Annual Financial Report

Town of Nunn

Nunn, Colorado

For the Year Ended December 31, 2017

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July 10, 2018

TC Tim Chavies & Associates, Inc.

Certified Public Accountants
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TOWN OF NUNN, COLORADO

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December 31, 2017

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Town of Nunn
Nunn, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Nunn, State of Colorado as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

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

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Nunn, State of Colorado as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in 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 on pages 3-7 and budgetary comparison information on pages 33-38 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, 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 Nunn, State of Colorado's basic financial statements. The budgetary comparisons on pages 39-41 and the local highway finance report on pages 42-43 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The budgetary comparisons and local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparisons and local highway finance report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Tim Chavies & Associates, Inc.

Tim Chavies & Associates, Inc.
Certified Public Accountants

Greeley, Colorado
June 28, 2018

P.O. Box 171
Nunn, Colorado 80648
(970) 897-2385

Management's Discussion and Analysis
December 31, 2017

This section of Town of Nunn, State of Colorado's (the "Town") 2017 annual financial report presents management's discussion and analysis of the Town's financial performance for the year ended December 31, 2017. The Management Discussion and Analysis ("MD&A") should be read in conjunction with the Town's financial statements, including the notes to financial statements and supplemental information that immediately follow this section. When available, the Town has included comparative analysis of such data.

Financial Highlights

- The Town's assets plus deferred outflows exceeded its liabilities plus deferred inflows by $4,958,198 in 2017 compared to $4,555,283 in 2016 (net position), an increase of $402,915 or 8.84%.

- Total revenues for the governmental funds were $744,441 in 2017 compared to $634,364 in 2016, an increase of $110,077 or 17.35%. Total expenditures were $633,332 in 2017 compared to $716,160 in 2016, a decrease of $82,828 or 11.56%.

- Total operating revenues for the proprietary funds were $244,810 in 2017 compared to $178,284 in 2016, an increase of $66,526 or 3.73%. Total operating expenditures were $217,695 in 2017 compared to $201,039 in 2016, an increase of $16,656 or 8.28%.

- Town of Nunn acquired an additional office building for housing the Police Department staff. The congested work space was no longer feasible for providing efficient work space for the staff members. The improved office building provides accessibility to the community while providing a more productive work space.

- The Nunn Police Department was awarded a continuation Jag grant for 2017, which terms at the end of this year. Equipment updates include on-board computers that increase communications between the Nunn Police and Weld County Dispatch services. The reserve officers continue to provide coverage during off hours of Police operations. The Nunn Town Municipal Court continues to be held once a month for trials and court dates.

Overview of the Financial Statements

The Town's financial statements are comprised of three components, government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains other supplementary information in addition to the financial statements themselves.

Government-Wide Financial Statements are comprised of the Statement of Net Position and the Statement of Activities. These two statements are designed to provide readers with a broad overview of the Town's finances utilizing the full accrual method of accounting, in a manner similar to the private-sector business.

The Statement of Net Position presents information on all of the Town's assets, deferred outflows of resources and liabilities and deferred inflows of resources, including capital assets and long-term liabilities with the difference being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

Both government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Governmental activities of the Town include the General Fund and Conservation Trust Fund. The Business-Type activities of the Town include the Water Fund. The Town does not have any component units.

Fund Financial Statements focus on current available resources and are organized and operated on the basis of funds. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. All of the funds of the Town can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds financial statements utilize the modified accrual basis of accounting, which focuses on near-term inflow and outflow of spendable resources, as well as on balances on spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financial requirements. The Town maintains two governmental funds (General and Conservation Trust).

Proprietary Funds provide the same type of information as the government-wide financial statements, only in more detail. These funds are used to account for services in which the Town charges customers a fee. The Town maintains one proprietary fund (Water).

The Town does not have any **Fiduciary Funds.**

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide, business-type activities and fund financial statements.

Other Information includes certain required supplementary information containing budgetary comparison schedules of revenues, expenditures and changes in fund balances for all funds.

Government-Wide Financial Analysis

Condensed financial information from the **Statement of Net Position** at December 31, 2017:

Assets	Governmental Activities	Business-Type Activities	Total
Current assets	$ 1,013,858	$ (124,317)	$ 889,541
Noncurrent assets	491,274	4,138,581	4,629,855
Total Assets	1,505,132	4,014,264	5,519,396
Deferred Outflows	12,466	-	12,466
Liabilities			
Current liabilities	24,000	19,511	43,511
Noncurrent liabilities	13,131	346,735	359,866
Total Liabilities	37,131	366,246	403,377
Deferred Inflows	170,287	-	170,287
Net Position			
Net investment in capital assets	488,336	3,689,831	4,178,167
Restricted	45,939	88,396	134,335
Unrestricted	775,905	(130,209)	645,696
Total Net Position	$ 1,310,180	$ 3,648,018	$ 4,958,198

Net position increased by $402,915 in 2017. The increase was affected by the Town receiving an increase property and sales taxes and police department work.

Condensed financial information from the **Statement of Activities** at December 31, 2017:

Revenues	Governmental Activities	Business-Type Activities	Total
Program Revenues:			
Charges for services	$ 44,091	$ 244,810	$ 288,901
General Revenues:			
Taxes	309,787	-	309,787
Intergovernmental	59,051	-	59,051
Other	382,160	943	383,103
Contributions	64,194	108,000	172,194
Total Revenues	859,283	353,753	1,213,036
Expenses			
General government	(137,841)	-	(137,841)
Public safety	(279,493)	-	(279,493)
Public works	(132,433)	-	(132,433)
Health and welfare	(13,013)	-	(13,013)
Culture - recreation	(25,973)	-	(25,973)
Water	-	(221,368)	(221,368)
Total Expenses	(588,753)	(221,368)	(810,121)
Changes in net position	270,530	132,385	402,915
Net Position - beginning	1,039,650	3,515,633	4,555,283
Net Position - ending	$ 1,310,180	$ 3,648,018	$ 4,958,198

The change in net position of the Town increased $402,915 during 2017.

Financial Analysis of the Governmental Funds

Governmental funds: The Town's functions are reported in the General Fund and Conservation Trust Fund. The focus of these funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of the Town's net resources available for spending at the end of its fiscal year.

As of December 31, 2017, the Town's governmental funds reported combined ending fund balances of $819,719, an increase of $220,034 in comparison with 2016. Approximately 94.65% of this total amount ($775,905) constitutes *unrestricted* fund balance, which is available for spending at the government's discretion. The reminder of the fund balance is *restricted* to indicate that it is not available for new spending because it has already been committed for encumbrances or Tabor.

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

Fiduciary funds: As mentioned earlier, the Town does not have any of these types of funds.

Budgetary Highlights

The budgets are prepared in accordance with accounting principles generally accepted in the United States of America. Budget and actual comparison schedules are provided in the other supplementary information section of this report. The budget and actual comparison schedules show the original adopted budget, the final revised budget, actual results, and variance between the final budget and actual results for all funds.

Capital Assets and Debt Administration

Capital Assets (Net of Depreciation)

	Governmental Activities	Business-Type Activities	Total
Land	$ 3,929	$ 29,656	$ 33,585
Water rights	-	977,500	977,500
Water system	-	3,831,699	3,831,699
Buildings and improvements	252,808	-	252,808
Land improvements	338,610	-	338,610
Machinery and equipment	317,534	26,128	343,662
Construction in progress	-	-	-
Total Capital Assets	912,881	4,864,983	5,777,864
Less: accumulated depreciation	(421,607)	(814,798)	(1,236,405)
Net Capital Assets	$ 491,274	$ 4,050,185	$ 4,541,459

Capital assets – net of depreciation increased $15,006 or 0.34% during 2017 due to capital outlay of $213,503 (assets acquired) less depreciation of $139,396 and sales of $980 (See Note 5 for further discussion).

Debt Administration

The Town has two outstanding debt obligations with the Colorado Water Resources and Power Development Authority. As of December 31, 2017, the debt was $359,763 compared to $372,661 in 2016, a decrease of $12,898 (See Note 7 for further discussion).

Economic Factors
The Town of Nunn roof repairs from the 2016 Hail damages were completed in 2017. The gymnasium was utilized by the Highland Recreation Association for youth basketball throughout the months of August 2017 to February 2018. The Nunn community library continues to serve the community residents with the internet access for the Northern Plains Library District. The Nunn Community center continues to provide housing for the local outreach program for food and clothing, along with community functions for theatrical and musical events.

Financial Contact
This financial report is designed to provide a general overview of the Town's finances for those who have an interest in the Town. If you have any questions about the report or need additional financial information, please contact Town Clerk at 185 Lincoln Avenue, Nunn, Colorado 80648. Phone (970) 897-2385.

