



BOARD OF TRUSTEES
REGULAR MEETING AGENDA

June 13, 2018
7:00 PM
151 Grant Avenue
Firestone, CO 80520

- 1. Call to Order & Roll Call**
- 2. Pledge of Allegiance**
- 3. Approval of Agenda**
- 4. Public Comment** *(maximum time permitted for all Public Comment is 30 minutes)
- 5. Consent Agenda**
 - 5.a.** Approval of May 23, 2018 Minutes
 - 5.b.** Approval of June 13, 2018 Accounts Payable
 - 5.c.** Cash & Investment Summary for May 2018
 - 5.d.** Gould Property Alluvial Well Field Analysis Consultant Agreement
 - 5.e.** Municipal Jail Services Agreement with Weld County
- 6. Presentation**
 - 6.a.** Anton Collins Auditor Presentation
- 7. Discussion/Action**
 - 7.a.** SELECTION OF CULTURAL COMMITTEE FLAG CONTEST WINNER
 - 7.b.** PHASE 1 - CIVIL & SITE PACKAGE GMP AMENDMENT FOR THE POLICE STATION
 - 7.c.** COMMUNITY GRANT AND CONTRIBUTIONS APPLICATIONS DISCUSSION
 - 7.d.** **Ordinance 933**: AN ORDINANCE APPROVING LEASE-PURCHASE AGREEMENT FOR SIX (6) PUBLIC WORKS VEHICLES

* Individuals that desire to address the Board of Trustees are requested to sign up at the table at the entrance to the meeting room. Each individual will be provided an opportunity to speak (limited to two minutes) during Public Comment. Maximum time permitted for all Public Comment is 30 minutes.

If you need special assistance in order to participate in a Board of Trustees meeting, please contact the Town Manager's Office at 303-833-3291 in advance of the meeting to make arrangements. A forty-eight-hour notice is requested.

- 7.e. **Ordinance 934**: AN ORDINANCE APPROVING A LEASE-PURCHASE AGREEMENT FOR A NEW ROTARY MOWER
- 7.f. **Ordinance 935**: AN ORDINANCE APPROVING THE LEASE-PURCHASE AGREEMENT FOR A 2019 INTERNATIONAL SNOW & ICE TRUCK
- 7.g. AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE AND CLEAR WATER SOLUTIONS, INC. FOR PREPARING A CWCB GRANT APPLICATION FOR A DROUGHT MANAGEMENT PLAN
- 7.h. AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE AND CLEAR WATER SOLUTIONS, INC. FOR PREPARING A RATE STUDY UPDATE
- 7.i. **Ordinance 936**: AN ORDINANCE AMENDING THE FIRESTONE MUNICIPAL CODE REGULATIONS E-TICKETING FOR TRAFFIC INFRACTIONS

8. **Public Comment** *(maximum time permitted for all Public Comment is 30 minutes)

9. **Reports**

9.a. Staff

9.a. Quasi-Judicial Training - Sam Light

9.b. Mayor

9.c. Trustees

9.d. Committee Updates

10. **Adjournment**

* Individuals that desire to address the Board of Trustees are requested to sign up at the table at the entrance to the meeting room. Each individual will be provided an opportunity to speak (limited to two minutes) during Public Comment. Maximum time permitted for all Public Comment is 30 minutes.

If you need special assistance in order to participate in a Board of Trustees meeting, please contact the Town Manager's Office at 303-833-3291 in advance of the meeting to make arrangements. A forty-eight-hour notice is requested.

TOWN OF FIRESTONE, COLORADO
Board of Trustees Regular Meeting
May 23, 2018

1. CALL TO ORDER & ROLL CALL

The Board of Trustees of the Town of Firestone met for a Regular Meeting on May 23, 2018, at the Town Hall, 151 Grant Avenue, Firestone, Colorado. Mayor Sindelar called the meeting to order at 7:03 p.m.

