u>
Total Revenues	<u>75,097</u>	<u>7,910</u>	<u>(67,187)</u>
Expenditures			
Public Works	-	7,400	(7,400)
Capital Outlay	-	-	-
Contingency Reserve	75,219	-	75,219
	<u>75,219</u>	<u>7,400</u>	<u>67,819</u>
Total Expenditures	<u>75,219</u>	<u>7,400</u>	<u>67,819</u>
Net Change in Fund Balance	(122)	510	632
Fund Balance, Beginning of year	<u>122</u>	<u>116</u>	<u>(6)</u>
Fund Balance, End of year	<u>\$ -</u>	<u>\$ 626</u>	<u>\$ 626</u>

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Transportation Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Impact fees	\$ 391,350	\$ 126,813	\$ (264,537)
Investment Income	<u>1,224</u>	<u>3,456</u>	<u>2,232</u>
Total Revenues	<u>392,574</u>	<u>130,269</u>	<u>(262,305)</u>
Expenditures			
Public Works	100,000	64,060	35,940
Capital Outlay	125,000	-	125,000
Contingency Reserve	<u>323,982</u>	<u>-</u>	<u>323,982</u>
Total Expenditures	<u>548,982</u>	<u>64,060</u>	<u>484,922</u>
Excess Revenues Over (Under) Expenditures	(156,408)	66,209	222,617
Other Financing Sources			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(156,408)	66,209	222,617
Fund Balance, Beginning of year	<u>156,408</u>	<u>156,369</u>	<u>(39)</u>
Fund Balance, End of year	<u>\$ -</u>	<u>\$ 222,578</u>	<u>\$ 222,578</u>

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Parks & Open Space Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Impact fees	\$ 416,400	\$ 13,880	\$ (402,520)
Investment Income	6,301	10,742	4,441
	<u>422,701</u>	<u>24,622</u>	<u>(398,079)</u>
Expenses			
General Government	-	20,451	(20,451)
Parks and Recreation	-	32,317	(32,317)
Capital Outlay	225,000	1,599	223,401
Contingency Reserve	1,002,775	-	1,002,775
	<u>1,227,775</u>	<u>54,367</u>	<u>1,173,408</u>
Net Change in Fund Balance	(805,074)	(29,745)	775,329
Fund Balance, Beginning of year	<u>805,074</u>	<u>804,333</u>	<u>(741)</u>
Fund Balance, End of year	<u>\$ -</u>	<u>\$ 774,588</u>	<u>\$ 774,588</u>

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Capital Improvement Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Taxes	\$ -	\$ -	\$ -
Investment Income	2,697	6,865	4,168
	<u>2,697</u>	<u>6,865</u>	<u>4,168</u>
Expenses			
Public Works	50,500	30,984	19,516
Capital Outlay	603,610	19,315	584,295
Contingency Reserve	-	-	-
	<u>654,110</u>	<u>50,299</u>	<u>603,811</u>
Excess Revenues Over (Under) Expenditures	(651,413)	(43,434)	607,979
Other Financing Sources (Uses)			
Transfers In	240,000	600,000	360,000
Net Change in Fund Balance	(411,413)	556,566	967,979
Fund Balance, Beginning of year	411,413	416,615	5,202
Fund Balance, End of year	\$ -	\$ 973,181	\$ 973,181

Town of Mead, Colorado
 Budgetary Comparison Schedule
 Art in Public Places Fund
 For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Taxes	\$ -	\$ -	\$ -
Investment Income	-	44	44
	<u>-</u>	<u>44</u>	<u>44</u>
Expenses			
General Government	-	-	-
Capital Outlay	-	-	-
Contingency Reserve	5,500	-	5,500
	<u>5,500</u>	<u>-</u>	<u>5,500</u>
Excess Revenues Over (Under) Expenditures	(5,500)	44	5,544
Other Financing Sources (Uses)			
Transfers In	5,500	5,500	-
	<u>5,500</u>	<u>5,500</u>	<u>-</u>
Net Change in Fund Balance	-	5,544	5,544
Fund Balance, Beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of year	\$ <u>-</u>	\$ <u>5,544</u>	\$ <u>5,544</u>

Town of Mead, Colorado
Budgetary Comparison Schedule
Sewer Fund
For the Year Ended December 31, 2018

	Original and Final Budget	Actual	Variance <i>Positive</i> <i>(Negative)</i>
Revenues			
Utility Charges	\$ 612,000	\$ 656,918	\$ 44,918
Grant Revenue		99,820	99,820
Other Charges for Services	16,000	18,304	2,304
	<u>628,000</u>	<u>775,042</u>	<u>147,042</u>
Expenses			
Operations	1,527,616	278,549	1,249,067
Administration	163,028	109,453	53,575
Capital Outlay	-	-	-
Contingency Reserve	-	-	-
	<u>1,690,644</u>	<u>388,002</u>	<u>1,302,642</u>
Net Operating Income	<u>(1,062,644)</u>	<u>387,040</u>	<u>1,449,684</u>
Nonoperating Revenues (Expenses)			
Interest Income	7,858	13,015	5,157
Debt Service	(130,155)	(130,154)	1
	<u>(122,297)</u>	<u>(117,139)</u>	<u>5,158</u>
Net Income (Loss) Before Contributed Capital	(1,184,941)	269,901	1,454,842
Contributed Capital			
Plant Investment Fees	200,000	56,500	(143,500)
Change in Net Position, Budgetary Basis	<u><u>\$ (984,941)</u></u>	326,401	<u><u>\$ 1,311,342</u></u>
Reconciliation to GAAP Basis			
Capital Outlay		-	
Debt Service Principal		66,868	
Bond Premium Amortization		3,763	
Change in accrued interest		972	
Depreciation		<u>(245,095)</u>	
Change in Net Position, GAAP Basis		<u><u>\$ 152,909</u></u>	

Compliance Section

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Mead
		YEAR ENDING : December 2018
This Information From The Records Of (example - City of _ or County of Town of Mead)	Prepared By: Phone:	Denise Rademacher 970-805-4191

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)	369,473
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	157,285
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	8,936
2. General fund appropriations	424,425	b. Snow and ice removal	30,052
3. Other local imposts (from page 2)	612,156	c. Other	30,830
4. Miscellaneous local receipts (from page 2)	10,358	d. Total (a. through c.)	69,818
5. Transfers from toll facilities	0	4. General administration & miscellaneous	278,925
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	384,887
a. Bonds - Original Issues	0	6. Total (1 through 5)	1,260,389
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	0
7. Total (1 through 6)	1,046,939	b. Redemption	0
B. Private Contributions	0	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	297,464	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	5,800
E. Total receipts (A.7 + B + C + D)	1,344,403	b. Redemption	78,214
		c. Total (a. + b.)	84,014
		3. Total (1.c + 2.c)	84,014
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	1,344,403

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)	244,886	0	78,214	166,672

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		1,344,403	1,344,403		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2018	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	391,632	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	6,695	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	0	f. Charges for Services	10,358
5. Specific Ownership &/or Other	213,829	g. Other Misc. Receipts	0
6. Total (1. through 5.)	612,156	h. Other	0
c. Total (a. + b.)	612,156	i. Total (a. through h.)	10,358
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	272,942	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	24,522	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	24,522	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	297,464	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		0	0
b. Engineering Costs		0	0
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		369,473	369,473
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	369,473	369,473
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	369,473	369,473
			(Carry forward to page 1)
Notes and Comments:			