BASIC FINANCIAL STATEMENTS

Statement of Net Position

Government-Wide

December 31, 2017

ASSETS	Governmental Activities	Business-Type Activities	Total
Current Assets:			
Cash on hand and in checking	$ 405,286	$ -	**$ 405,286**
Cash on deposit - Weld County Treasurer	9,080	-	**9,080**
Cash in savings	2,759	-	**2,759**
Investments - cash in Colotrust	238,629	12,066	**250,695**
Property taxes receivable	170,139	-	**170,139**
Accounts receivable	31,733	18,174	**49,907**
Prepaid items	1,675	-	**1,675**
Internal balances	154,557	(154,557)	**-**
Total Current Assets	1,013,858	(124,317)	**889,541**
Noncurrent Assets:			
Net pension asset	-	-	**-**
Restricted assets:			
Revenue bond operations and maintenance account	-	36,550	**36,550**
Revenue bond payment account	-	51,846	**51,846**
Total Restricted Assets	-	88,396	**88,396**
Capital Assets:			
Land improvements	338,610	-	**338,610**
Land	3,929	29,656	**33,585**
Water system	-	3,831,699	**3,831,699**
Machinery and equipment	317,534	26,128	**343,662**
Water rights	-	977,500	**977,500**
Buildings and improvements	252,808	-	**252,808**
Total Capital Assets	912,881	4,864,983	**5,777,864**
Less: accumulated depreciation	(421,607)	(814,798)	**(1,236,405)**
Net Capital Assets	491,274	4,050,185	**4,541,459**
Total Noncurrent Assets	491,274	4,138,581	**4,629,855**
Total Assets	1,505,132	4,014,264	**5,519,396**
DEFERRED OUTFLOWS			
Deferred outflows related to pensions	12,466	-	**12,466**
LIABILITIES			
Current Liabilities:			
Accounts payable	18,054	5,892	**23,946**
Payroll taxes payable	5,946	-	**5,946**
Accrued interest payable	-	591	**591**
Current portion of long-term debt	-	13,028	**13,028**
Total Current Liabilities	24,000	19,511	**43,511**
Noncurrent Liabilities:			
Compensated absences	7,277	-	**7,277**
Capital lease obligations	2,938	-	**2,938**
Note payable - CWRPDA loan	-	359,763	**359,763**
Less: portion due within one year	-	(13,028)	**(13,028)**
Net pension liability	2,916	-	**2,916**
Total Noncurrent Liabilities	13,131	346,735	**359,866**
Total Liabilities	37,131	366,246	**403,377**
DEFERRED INFLOWS			
Unearned revenue - property taxes	170,139	-	**170,139**
Deferred inflows related to pensions	148	-	**148**
Total Deferred Inflows	170,287	-	**170,287**
NET POSITION			
Net investment in capital assets	488,336	3,689,831	**4,178,167**
Restricted for tabor	26,110	-	**26,110**
Restricted for parks and recreation	19,829	-	**19,829**
Restricted for revenue bond operations and maintenance	-	88,396	**88,396**
Unrestricted	775,905	(130,209)	**645,696**
Total Net Position	$ 1,310,180	$ 3,648,018	**$ 4,958,198**

See accompanying notes to the basic financial statements

TOWN OF NUNN, COLORADO

Statement of Activities

Government-Wide

Year Ended December 31, 2017

Functions / Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Contributions	Net (Expense) Revenue and Changes in Net Position — Primary Government: Governmental Activities	Business-Type Activities	Total
Primary Government						
Governmental Activities:						
General government	$ (137,841)	$ -	$ -	$ (137,841)	$ -	**$ (137,841)**
Public safety	(279,493)	-	64,194	(215,299)	-	**(215,299)**
Public works	(132,433)	44,091	-	(88,342)	-	**(88,342)**
Health and welfare	(13,013)	-	-	(13,013)	-	**(13,013)**
Culture and recreation	(25,973)	-	-	(25,973)	-	**(25,973)**
Total Governmental Activities	(588,753)	44,091	64,194	(480,468)	-	**(480,468)**
Business-Type Activities:						
Water fund	(221,368)	244,810	108,000	-	131,442	**131,442**
Total Business-Type Activities	(221,368)	244,810	108,000	-	131,442	**131,442**
Total Primary Government	$ (810,121)	$ 288,901	$ 172,194	(480,468)	131,442	**(349,026)**
General Revenues:						
Taxes				309,787	-	**309,787**
Licenses and permits				24,179	-	**24,179**
Intergovernmental revenue				59,051	-	**59,051**
Fines and forfeitures				299,972	-	**299,972**
Miscellaneous income				9,150	-	**9,150**
Sale of assets				980	-	**980**
Grants				23,542	-	**23,542**
Insurance proceeds				12,150	-	**12,150**
Earnings on investments				2,785	943	**3,728**
Transfers				-	-	**-**
Contributions				-	-	**-**
Pension net increase (decrease)				9,402	-	**9,402**
Total General Revenues				750,998	943	**751,941**
Change in Net Position				270,530	132,385	**402,915**
Net Position-Beginning of Year				1,039,650	3,515,633	**4,555,283**
Net Position-End of Year				$ 1,310,180	$ 3,648,018	**$ 4,958,198**

TOWN OF NUNN, COLORADO

Balance Sheet

Governmental Funds

December 31, 2017

		General	Conservation Trust	Total
ASSETS				
Current Assets:				
Cash on hand and in checking	$	405,286	$ -	$ **405,286**
Cash on deposit - Weld County Treasurer		9,080	-	**9,080**
Cash in savings		2,759	-	**2,759**
Cash in Colotrust		218,800	19,829	**238,629**
Property taxes receivable		170,139	-	**170,139**
Accounts receivable		31,733	-	**31,733**
Prepaid items		1,675	-	**1,675**
Due from other funds		154,557	-	**154,557**
Total Current Assets		994,029	19,829	**1,013,858**
Total Assets	$	994,029	$ 19,829	$ **1,013,858**
LIABILITIES				
Current Liabilities:				
Accounts payable	$	18,054	$ -	$ **18,054**
Payroll taxes payable		5,946	-	**5,946**
Total Current Liabilities		24,000	-	**24,000**
Total Liabilities		24,000	-	**24,000**
DEFERRED INFLOWS				
Unearned revenue - property taxes		170,139	-	**170,139**
Total Liabilities & Deferred Inflows		194,139	-	**194,139**
FUND BALANCE				
Nonspendable - prepaid		1,675	-	**1,675**
Restricted		26,110	19,829	**45,939**
Committed		-	-	**-**
Assigned		-	-	**-**
Unassigned		772,105	-	**772,105**
Total Fund Balance		799,890	19,829	**819,719**
Total Fund Balance, Liabilities and Deferred Inflows	$	994,029	$ 19,829	$ **1,013,858**

Reconciliation of the Balance Sheet to the Statement of Net Position	
Total Governmental Fund Balance	$ **819,719**
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Capital assets	912,881
Less: accumulated depreciation	(421,607)
Long-term liabilities, including capital leases, are not due and payable in the current period, therefore, they are not reported in the funds:	
Compensated absences	**(7,277)**
Capital lease obligations	**(2,938)**
Net pension liability and deferred outflows/inflows of resources related to pension plan is not recorded in the governmental funds but is recorded in the statement of net position	**9,402**
Net Position of Governmental Activities	$ **1,310,180**

TOWN OF NUNN, COLORADO

Statement of Revenues, Expenditures, and Changes in Fund Balances

Governmental Funds

Year Ended December 31, 2017

	General	Conservation Trust	Total
Revenues:			
Taxes	$ 309,787	$ -	$ **309,787**
Licenses and permits	24,179	-	**24,179**
Intergovernmental revenue	54,671	4,380	**59,051**
Charges for services	44,091	-	**44,091**
Fines and forfeitures	299,972	-	**299,972**
Miscellaneous revenues	9,150	-	**9,150**
Earnings on investments	2,591	194	**2,785**
Total Revenues	744,441	4,574	**749,015**
Expenditures:			
Current:			
General government	131,456	-	**131,456**
Public safety	252,241	-	**252,241**
Public works	113,141	-	**113,141**
Health and welfare	13,013	-	**13,013**
Culture and recreation	17,978	-	**17,978**
Capital outlay	105,503	-	**105,503**
Total Expenditures	633,332	-	**633,332**
Excess (Deficiency) of Revenues over Expenditures	111,109	4,574	**115,683**
Other Financing Sources (Uses):			
Sale of assets	1,200	-	**1,200**
Contributions	64,194	-	**64,194**
Loan proceeds	3,265	-	**3,265**
Insurance proceeds	12,150	-	**12,150**
Grants	23,542	-	**23,542**
Transfers in (out)	-	-	-
Total Other Financing Sources (Uses)	104,351	-	**104,351**
Net Change in Fund Balance	215,460	4,574	**220,034**
Fund Balance - Beginning of Year	584,430	15,255	**599,685**
Fund Balance - End of Year	$ 799,890	$ 19,829	$ **819,719**