The following were present upon the call of the roll:

Mayor: Bobbi Sindelar

Mayor Pro-tem: Drew Peterson

Trustees: Don Conyac
George Heath
Samantha Meiring
Frank A. Jimenez
Doug Sharp

Staff: **Present:** Sam Light, Town Attorney; Jennifer Weinberger, Asst Town Manager; Tracy Case, Senior Planner; Theo Abkes, Director of Public Works; Dave Lindsay; Engineer; Marjorie Wickham, Deputy Director of Finance; David Montgomery, Police Chief; & Leah Vanarsdall, Town Clerk; A. J. Kreiger, Interim Town Manager

2. PLEDGE OF ALLEGIANCE

Mayor Sindelar led the Pledge of Allegiance.

3. APPROVAL OF AGENDA

Motion by Meiring, **second** by Trustee Heath, to approve the Agenda as amended to move Item 5d – 2018 Water Leasing to Item 8f for discussion. All in Favor, **Motion carried.**

3. PUBLIC COMMENT

Becky Duckworth – 6715 Tenderfoot Ave

5. CONSENT AGENDA

Motion by Mayor Pro-tem Peterson, **second** by Trustee Conyac, to approve the Consent Agenda. **Roll Call Vote:** Trustee Sharp – yes, Trustee Conyac – yes, Trustee Meiring – yes, Trustee Jimenez – yes, Mayor Pro-tem Peterson – yes, Trustee Heath – yes. All in Favor, **Motion carried.**

6. PRESENTATION

- a. Frederick High School – Future Business Leaders of America
- b. Frederick High School - Speech & Debate Team – Katlyn Lucas
- c. Frederick-Firestone Fire Protection District – Jeremy Young

7. PUBLIC HEARING open: 7:39 pm close: 8:45 pm

Public Comment: John Damsma – 4716 Colo River Dr

Applicant Presented: Dave Carro, Jake Sippy, & Marc Savela
Side Yard Setback Submittal was received late this afternoon by applicant.

a. Barefoot Lakes Filing No. 3

Motion by Trustee Sharp, **second** by Trustee Jimenez to for all materials included in Board packet, public comments received regarding the presentation and power point presentation presented this evening, additionally applicable criteria, which include the Town of Firestone's zoning and sub-division regulations and the Town of Firestone's Development Regulations. All in favor, **Motion carried.**

Resolution 18-23: A RESOLUTION APPROVING A FINAL PLAT AND FINAL DEVELOPMENT PLAN FOR BAREFOOT LAKES FILING NO. 3

Motion by Jimenez, **second** by Trustee Conyac, to approve **Resolution 18-23:** A RESOLUTION APPROVING A FINAL PLAT AND FINAL DEVELOPMENT PLAN FOR BAREFOOT LAKES FILING NO. 3 adding Condition No. 21 'revise the plans to include detail for perimeter fencing, consistent with perimeter fence design used for prior filings. The Subdivider shall install the perimeter fencing', and Condition 22 'Side Yard Set Backs for attached units shall comply with standards in the Development Regulations, except that the Planning Department is authorized to approve revisions to the setback table to allow uncovered deck and patio encroachments for specified lots of not more than ten feet into a side yard setback (but no event into required utility or structure separation areas). All revised side yard setback details shall be added to the plans after staff review and approval and prior to recording'. **Roll Call Vote:** Trustee Conyac – yes, Trustee Meiring – yes, Trustee Jimenez – yes, Mayor Pro-tem Peterson – yes, Trustee Heath – yes, Trustee Sharp – yes. All in Favor, **Motion carried.**

8. **DISCUSSION/ACTION ITEMS**

a. Independent Contractor Agreement by and Between the Town of Firestone and THK Associates, Inc. for Professional Consulting Services - Parks Planning and Design Services

Motion by Meiring, **second** by Trustee Sharp, to approve Independent Contractor Agreement by and Between the Town of Firestone and THK Associates, Inc. for Professional Consulting Services - Parks Planning and Design Services. **Roll Call Vote:** Mayor Pro-tem Peterson – yes, Trustee Jimenez – yes, Trustee Meiring – yes, Trustee Conyac – yes, Trustee Sharp – yes, Trustee Heath – yes. All in Favor, **Motion carried.**

b. Independent Contract Agreement by and Between the Town of Firestone and THK Associates, Inc. for Professional Consulting Services - General Planning