Reconciliation of Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities:	
Net Change in Fund Balance - Total Governmental Funds	$ **220,034**
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate to those expenditures over the life of the assets:	
Capital assets sold	**(220)**
Capital asset purchases capitalized	**105,503**
Depreciation expense	**(60,960)**
Loan proceeds provide current financial resources to the governmental fund and repayment of debt principal is an expenditure in the governmental funds, but the proceeds increase and repayment reduces long-term liabilities in the statement of net position:	
Loan proceeds	**(3,265)**
Capital lease payments	**327**
Net pension asset and deferred outflows/inflows of resources related to pension plan is not recorded in the governmental funds but is recorded in the statement of net position	**9,402**
Some expenses reported in statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:	
Change in compensated absences	**(291)**
Change in Net Position of Governmental Activities	$ **270,530**

See accompanying notes to the basic financial statements

TOWN OF NUNN, COLORADO

Statement of Net Position

Proprietary Funds

Year Ended December 31, 2017

	Business-Type Activities	
	Water	Total
ASSETS		
Current Assets:		
Cash in Colotrust	$ 12,066	**$ 12,066**
Accounts receivable	18,174	**18,174**
Other receivables	-	**-**
Prepaid items	-	**-**
Total Current Assets	30,240	**30,240**
Noncurrent Assets:		
Restricted assets:		
Revenue bond operations and maintenance account	36,550	**36,550**
Revenue bond payment account	51,846	**51,846**
Total Noncurrent Assets	88,396	**88,396**
Capital Assets:		
Land	29,656	**29,656**
Water system	3,831,699	**3,831,699**
Machinery and equipment	26,128	**26,128**
Water rights	977,500	**977,500**
Construction in progress	-	**-**
Total Capital Assets	4,864,983	**4,864,983**
Less: Accumulated depreciation	(814,798)	**(814,798)**
Net Capital Assets	4,050,185	**4,050,185**
Total Assets	4,168,821	**4,168,821**
LIABILITIES		
Current Liabilities:		
Accounts payable	5,892	**5,892**
Accrued interest payable	591	**591**
Due to other funds	154,557	**154,557**
Current portion of long-term debt	13,028	**13,028**
Total Current Liabilities	174,068	**174,068**
Long Term Liabilities:		
Note payable - CWRPDA loan	359,763	**359,763**
Less: portion due within one year	(13,028)	**(13,028)**
Total Long Term Liabilities	346,735	**346,735**
Total Liabilities	520,803	**520,803**
NET POSITION		
Net investment in capital assets	3,689,831	**3,689,831**
Restricted for revenue bond operations and maintenance	88,396	**88,396**
Unrestricted:		
Designated for subsequent year's expenditures	-	**-**
Undesignated	(130,209)	**(130,209)**
Total Net Position	$ 3,648,018	**$ 3,648,018**

TOWN OF NUNN, COLORADO

Statement of Revenues, Expenses, and Changes in Net Position

Proprietary Funds

Year Ended December 31, 2017

	Business-Type Activities	
	Water	Total
Operating Revenues:		
Charges for services	$ 165,588	**$ 165,588**
Other operating revenues	79,222	**79,222**
Total Operating Revenues	244,810	**244,810**
Operating Expenses:		
Administrative	33,267	**33,267**
System operations and maintenance	105,992	**105,992**
Depreciation	78,436	**78,436**
Total Operating Expenses	217,695	**217,695**
Operating Income (Loss)	27,115	**27,115**
Non-operating Revenues (Expenses)		
Earnings on investments	943	**943**
Interest expense	(3,673)	**(3,673)**
Sale of assets	-	**-**
Insurance proceeds	-	**-**
Grants	-	**-**
Total Non-operating Revenues (Expenses)	(2,730)	**(2,730)**
Income (Loss) before contributions	24,385	**24,385**
Contributions	108,000	**108,000**
Change in Net Position	132,385	**132,385**
Total Net Position - beginning of year	3,515,633	**3,515,633**
Total Net Position - end of year	$ 3,648,018	**$ 3,648,018**

TOWN OF NUNN, COLORADO

Statement of Cash Flows

Proprietary Funds

Year Ended December 31, 2017

	Business-Type Activities	
	Water	Total
Cash Flows From Operating Activities:		
Cash received from customers	$ 248,940	$ 248,940
Cash payments to employees	(26,792)	(26,792)
Cash payments to suppliers	(112,946)	(112,946)
Internal activity - payments to other funds	(92,631)	(92,631)
Net Cash flows From Operating Activities	16,571	16,571
Cash Flows From Non-capital Financing Activities:		
Operating transfers in	-	-
Operating transfers out	-	-
Insurance proceeds	-	-
Other non-operating revenue	-	-
Net Cash Flows from Non-capital Financing Activities	-	-
Cash Flows From Capital and Related Financing Activities:		
Acquisition of capital assets	(108,000)	(108,000)
Contributions	108,000	108,000
Principal payments on long-term debt	(12,898)	(12,898)
Interest payments on long-term debt	(3,673)	(3,673)
Net Cash Flows from Capital and Related Financing Activities	(16,571)	(16,571)
Cash Flows From Investing Activities:		
Interest on investments	943	943
Net Cash Flows from Investing Activities	943	943
Net Increase (Decrease) in Cash and Cash Equivalents	943	943
Cash and Cash Equivalents - January 1	99,519	99,519
Cash and Cash Equivalents - December 31	$ 100,462	$ 100,462
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:		
Operating loss	$ 27,115	$ 27,115
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	78,436	78,436
Changes in assets and liabilities:		
Receivables	4,130	4,130
Prepaid expenses	999	999
Payables and other accrued expenses	(1,478)	(1,478)
Due to other funds	(92,631)	(92,631)
Net Cash Flows from Operating Activities	$ 16,571	$ 16,571

NOTES TO THE BASIC FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Nunn, Colorado, was incorporated in 1908, as a statutory town as defined by Colorado Revised Statutes. The statutes provide that the Mayor is the chief administrative officer and that the Board of Trustees shall be the policy-making authority. The following services are currently offered by the Town: General government, public safety, public works, health, recreation and water.

The financial statements of the Town have been prepared in conformity with accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Board (GASB) is the acknowledged standard setting body for establishing governmental accounting and financial reporting standards followed by governmental entities.

Reporting Entity

The reporting entity consists of only the Town, a primary government that is a general purpose local government. This primary government has a separately elected governing body and it is legally separate, as well as financially independent of other state and local governments. A component unit may be a financial benefit or burden to the primary government and which is a legally separate organization of which the elected officials of the primary government are financially accountable. The Town does not have any component units.

New Accounting Pronouncements

GASB Statement No 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans.* This statement address accounting and reporting for other postemployment benefits (OPEB) plans, which include postemployment healthcare benefits including medical, dental, vision, hearing, and other benefits such as death benefits, life insurance, disability, and long-term care. The Town has no OPEB plans, therefore, for year ended December 31, 2017 implementation had no impact to the Town's financial statements.

GASB Statement No 80, *Blending Requirements for Certain Component Units – an amendment of GASB Statement No 14.* This statement clarifies the financial statement presentation requirements for certain component units and enhances comparability of financial statements among state and local governments. The Town has no component units, therefore, for year ended December 31, 2017 implementation had no impact to the Town's financial statements.

GASB Statement No 81, *Irrevocable Split-Interest Agreements.* This statement improves the accounting and financial reporting by establishing recognition and measurement requirements for irrevocable split-interest agreements. The Town has no irrevocable split-interest agreements, therefore, for year ended December 31, 2017 implementation had no impact to the Town's financial statements.

GASB Statement No 82, *Pension Issues – an amendment of GASB Statements No 67, No 68, and No 73.* This statement addresses implementation issues that arose during the implementation of the GASB pension suite (Nos. 67, 68, and 73). The Town implemented this statement for year ending December 31, 2017 and had no impact to the Town's financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basic Financial Statements

Government-Wide Financial Statements are presented on an economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Funds. Under the accrual basis of accounting, revenues are recognized in the period in which are they are earned, while expenses are recognized in which the liability is incurred, regardless of the timing of the related cash flows. Government-Wide Financial Statements consist of Statement of Net Position and Statement of Activities. The Statement of Net Position includes assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Town.

Governmental Fund Financial Statements are presented on the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Revenues are considered to be available when they are collected within the current period or soon enough thereafter (generally 60 days after year-end) to pay liabilities of the current period.

The Town reports the following major **Governmental Funds**:

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

- The **Conservation Trust Fund** is a special revenue fund used to account for the proceeds of specific revenue sources (other than special assessments, expendable trust, or major capital projects) that are legally restricted to expenditures for specified purposes.

The Town reports the following major **Proprietary Fund**:

- The **Water Fund** is used to provide water services to the Town citizens.

Required supplementary information includes Management's Discussion and Analysis which includes an analytical overview of the Town's financial activities and budgetary comparison schedules are presented for all funds that compare the adopted and modified budget with actual results.

The Town does not report any **Fiduciary Funds**.

Budgets and Budgetary Accounting

An annual budget and appropriation resolutions is adopted by the Town in accordance with the Colorado State Statutes. The budget for all funds is prepared on a basis consistent with GAAP, except that for proprietary fund, bond and loan proceeds are treated as other financing sources and debt service principal payments and capital outlays are treated as expenditures.

Budgeted amounts are as originally adopted or as increased by supplemental appropriations. Budget appropriations lapse at year-end. Budgetary comparisons with actual revenues and expenditures are included as required supplemental information for the General and Conservation Trust funds and as other supplemental information for the Water Fund. The following is a summary of the original, total revisions and revised budgets for those funds with amended budgets in year 2017:

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (continued)

Governmental Funds	Original Budget	Total Revisions	Revised Budget
General Fund	$ 714,730	$ -	$ 714,730
Conservation Trust Fund	2,500	-	2,500
Business-Type:			
Water Fund	356,600	-	356,600
Total Funds	$ 1,073,830	$ -	$ 1,073,830

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

- On or before August 25, the Weld County Assessor submits to the Town the new assessed valuation and other amounts needed to compute the statutory property tax revenue limit.
- On or before October 15, the Budget Committee submits to the Town Board of Trustees a proposed operating budget for the following fiscal year commencing January 1. The budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- On or before December 15, the Town certifies the mill levy to the Board of County Commissioners.
- On or before December 22, the Board of County Commissioners certifies the levy against the assessed valuation on all taxable properties.
- Prior to December 31, the Town legally adopts the budget.

Designated for Subsequent Year's Expenditures

Designated fund balance/net position is the portion of the fund balance/net position that is appropriated in the succeeding year's budget.

Compensated Absences

The Town reports compensated absences in accordance with the provisions of GASB Statement No. 16, *Accounting for Compensated Absences*. Personal leave benefits are accrued as a liability as the benefits are earned if the employee' rights to receive compensation are attributable to services rendered and it is probable that the Town will compensate the employees for the benefits earned. Upon termination of employment from the Town, an employee will be compensated for all accrued vacation time at their current rate of pay, there is no payment for sick leave upon termination.

Amounts of vested or accumulated vacation pay that are not expected to be liquidated with expendable available financial resources are reported on the government-wide financial statements. The Town has recorded a liability of $7,277 at December 31, 2017. There is no accrual in the fund financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

The Town considers all highly liquid financial instruments with maturities of three months or less to be cash equivalents.

The Town pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in various interest-bearing securities and disclosed as part of the Town's investments.

Investments

Investments are reported at fair value which is determined using selected bases. Short-term investments are reported at cost, which approximates fair value. Securities trades on exchanges are valued using quoted market prices. Non-participating contracts such as certificates of deposits are reported at cost, plus accrued interest, which approximates fair value. Cash deposits and money market investments that mature within one year or less are reported at carrying amount, which reasonably estimates fair value. Investment pools are reported at fair value, which is determined by the fair value per share of the pool's underlying asset portfolio.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include land, buildings and improvements, equipment, and infrastructure assets, are reported in the governmental-wide financial statements. The Town records its property and equipment at historical cost. Contributed capital assets are valued at their estimated fair value on the date donated. Maintenance and repairs are charged to current period operating expenses, whereas additions and improvements are capitalized. Upon retirement or other disposition of property and equipment, the costs and related accumulated depreciation are removed from the respective accounts and any gains or losses are included in operations. Interest costs relating to construction are capitalized. During year ended December 31, 2017, no interest was capitalized. The Town's capitalization level is $1,000 for capital assets.

Depreciation is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings and improvements	10 to 50
Furniture and equipment	5 to 20
Utility systems	15 to 50
Land improvements	20 to 40

As a result of Statement No. 34, the Town is accounting for infrastructure and capital assets on its financial statements. The government-wide financial statements include those assets that were completed during the fiscal year-end, considered construction in progress or purchased or constructed in prior years. The Town has elected to capture infrastructure assets with the implementation of Statement No. 34 (the retroactive approach).

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Receivables

Receivables are considered fully collectible and therefore are reported at their gross value.

Fund Equity / Net Position

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. (1) Nonspendable fund balance cannot be spent because of its form. (2) Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. (3) Committed fund balance is a limitation imposed by the Town's board through approval of resolutions. (4) Assigned fund balance is a limitation imposed by a designee of the Town's board. (5) Unassigned fund balance in the General Fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes.

Net Position represents the difference between all other elements in a statement of financial position and is displayed in three components (1) net investment in capital assets; (2) restricted (distinguishing between major categories of restrictions), and (3) unrestricted.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources. Furthermore, committed fund balances are reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Article X, Section 20, of the Colorado Constitution Amendment contains several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The Town believes that it is in compliance with the requirements of the Amendment. However, the Town has made certain interpretations of the Amendment's language in order to determine its compliance.

The Amendment excludes from its provisions enterprises. Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than ten percent of their annual revenue in grants from all state and local governments combined, are excluded from the provisions of the Amendment.

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. On April 5, 1994, voters approved a referendum regarding the Town's retention of revenues collected in excess of the fiscal spending limits for 1993, also to be effective for all years thereafter.

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)
On November 4, 2008, voters approved to allow the Town to maintain its operating mill levy at 13.810 mills in 2008 (for 2009 collection) and all years thereafter, qualifying as a TABOR voter approved revenue change and, if applicable, an authorized exception to the statutory 5.5% tax revenue growth limitation. Considering the above interpretation of TABOR, the governing board believes that it is in compliance with its fiscal requirements for the years December 31, 2017.

The Amendment requires that emergency reserves be established. The reserves must be at least three percent of the fiscal year spending (excluding bonded debt service). The Town is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The Town has restricted $26,110 for this purpose.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS
Cash Deposits
Cash and cash investments are carried at cost. The Town authorized investment of funds in federally insured bank accounts or local government pools. Maturities must be five years or less. This authorization is in compliance with restrictions set forth by the State of Colorado statutes.

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

Total cash deposits at December 31, 2017:

	Governmental Activities	Business-Type Activities	Total
Cash on hand and in checking	$ 405,286	$ -	$ 405,286
Cash with county treasurer	9,080	-	9,080
Cash in savings	2,759	-	2,759
Total Cash Deposits	**$ 417,125**	**$ -**	**$ 417,125**

The State Regulatory Commissions for banks are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which a political subdivision may invest, which include:

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

Total investments at December 31, 2017:

	Governmental Activities	Business-Type Activities	Total
Colotrust	$ 238,629	$ 12,066	$ 250,695
Restricted - Colotrust	-	88,396	88,396
Total Investments	**$ 238,629**	**$ 100,462**	**$ 339,091**

Maturities of investments at December 31, 2017 were as follows:

	Investment Maturities in Years				
	Less than 1	1 to 5	6 to 10	More than 10	Total
Colotrust	$ 250,695	$ -	$ -	$ -	$ 250,695
Restricted - Colotrust	88,396	-	-	-	88,396
Investments ar Fair Value	-	-	-	-	-
Total Investments	**$ 339,091**	**$ -**	**$ -**	**$ -**	**$ 339,091**

The Town's policy is to hold investments until maturity.

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure fair value of the assets. Level 1 inputs are quoted prices in an active market for identical assets; Level 2 inputs are significant other observable inputs; and Level 3 inputs are significant unobservable inputs.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (continued)

The Town has the following recurring fair value measurements as of December 31, 2017:

	Level 1	Level 2	Level 3	Total
Investments by Fair Value Level:				
US Treasury Bond/Note	$ -	$ -	$ -	$ -
Federal Agency Obligations	-	-	-	-
Equities	339,091	-	-	339,091
Mutual Funds	-	-	-	-
Subtotal	339,091	-	-	339,091
Investments measured at Amortized Cost:				
Certificates of Deposit	-	-	-	-
Total Investments	**$ 339,091**	**$ -**	**$ -**	**$ 339,091**

Investments classified in Level 1 of the fair value hierarchy are valued using quoted prices in active markets. Investments classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Investments classified in Level 3 are valued using discounted cash flow techniques or valued using consensus pricing.

During year ended December 31, 2017, the Town invested funds in the Colorado Local Government Liquid Asset Trust (COLOTRUST), a local government investment pool, comprised of two funds: COLOTRUST Prime and COLOTRUST Plus. Prime invests only in U.S. Treasury and government agencies, while Plus invests in U.S. Treasury, government agencies and in the highest-rate commercial paper. Both investment pools are rated AAAm by S&P Global Ratings and operate similar to a money market fund with a share value equal to $1.00 and a maximum weighted average maturity of 60 days. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. The Trust is exempt from registration with the Securities and Exchange Commission. For more information on COLOTRUST call (303) 864-7474 or go to www.colotrust.com.

Custodial Credit Risk is the risk that, in the event of the failure of the issuer or counterparty, the Town will not be able to recover the value of its investment (or related collateral securities that are held by an outside party). The Town had custodial credit risk for its investments at December 31, 2017.

Interest Rate Risk is the risk that changes in interest rate will adversely affect the fair value of an investment. The Town investment portfolio does not contain investments that exceed the five-year limitation imposed by Colorado Statutes.

Credit Risk is the risk that an issuer or other counterparts to an investment in debt securities will not fulfill its obligation. The Town's investment policy follows Colorado Revised Statues.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Town has no such policy limiting how much can be with one financial institution.