Motion by Mayor Pro-tem Peterson, **second** by Trustee Jimenez, to approve Independent Contract Agreement by and Between the Town of Firestone and THK Associates, Inc. for Professional Consulting Services - General Planning. **Roll Call Vote:** Trustee Jimenez – yes, Mayor Pro-tem Peterson – yes, Trustee Heath – yes, Trustee Sharp – yes, Trustee Conyac – yes, Trustee Meiring – yes. All in Favor, **Motion carried.**

c. Independent Contractor Agreement by and Between the Town of Firestone and THK Associates, Inc. for Professional Consulting Services - Planning and Development Review

Motion by Mayor Pro-tem Peterson, **second** by Trustee Conyac, to approve Independent Contractor Agreement by and Between the Town of Firestone and THK Associates, Inc. for Professional Consulting Services - Planning and Development Review. **Roll Call Vote:** Mayor Pro-tem Peterson – yes, Trustee Heath – yes, Trustee Sharp – yes, Trustee Conyac – yes, Trustee Meiring – yes, Trustee Jimenez – yes. All in Favor, **Motion carried.**

- d. Halcyon Design LLC – Town Hall Remodel Design Development Contract – Presented by Kelly Dietman
Informational/update Item Only

- e. **Ordinance 933**: An Ordinance Approving Lease-Purchase Agreement for six (6) Public Works Vehicles
Continued to Wednesday, June 13, 2018

- f. 2018 Water Leasing

Motion by Trustee Meiring, **second** by Mayor Pro-tem Peterson, to approve the 2018 Water Leasing. **Roll Call Vote:** Trustee Jimenez – yes, Mayor Pro-tem Peterson – yes, Trustee Heath – yes, Trustee Sharp – yes, Trustee Conyac – yes, Trustee Meiring – yes,. All in Favor, **Motion carried.**

- 9. **PUBLIC COMMENT** * (maximum time permitted for all Public Comment is 30 minutes)
None

10. **REPORTS**

- a. Staff

- i. Police Station Update - Dave Lindsay
- ii. Quasi Judicial Training (time permitted) – continued to a later date to be determined

- b. Mayor

- c. Trustees

- d. Committee Updates

11. **EXECUTIVE SESSION** Open: 10:45 pm Closed: 11:10 pm

- a. Executive Session pursuant to C.R.S. 24-6-402(4)(a), for the purposes of discussing the potential acquisition of property interests under C.R.S. 24-6-402(4)(a) – potential acquisition of parcels located in Firestone.

Trustee Jimenez recuses himself.

Motion by Mayor Pro-tem Peterson, **second** by Trustee Sharp, to adjourn into Executive Session pursuant to C.R.S. 24-6- 402(4)(a), for the purposes of discussing the potential acquisition of property interests under C.R.S. 24-6-402(4)(a) – potential acquisition of parcels located in Firestone.

Present for Executive Session: Sam Light, AJ Krieger, Jen Weinberger, Bobbi Sindelar, Drew Peterson, Don Conyac, Doug Sharp, George Heath, Samantha Meiring

12. REPORT FROM EXECUTIVE SESSION

No Action taken after Executive Session pursuant to C.R.S. 24-6-402(4)(a), for the purposes of discussing the potential acquisition of property interests under C.R.S. 24-6-402(4)(a) – potential acquisition of parcels located in Firestone.

Motion by Trustee Meiring, **second** by Mayor Pro-tem to set a Special Meeting on June 6, 2018 as close to 7:00 pm as possible following the Work Session.

13. ADJOURNMENT

Motion by Mayor Pro-tem Peterson, **second** by Trustee Sharp, to adjourn meeting at 11:15 pm. **Motion passed**, all in favor.

Introduced and Approved this 13th day of June, 2018.