NOTE 3 - CASH DEPOSITS AND INVESTMENTS (CONTINUED)

Summary

Total cash deposits and investments at December 31, 2017:

	Governmental Activities	Business-Type Activities	Total
Cash Deposits	$ 417,125	$ -	$ 417,125
Investments	238,629	100,462	339,091
Total Cash Deposits and Investments	$ 655,754	$ 100,462	$ 756,216

Investment Income:	Governmental Activities	Business-Type Activities	Total
Interest income	$ 2,785	$ 943	$ 3,728
Net increase (decrease) in the fair value of investments	-	-	-
Total Investment Income	$ 2,785	$ 943	$ 3,728

The net increase (decrease) in the fair value of investments represents the difference in fair value from one year to the next.

NOTE 4 - PROPERTY TAXES RECEIVABLE

Under Colorado law, all property taxes become due and payable in the calendar year following that in which they are levied. Property taxes levied by the General Fund in the current year, 2017, to be collected in the subsequent year, 2018, are accrued as a receivable as of December 31, 2017 and offset by deferred revenue account.

The Town's property tax calendar is as follows:

Lien Date	January 1, 2017
Levy Date	November 1, 2017
Tax bills mailed	January 1, 2018
First installment due	February 28, 2018
Second installment due	June 15, 2018
If paid in full, due	April 30, 2018
Tax sale – 2017 delinquent property tax	November 15, 2018

NOTE 5 – CAPITAL ASSETS

The following is a summary of capital assets for the Governmental Activities as of December 31, 2017:

	Beg Balance	Additions	Retirements	End Balance
Governmental Activities				
Non-Depreciable Assets:				
Land	$ 3,929	$ -	$ -	$ 3,929
Depreciable Assets:				
Buildings and improvements	237,038	15,770	-	252,808
Land improvements	338,610	-	-	338,610
Machinery and equipment	229,001	89,733	(1,200)	317,534
Totals at Historical Cost	808,578	105,503	(1,200)	912,881
Less: Accumulated Depreciation for:				
Buildings and improvements	(137,169)	(9,704)	-	(146,873)
Land improvements	(77,968)	(22,288)	-	(100,256)
Machinery and equipment	(146,490)	(28,968)	980	(174,478)
Total Accumulated Depreciation	(361,627)	(60,960)	980	(421,607)
Governmental Activities Capital Assets - Net	$ 446,951	$ 44,543	$ (220)	$ 491,274

Depreciation expense was charged to Governmental Activities as follows:	
General government	$ 6,421
Public safety	27,252
Public works	19,292
Health and welfare	-
Culture and recreation	7,995
Total Depreciation Expense - Governmental Activities	$ 60,960

NOTE 5 – CAPITAL ASSETS (CONTINUED)

The following is a summary of capital assets for the Business-Type Activities as of December 31, 2017:

	Beg Balance	Additions	Retirements	End Balance
Business-Type Activities				
Non-Depreciable Assets:				
Land	$ 29,656	$ -	$ -	$ 29,656
Water rights	869,500	108,000	-	977,500
Construction in progress	-	-	-	-
Depreciable Assets:				
Water system	3,831,699	-	-	3,831,699
Machinery and equipment	26,128	-	-	26,128
Totals at Historical Cost	4,756,983	108,000	-	4,864,983
Less: Accumulated Depreciation for:				
Water system	(712,914)	(77,384)	-	(790,298)
Machinery and equipment	(23,448)	(1,052)	-	(24,500)
Total Accumulated Depreciation	(736,362)	(78,436)	-	(814,798)
Business-Type Activities				
Capital Assets - Net	$ 4,020,621	$ 29,564	$ -	$ 4,050,185

Depreciation expense was charged to Business-Type Activities as follows:	
Water fund	$ 78,436
Total Depreciation Expense - Business-Type Activities	$ 78,436

NOTE 6 - INTERFUND RECEIVABLES AND PAYABLES AND INTERFUND TRANSFERS

A summary of inter-fund activities at December 31, 2017 and for the year end ended is as follows:

	Interfund Receivable	Interfund Payable	Transfers In	Transfers Out
Governmental Activities				
General Fund	$ 154,557	$ -	$ -	$ -
Conservation Trust Fund	-	-	-	-
Total Governmental Activities	154,557	-	-	-
Business-Type Activities				
Water Fund	-	154,557	-	-
Total Business-Type Activities	-	154,557	-	-
Total	$ 154,557	$ 154,557	$ -	$ -

NOTE 7 – LONG-TERM DEBT

Note Payable – CWRPDA

On December 9, 2011, the Town executed a loan through the Drinking Water Revolving Fund Disadvantaged Communities Program with the Colorado Water Resources and Power Development Authority in the amount of $2,424,000 with $2,000,000 being in the form of Principal Forgiveness. The loan proceeds will be used for upgrades to the water system. The terms of the loan require a payment of $1,366 on November 1, 2012, which include interest from December 9, 2011. Beginning May 1, 2013, bi-annual payments of $8,296 are required, including interest at a 1.00% annual rate, with final payment due May 1, 2042. Both the principal and interest thereon are payable solely from net revenues (gross revenues less operations and maintenance expenses) of the water distribution system. The balance due as of December 31, 2017 is $359,763.

Changes in Long-Term Debt

	12/31/2016	Additions	Reductions	12/31/2017	Due Within One Year
DWRF 2011 loan payable	$ 372,661	$ -	$ 12,898	$ 359,763	$ 13,028
Total	$ 372,661	$ -	$ 12,898	$ 359,763	$ 13,028

NOTE 8 – DEBT SERVICE REQUIREMENTS

Summary of debt service requirements with principal and interest to maturity:

	CWRPDA Loan 2011		Annual
Payment Dates	Principal	Interest	Principal & Interest
2018	$ 13,028	$ 3,565	$ 16,593
2019	13,158	3,435	16,593
2020	13,290	3,303	16,593
2021	13,423	3,170	16,593
2022	13,558	3,035	16,593
2023-2027	69,857	13,108	82,965
2028-2032	73,429	9,536	82,965
2033-2037	77,184	5,781	82,965
2038-2042	72,836	1,833	74,669
Total	$ 359,763	$ 46,766	$ 406,529

NOTE 9 – DEBT SERVICE COMPLIANCE AND ACCOUNTABILITY

Restricted Assets and Net Position

Certain resources set aside for the repayment of Water Fund bonded debt are classified as "restricted" on the Statement of Net Position because their use is limited by applicable bond covenants. The "revenue bond operations and maintenance" account is used to report resources set aside to subsidize potential deficiencies from the Town's operation that could adversely affect debt service payments. The "revenue bond payment" account is used to segregate resources accumulated for debt service payments as they come due.

NOTE 9 – DEBT SERVICE COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The Town's bond covenants require certain restrictions of the Water Fund net position. The restricted portions as of December 31, 2017:

Restricted for revenue bond operations and maintenance	$	36,550
Restricted for revenue bond payment		51,846
Total Restricted Net Position	$	88,396

The balance of the Town's restricted asset accounts as of December 31, 2017:

Restricted for revenue bond operations and maintenance	$	36,550
Restricted for revenue bond payment		51,846
Total Restricted Assets	$	88,396

Rate Maintenance

The Town is required to establish, maintain and enforce rates and charges for services rendered by the water distribution system to create revenue sufficient to pay maintenance and operations expenses of the system and to cover 1.10 times the annual debt service of the existing Water Fund revenue debt. The calculation for system payment requirements due in 2017 is computed as follows:

Net Revenues:			
Operating revenue		$	244,810
Earnings on investments			943
Total Revenues			245,753
Less: Operating expenses (excluding depreciation)			(139,259)
Net Revenues			106,494
Debt Service Requirements:			
Colorado Water Resources and Power Development Authority			16,593
Debt service requirements times 1.10	x		1.10
Total Debt Service Requirements			18,252
Deficit of Net Revenues over Requirements		$	88,242

The Town was in compliance with the debt service requirements in 2017.

NOTE 10 – CAPITAL LEASE OBLIGATIONS

The Town leases machinery and equipment under non-cancelable leases expiring at various dates through June 2022 which meet the criteria for capitalization. These capital leases are financed with General Fund and Water Fund resources.

NOTE 10 – CAPITAL LEASE OBLIGATIONS (CONTINUED)
The estimated value of the leased machinery and equipment at the inception of the leases net of accumulated depreciation amounted to $3,265. The related present value of the remaining obligations under the capital leases which amounts to $2,938, at December 31, 2017 and are included in the capital assets and long-term liabilities, accordingly.

Future required minimum obligations under capital leases are as follows:

Yead Ending December 31	Principal	Interest	Total
2018	$ 653	$ 16	$ 669
2019	653	32	685
2020	653	32	685
2021	653	32	685
2022	326	16	342
Total	$ 2,938	$ 128	$ 3,066

NOTE 11 - 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 subcontractors; and natural disasters. The Town purchases commercial insurance for most risks of loss. As of December 31, 2017, the Town did not have any liabilities in excess of insurance limits. Claims have not exceeded insurance coverage in the prior three years.

NOTE 12 – CONTINGENCIES
The Town had no material pending or threatened litigation, claims, and assessments. Furthermore, the Town is unaware of any unasserted possible claims or assessments that are probable of assertion and must be disclosed in accordance with FASB Accounting Standards Codification No. 450 as of December 31, 2017.

NOTE 13 – DEFINED BENEFIT PENSION PLAN
On July 1, 2016, the Town enrolled all full-time police officers of the Town in pension plans administered by the Fire and Police Pension Association of Colorado (FPPA), with the exception of the Chief of Police.

Plan Description
The Town enrolls all full-time police officers in pension plans (FPPA Plan) administered by the Fire and Police Pension Association of Colorado (FPPA), with the exception of the Chief of Police. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at: http:/www.fppaco.org.

The Statewide Defined Benefit Plan (SWDB), is a cost-sharing multiple-employer defined benefit pension plan that provides retirement benefits for members and beneficiaries.

The Statewide Death and Disability Plan (SWD&D), is a plan similar to a self-insured employee welfare benefit plan where contributions to the plan are used for the payment of death and disability benefits.

NOTE 13 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Benefits

Normal Retirement is 25 years of service and age 55. Vested Retirement is 5 years of service, payable at age 55. Early Retirement is 30 years of service or age 50, early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump sum distribution. All benefits are calculated on a 2.0% benefit for each year of service for the first 10 years, then a 2.5% benefit for each year of service there-after. The benefit is based on the average of the highest 3 years' base salary. Deferred Retirement is available to members who qualify for Normal or Vested Retirement and defer the receipt of their defined benefit pension to as late as age 65 and receive the actuarial equivalent of the benefit.

The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the SWDB plan. Benefits paid to retired members are evaluated and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index.

Plan Contributions

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the FPPA Plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statue or election of the membership. Contribution rates at December 31, 2017 are as follows:

	Member	Employer
Statewide Defined Benefit Plan (SWBD)	9.50%	8.00%
Statewide Death and Disability Plan (SWD&D) *	1.35%	1.35%
	10.85%	9.35%

Member contributions to SWBD will increase 0.5% annually through 2022 to a total of 12.0% of base salary.

Contribution rates for members and employers of affiliated social security employers:

	Member	Employer
Statewide Defined Benefit Plan (SWBD)	4.75%	4.00%
Statewide Death and Disability Plan (SWD&D) *	1.35%	1.35%
	6.10%	5.35%

Member contributions to SWBD will increase 0.25% annually through 2022 to a total of 10.0% of base salary

*Effective January 1, 2017 through December 31, 2018 the Statewide Death and Disability Plan contribution rate increased from 2.6% to 2.7%.

NOTE 13 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Pension Liability (Asset)

At December 31, 2017, the Town reported a liability of $2,916 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total net pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on the Town's share of contributions relative to the contributions of all participants.

Deferred Outflows/Inflows of Resources by Source

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Outflows/ (Inflows) of Resources
Contributions subsequent to measurement date	$ 4,328	$ -	$ 4,328
Difference between expected and actual experiences	2,604	148	2,456
Assumption changes	1,992	-	1,992
Net difference between projected and actual earnings on pension plan investments	7,870	-	7,870
Total	$ 16,794	$ 148	$ 16,646

The $4,328 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2017.

Deferred Outflows/Inflows of Resources by Year to be recognized in Future

Year Ending December 31	Net Deferred Outflows/ (Inflows) of Resources
2017	$ 3,005
2018	3,005
2019	2,825
2020	1,150
2021	528
Thereafter	1,805
Total	$ 12,318

Actuarial Assumptions

The total pension liability (asset) was determined by an actuarial valuation on January 1, 2017, using the following key actuarial assumptions:

NOTE 13 – DEFINED BENEFIT PENSION PLAN (CONTINUED)
Actuarial Assumptions (continued)

Acturial cost method	Entry age normal
Amortization method	Level % of payroll, open
Remaining amortization period	30 years
Inflation	0.00%
Salary increases	4.0% - 14.0%
Investment rate of return	7.50%
Mortality	RP-2014 generational mortality table with blue collar adjustment, projected with Scale BB, 40% multiplier of off-duty mortality. Post-retirement: RP-2014 generational mortality table, with blue collar adjustment, projected with Scale BB.
Changes in actuarial assumptions	No significant changes in the actuarial assumptions from prior year

Investments
The FPPA Board Members serve as the fiduciaries for the Funds and are responsible for the investment of the Funds, or the selection of investment options available to defined contribution, deferred compensation and self-directed DROP plan members. As fiduciaries, the FPPA Board Members are required to discharge their duties solely in the interest of fund participants and beneficiaries. The Board has established investment policies and allocates assets, or selects investment options, based upon member characteristics, plan provisions, and the financial requirements of the Funds, in addition to considering the risk/reward trade-offs of various investments.

The Association has established long range statements of investment objectives and policies for managing and monitoring the Funds. The investment policies establish investment objectives and define the responsibilities of the fiduciaries with respect to the Funds, their investment authority under Colorado law, the level of acceptable risk for investments, investment allocation targets, investment performance objectives, and guidelines within which outside investment managers must operate.

The assets in the Fire & Police Members' Benefit Investment Fund are managed primarily by professional investment management firms. Similarly, investment options offered to defined contribution and deferred compensation plan members are typically pooled investment vehicles managed by professional money managers. Best estimates of arithmetic real rates of return for each major asset class included in the plans target asset allocation are as follow:

NOTE 13 – DEFINED BENEFIT PENSION PLAN (CONTINUED)

Investments (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global equity	36.0%	9.25%
Equity long / short	10.0%	7.35%
Illiquid alternatives	23.0%	10.75%
Fixed income	15.0%	4.10%
Absolute return	10.0%	6.55%
Managed futures	4.0%	5.50%
Cash	2.0%	0.00%
Total	100.0%	

Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects 1) a long-term expected rate of return on pension plan investments (to the extent that the FPPA Plan's fiduciary net position is projected to be sufficient to pay benefits) and 2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the FPPA Plan's projected fiduciary net position is not sufficient to pay benefits). The long-term expected rate of return on pension plan investments is 7.50%; the municipal bond rate is 3.78%; and the resulting Single Discount Rate is 7.50%.

Sensitivity to Single Discount Rate Assumption

The following presents the Town's proportionate share of the net pension liability / (asset), calculated using a Single Discount Rate of 7.50%, as well as what the Town's proportionate share of the net pension liability / (asset) would be if it were calculated using a Single Discount Rate that is 1 percent lower or 1 percent higher.

	1% Decrease **6.50%**	Current Rate **7.50%**	1% Increase **8.50%**
Pension Plan's Net Pension Liability / (Asset)	$ 24,810	$ 2,916	$ (15,268)

Pension Plan Fiduciary Net Position

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

NOTE 14 – SUBSEQUENT EVENTS

The Town has evaluated events and transactions occurring subsequent to the end of the fiscal year for potential recognition or disclosure through June 28, 2018, the date on which the financial statements issued, and did not identify any events or transactions that would have a material impact on the financial statements.

REQUIRED SUPPLEMENTAL INFORMATION

Schedule of Revenues

Budget to Actual - ***General Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Taxes:					
General property taxes	$ 123,450	$ 123,450	$ **122,078**	$ (1,372)	$ 113,660
Prior year property taxes	1,050	1,050	**1,099**	49	1,044
General sales taxes	45,000	45,000	**80,313**	35,313	52,261
Specific ownership taxes	6,000	6,000	**9,587**	3,587	7,202
General Use taxes	32,000	32,000	**51,896**	19,896	46,662
Other building use taxes	21,500	21,500	**29,810**	8,310	32,959
Franchise taxes	16,000	16,000	**14,737**	(1,263)	14,700
Interest on delinquent taxes	550	550	**267**	(283)	243
Cultivation excise tax	75,000	75,000	**-**	(75,000)	-
Total Taxes	320,550	320,550	**309,787**	(10,763)	268,731
Licenses and Permits:					
Business	1,200	1,200	**1,144**	(56)	1,431
Building permits	14,000	14,000	**20,070**	6,070	19,345
Dog licenses and other permits	600	600	**465**	(135)	600
Cultivation license	-	-	**2,500**	2,500	-
Total Licenses and Permits	15,800	15,800	**24,179**	8,379	21,376
Intergovernmental Revenues:					
Highway user's tax	35,000	35,000	**33,623**	(1,377)	32,275
Motor vehicle registration fees	2,700	2,700	**3,298**	598	3,261
Cigarette taxes	-	-	**500**	500	-
Severance tax	13,400	13,400	**11,092**	(2,308)	13,624
Weld county road and bridge apportionment	6,500	6,500	**6,158**	(342)	6,074
Total Intergovernmental Revenues	57,600	57,600	**54,671**	(2,929)	55,234
Charges for Services:					
Cemetery opening/closing fees	1,425	1,425	**7,225**	5,800	1,350
Zoning fees	250	250	**745**	495	75
Trash removal charges	30,500	30,500	**35,671**	5,171	31,799
Mowing and property cleaning	250	250	**450**	200	540
Total Charges for Services	32,425	32,425	**44,091**	11,666	33,764
Fines and Forfeitures:					
Court fines	152,000	152,000	**197,194**	45,194	150,818
Citation surcharge	42,000	42,000	**49,645**	7,645	41,510
VIN inspections	1,000	1,000	**1,100**	100	1,020
Certified VIN inspections	24,000	24,000	**52,033**	28,033	20,470
Total Fines and Forfeitures	219,000	219,000	**299,972**	80,972	213,818
Miscellaneous Revenues:					
Earnings on investments	1,385	1,385	**2,591**	1,206	1,490
Other income	27,125	27,125	**9,150**	(17,975)	11,458
Contributions	-	-	**64,194**	64,194	-
Insurance proceeds	-	-	**12,150**	12,150	77,311
Grants	34,585	34,585	**23,542**	(11,043)	23,493
Sale of assets	-	-	**1,200**	1,200	-
Total Miscellaneous Revenues	63,095	63,095	**112,827**	49,732	113,752
Total Revenues	$ 708,470	$ 708,470	$ **845,527**	$ 137,057	$ 706,675

TOWN OF NUNN, COLORADO

Schedule of Expenditures

*Budget to Actual - **General Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
General Government:					
Legislative:					
Legal	$ 10,000	$ 10,000	**$ 5,747**	$ 4,253	$ 9,048
Publishing	1,000	1,000	**642**	358	116
Total Legislative	11,000	11,000	**6,389**	4,611	9,164
Judicial:					
Legal	15,000	15,000	**7,323**	7,677	8,447
Municipal judge	15,000	15,000	**8,275**	6,725	6,660
Miscellaneous	750	750	**870**	(120)	1,039
Total Judicial	30,750	30,750	**16,468**	14,282	16,146
Elections:					
Elections	-	-	**-**	-	373
Election supplies	-	-	**-**	-	1,291
Total Judicial	-	-	**-**	-	1,664
Administration:					
Salaries	40,225	40,225	**39,824**	401	36,853
Health insurance	15,120	15,120	**15,212**	(92)	13,775
Payroll taxes	4,275	4,275	**3,166**	1,109	2,930
Workers' compensation	-	-	**-**	-	-
Conferences and training	2,500	2,500	**647**	1,853	-
Audit	7,500	7,500	**7,250**	250	6,900
Insurance and bonds	3,300	3,300	**2,884**	416	3,300
Telephone	1,500	1,500	**1,204**	296	1,321
Vehicle expense	250	250	**-**	250	85
Supplies	4,500	4,500	**5,241**	(741)	4,231
Postage	800	800	**659**	141	711
Office equipment/lease	500	500	**239**	261	353
Computer support/maintenance	1,200	1,200	**1,193**	7	984
Bank service charges	4,600	4,600	**5,291**	(691)	4,999
Dues and subscriptions	1,200	1,200	**815**	385	868
Miscellaneous	-	-	**200**	(200)	-
Treasurer's fees	1,800	1,800	**1,234**	566	1,149
Capital outlay	1,000	1,000	**-**	1,000	-
Total Administration	90,270	90,270	**85,059**	5,211	78,459
Planning and Zoning:					
Planning	2,500	2,500	**28**	2,472	44
Engineering services	3,700	3,700	**3,653**	47	2,031
Total Planning and Zoning	6,200	6,200	**3,681**	2,519	2,075
Building:					
Salaries	7,200	7,200	**960**	6,240	6,742
Health insurance	1,625	1,625	**588**	1,037	983
Payroll taxes	-	-	**76**	(76)	536
Workers' compensation	600	600	**-**	600	300
Repairs and maintenance	5,500	5,500	**6,288**	(788)	90,767
Insurance and bonds	5,200	5,200	**5,200**	-	3,860
Utilities	7,000	7,000	**3,647**	3,353	4,422
Professional services	-	-	**3,100**	(3,100)	-
Capital outlay	5,500	5,500	**19,035**	(13,535)	-
Total Building	32,625	32,625	**38,894**	(6,269)	107,610
Total General Government	170,845	170,845	**150,491**	20,354	215,118

(continued on next page)

Schedule of Expenditures

Budget to Actual - ***General Fund (continued)***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Public Safety:					
Police:					
Salaries	$ 145,000	$ 145,000	**$ 141,943**	$ 3,057	$ 119,593
Health insurance	10,000	10,000	**3,817**	6,183	5,463
Payroll taxes	20,000	20,000	**12,857**	7,143	11,026
Workers' compensation	4,500	4,500	**15**	4,485	6,024
Retirement	4,000	4,000	**4,328**	(328)	1,930
Police protection fees	5,600	5,600	**7,294**	(1,694)	3,485
Conferences and training	7,500	7,500	**257**	7,243	850
Court fees	250	250	**50**	200	-
Jail costs	150	150	**375**	(225)	-
Insurance and bonds	8,000	8,000	**7,162**	838	5,986
Telephone	9,250	9,250	**8,115**	1,135	6,098
Gas, oil and service	21,500	21,500	**14,094**	7,406	17,902
Supplies	16,600	16,600	**15,364**	1,236	12,980
Miscellaneous	34,585	34,585	**23,483**	11,102	22,937
Capital outlay	30,000	30,000	**86,468**	(56,468)	34,231
Total Police	316,935	316,935	**325,622**	(8,687)	248,505
Building Inspections:					
Professional services	13,000	13,000	**13,087**	(87)	14,230
Total Public Safety	329,935	329,935	**338,709**	(8,774)	262,735
Public Works:					
Highways and Streets:					
Salaries	45,000	45,000	**41,810**	3,190	37,298
Health insurance	8,800	8,800	**4,399**	4,401	7,536
Payroll taxes	3,000	3,000	**3,324**	(324)	2,965
Workers' compensation	3,000	3,000	**1,675**	1,325	269
Equipment maintenance	8,500	8,500	**10,267**	(1,767)	8,905
Insurance and bonds	5,000	5,000	**5,030**	(30)	3,778
Gas, oil and service	4,000	4,000	**3,414**	586	2,079
Tools	250	250	**113**	137	-
Supplies	9,500	9,500	**2,522**	6,978	3,357
Street lighting	12,000	12,000	**7,642**	4,358	9,261
Legal	-	-	**-**	-	5,000
Road base	5,000	5,000	**6,741**	(1,741)	3,839
Capital outlay	-	-	**-**	-	103,413
Total Highways and Streets	104,050	104,050	**86,937**	17,113	187,700
Sanitation:					
Trash removal	32,000	32,000	**26,204**	5,796	24,230
Total Sanitation	32,000	32,000	**26,204**	5,796	24,230
Total Public Works	136,050	136,050	**113,141**	22,909	211,930
Health and Welfare:					
Cemetery:					
Salaries	4,000	4,000	**4,509**	(509)	4,253
Health insurance	-	-	**1,210**	(1,210)	-
Payroll taxes	-	-	**358**	(358)	338
Workers' compensation	-	-	**-**	-	-
Insurance and bonds	8,200	8,200	**6,200**	2,000	6,200
Supplies	8,000	8,000	**736**	7,264	1,608
Capital outlay	-	-	**-**	-	-
Total Cemetery	20,200	20,200	**13,013**	7,187	12,399
Total Health and Welfare	20,200	20,200	**13,013**	7,187	12,399

(continued on next page)

Schedule of Expenditures

*Budget to Actual - **General Fund (continued)***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017 Original Budget	2017 Final Budget	2017 **Actual**	2017 Variance - Favorable (Unfavorable)	**2016** Actual
Culture and Recreation:					
Parks:					
Salaries	$ 5,700	$ 5,700	**$ 5,315**	$ 385	$ 4,956
Health insurance	-	-	**-**	-	-
Payroll taxes	-	-	**422**	(422)	394
Workers' compensation	-	-	**-**	-	-
Repairs and maintenance	3,000	3,000	**2,090**	910	358
Insurance and bonds	4,000	4,000	**283**	3,717	2,143
Gas, oil and service	500	500	**-**	500	241
Supplies	3,000	3,000	**3,030**	(30)	926
Lighting	1,500	1,500	**938**	562	2,573
Capital outlay	38,000	38,000	**-**	38,000	-
Total Parks	55,700	55,700	**12,078**	43,622	11,591
Recreation:					
Nunn harvest festival	1,500	1,500	**750**	750	2,029
Supplies	500	500	**5,150**	(4,650)	358
Total Recreation	2,000	2,000	**5,900**	(3,900)	2,387
Total Culture and Recreation	57,700	57,700	**17,978**	39,722	13,978
Total Expenditures	$ 714,730	$ 714,730	**$ 633,332**	$ 81,398	$ 716,160

TOWN OF NUNN, COLORADO

Reconciliation of Budgetary Basis to GAAP Basis

*Budget to Actual - **General Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Revenues:					
Taxes	$ 320,550	$ 320,550	**$ 309,787**	$ (10,763)	$ 268,731
Licenses and permits	15,800	15,800	**24,179**	8,379	21,376
Intergovernmental revenues	57,600	57,600	**54,671**	(2,929)	55,234
Charges for services	32,425	32,425	**44,091**	11,666	33,764
Fines and forfeitures	219,000	219,000	**299,972**	80,972	213,818
Miscellaneous revenues	63,095	63,095	**112,827**	49,732	113,752
Total Revenues	708,470	708,470	**845,527**	137,057	706,675
Transfers In:					
Conservation Trust Fund	45,000	45,000	**-**	(45,000)	-
Total Transfers In	45,000	45,000	**-**	(45,000)	-
Total Revenues and Transfers	753,470	753,470	**845,527**	92,057	706,675
Expenditures:					
General government	170,845	170,845	**150,491**	20,354	215,118
Public safety	329,935	329,935	**338,709**	(8,774)	262,735
Public works	136,050	136,050	**113,141**	22,909	211,930
Health and welfare	20,200	20,200	**13,013**	7,187	12,399
Culture and recreation	57,700	57,700	**17,978**	39,722	13,978
Total Expenditures	714,730	714,730	**633,332**	81,398	716,160
Excess (Deficit) of Revenues over Expenditures	$ 38,740	$ 38,740	**212,195**	$ 10,659	$ (9,485)
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital asset purchases capitalized			**105,503**		
Capital assets sold			**(220)**		
Depreciation expense			**(60,960)**		
Loan proceeds			**3,265**		
Capital lease obligations			**(2,938)**		
Compensated adbsences			**(291)**		
Net pension asset (liability)			**9,402**		
Net Change in Net Position			**$ 265,956**		

TOWN OF NUNN, COLORADO

Budgetary Comparison Schedule

Budget to Actual - ***Conservation Trust Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Revenues:					
Intergovernmental Revenue:					
State Grants:					
Conservation Trust Fund Apportionment	$ 4,250	$ 4,250	$ **4,380**	$ 130	$ 4,917
Total Intergovernmental Revenue	4,250	4,250	**4,380**	130	4,917
Miscellaneous Revenues:					
Earnings on investments	30	30	**194**	164	83
Other revenue	-	-	**-**	-	-
Total Revenues	4,280	4,280	**4,574**	294	5,000
Expenditures:					
General Government:					
Culture and recreation	-	-	**-**	-	-
Total Expenditures	-	-	**-**	-	-
Transfers Out:					
General Fund	2,500	2,500	**-**	2,500	-
Total Transfers Out	2,500	2,500	**-**	2,500	-
Total Expenditures and Transfers	2,500	2,500	**-**	2,500	-
Excess (Deficit) of Revenues Over Expenditures and Transfers	$ 1,780	$ 1,780	**4,574**	$ 2,794	$ 5,000
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital asset purchases capitalized			-		
Depreciation expense			-		
Change in Net Position			$ **4,574**		

OTHER SUPPLEMENTAL INFORMATION

TOWN OF NUNN, COLORADO

Schedule of Revenues

*Budget to Actual - **Water Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Operating Revenues:					
Water sales	$ 165,150	$ 165,150	**$ 165,588**	$ 438	$ 165,440
Tap fees	178,000	178,000	**76,000**	(102,000)	9,500
Penalty on utility billings	3,000	3,000	**2,856**	(144)	3,344
Return check charge	-	-	**-**	-	-
Miscellaneous income	-	-	**366**	366	-
Total Operating Revenues	346,150	346,150	**244,810**	(101,340)	178,284
Non-Operating Revenues:					
Earnings on investments	450	450	**943**	493	448
Contributions from customers	-	-	**108,000**	108,000	-
Grants	10,000	10,000	**-**	(10,000)	-
Transfer from other funds	-	-	**-**	-	-
Total Non-Operating Revenues	10,450	10,450	**108,943**	98,493	448
Total Revenues	$ 356,600	$ 356,600	**$ 353,753**	$ (2,847)	$ 178,732

TOWN OF NUNN, COLORADO

Schedule of Expenditures

*Budget to Actual - **Water Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Operating Expenditures:					
Administrative					
Salaries	$ 16,750	$ 16,750	**$ 15,324**	$ 1,426	$ 14,207
Health insurance	1,200	1,200	**504**	696	950
Payroll taxes	-	-	**1,203**	(1,203)	1,115
Conferences and training	750	750	**75**	675	-
Audit	7,500	7,500	**7,250**	250	6,900
Legal	1,500	1,500	**272**	1,228	720
Telephone	2,100	2,100	**2,012**	88	2,011
Publishing	250	250	**512**	(262)	-
Vehicle expense	450	450	**368**	82	324
Supplies	500	500	**162**	338	648
Postage	2,300	2,300	**1,994**	306	1,771
Small equipment/lease	500	500	**181**	319	353
Computer support/maintenance	3,500	3,500	**2,399**	1,101	2,882
Bank service charges	300	300	**17**	283	20
Dues and subscriptions	350	350	**545**	(195)	437
Utilities	2,000	2,000	**449**	1,551	579
Total Administrative	39,950	39,950	**33,267**	6,683	32,917
System Operation & Maintenance:					
Salaries	15,000	15,000	**11,468**	3,532	11,226
Health insurance	3,500	3,500	**1,142**	2,358	3,946
Payroll taxes	-	-	**900**	(900)	881
Workers' compensation	750	750	**-**	750	-
Conferences and training	1,000	1,000	**882**	118	464
Water sampling and testing	2,500	2,500	**4,528**	(2,028)	980
Drinking water program fee	150	150	**100**	50	100
Water treatment and distribution	48,000	48,000	**42,470**	5,530	43,716
Repairs and maintenance	11,500	11,500	**19,616**	(8,116)	9,364
Insurance and bonds	6,000	6,000	**819**	5,181	3,000
Gas, oil and service	750	750	**-**	750	506
Repairs and maintenance - equip	3,500	3,500	**7,066**	(3,566)	2,083
Supplies	1,500	1,500	**929**	571	263
Utilities	7,200	7,200	**6,215**	985	8,070
Water share assessments	5,500	5,500	**6,935**	(1,435)	5,060
Professional services	17,707	17,707	**2,922**	14,785	-
Total System Operation & Maintenance	124,557	124,557	**105,992**	18,565	89,659
Total Operating Expenditures	164,507	164,507	**139,259**	25,248	122,576
Non-Operating Expenditures:					
Capital Outlay	175,500	175,500	**108,000**	67,500	-
Debt Service:					
Principal	12,899	12,899	**12,898**	1	37,139
Interest	3,694	3,694	**3,673**	21	4,401
Total Non-Operating Expenditures	192,093	192,093	**124,571**	67,522	41,540
Total Expenditures	$ 356,600	$ 356,600	**$ 263,830**	$ 92,770	$ 164,116

TOWN OF NUNN, COLORADO

Reconciliation of Budgetary Basis to GAAP Basis

*Budget to Actual - **Water Fund***

Year Ended December 31, 2017

With Comparative Actual Amounts For the Year Ended December 31, 2016

	2017				
Non-GAAP Budgetary Basis	Original Budget	Final Budget	**Actual**	Variance - Favorable (Unfavorable)	**2016** Actual
Revenues:					
Operating revenues	$ 346,150	$ 346,150	**$ 244,810**	$ (101,340)	$ 178,284
Non-operating revenues	10,450	10,450	**108,943**	98,493	448
Total Revenues	356,600	356,600	**353,753**	(2,847)	178,732
Expenditures:					
Administrative	39,950	39,950	**33,267**	6,683	32,917
System operation & maintenance	124,557	124,557	**105,992**	18,565	89,659
Non-operating expenditures	192,093	192,093	**124,571**	67,522	41,540
Total Expenditures	356,600	356,600	**263,830**	92,770	164,116
Excess (Deficiency) of Revenues over Expenditures	$ -	$ -	**89,923**	$ 89,923	$ 14,616
Reconciliation of Budgetary Basis to GAAP Basis:					
Capital assets purchases capitalized			**108,000**		
Depreciation expense			**(78,436)**		
Long-term debt payments			**12,898**		
Net Change in Net Position			**$ 132,385**		

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

Financial Planning 02/01
Form # 350-050-36

LOCAL HIGHWAY FINANCE REPORT	Nunn Colorado
	YEAR ENDING : December 2017
This Information From The Records Of (example - City of _ or County of	Prepared By: Cathy Payne Phone: 970-897-2385

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	31,907
3. Other local imposts (from page 2)	15,679
4. Miscellaneous local receipts (from page 2)	0
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	47,585
B. Private Contributions	
C. Receipts from State government (from page 2)	36,641
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	84,226

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	63,268
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other	20,958
d. Total (a. through c.)	20,958
4. General administration & miscellaneous	
5. Highway law enforcement and safety	
6. Total (1 through 5)	84,226
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	84,226

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	84,226	84,226		0

Notes and Comments:

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LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado YEAR ENDING (12/17): December 2017

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	15,679	g. Other Misc. Receipts	
6. Total (1. through 5.)	15,679	h. Other	
c. Total (a. + b.)	15,679	i. Total (a. through h.)	0
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	33,366	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	3,275	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	3,275	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	36,641	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments:

Specific Ownership-9640.48
County Road & Bridge-6218.09
Total-15678.57