TOWN OF FIRESTONE, COLORADO

Bobbi Sindelar, Mayor

ATTEST

Leah Vanarsdall, Town Clerk

Vendor	Amount
Total 4 RIVERS EQUIPMENT:	32.84
Total ACCENT BRANDING SOLUTIONS:	1,633.80
Total ACE HARDWARE OF FIRESTONE:	753.71
Total AGFINITY-MEAD:	326.00
Total AIMS JUNIOR COLLEGE DISTRICT:	97.96
Total AJ'S BACKFLOW TESTING LLC:	150.00
Total ALBERTSONS/SAFEWAY, INC.:	366.17
Total ALL COPY PRODUCTS:	26.00
Total AMAZON:	2,956.76
Total AMERICAN CANCER SOCIETY:	1,000.00
Total AMERICAN DISPOSAL SERVICES OF COLORADO:	170.00
Total ANTON COLLINS MITCHELL LLP:	12,500.00
Total APEX SHREDDING, INC.:	80.00
Total AUSMUS LAW FIRM, P.C.:	600.00
Total B K TIRE, INC:	616.61
Total Black Hills Energy:	263.41
Total BUTLER SNOW LLP:	3,629.50
Total CARBON VALLEY RECREATION DISTRICT-FURA:	19,389.42
Total CASELLE, INC.:	3,142.00
Total CENTRAL WELD COUNTY WATER DISTRICT:	20.00
Total CENTRAL WELD COUNTY WATER DISTRICT.-TREA:	47,611.16
Total CENTRAL WELD COUNTY WATER DISTRICT-TAPS:	72,973.70
Total CHEM SCREEN, INC:	26.00
Total CINTAS FIRST AID & SAFETY:	87.62
Total CIRSA:	728.22
Total CIVIC PLUS, INC:	150.00
Total CLIFTON LARSON ALLEN LLP:	11,061.76
Total COALRIDGE ANIMAL HOSPITAL, INC:	135.99
Total COLORADO CIVIL GROUP INC.:	72,614.25
Total COMCAST CABLE-0319130- SEATTLE.:	291.17
Total COMCAST-PHILADELPHIA:	260.20
Total COMPASS DATA, INC, dba COMPASS DRONE:	18,046.10
Total COTTONWOOD HOLLOW COMMERCIAL METRO DISTR:	90.77
Total Cottonwood Hollow Residential Metro Dist:	468.63
Total CPS DISTRIBUTORS, INC.:	88.35
Total DANA KEPNER COMPANY, INC.:	46,857.48
Total DBC IRRIGATION SUPPLY:	5,540.09
Total DEEP ROCK/DS WATERS OF AMERICA INC.:	478.47

Vendor	Amount
Total DELTA DENTAL OF COLORADO, INC:	3,358.87
Total DRIVE TRAIN INDUSTRIES INC:	250.94
Total E&G Terminal, Inc:	71.40
Total EAGLE EYE SECURITY INC.:	1,182.00
Total EMPLOYEE REIMBURSEMENTS & PER DIEMS:	1,758.48
Total EMPLOYERS COUNCIL SERVICES, INC:	635.00
Total EWING AUTO PARTS, INC.:	24.73
Total FACTORY MOTOR PARTS CO.:	204.35
Total FREDERICK-FIRESTONE FIRE-FURA:	40,212.53
Total FRONT RANGE PORTABLE RESTROOMS, LLC:	325.00
Total FRONTIER BUSINESS PRODUCTS:	1,370.09
Total G & G EQUIPMENT INC:	635.38
Total GINA PATTERSON:	250.00
Total GOVERNMENT FINANCE OFFICERS ASSN.:	435.00
Total GRAINGER:	126.99
Total GRANT DANIEL REED:	270.00
Total GREEN GIRL RECYCLING SERVICES:	251.00
Total HALCYON DESIGN LLC:	1,630.80
Total High Plains Library District - FURA:	11,531.88
Total HIGHWAY 119 METRO DISTRICT #2:	185,166.15
Total HOME DEPOT CREDIT SERVICES:	3,185.45
Total ICONICS:	459.00
Total INTERSTATE BATTERY OF THE ROCKIES:	235.90
Total INTERSTATE FORD:	48.70
Total INTERWEST SAFETY SUPPLY, INC.:	75.21
Total JOHNSON AUTO PLAZA:	701.51
Total KATHLEEN A. OATIS:	1,250.00
Total KENZ & LESLIE DISTRIBUTING CO.:	19.45-
Total KG CLEAN, INC:	1,706.50
Total KINSCO, LLC:	2,325.59
Total L. L. JOHNSON DISTRIBUTING CO.:	550.37
Total LAWRENCE JONES CUSTER GRASMICK, LLP:	5,530.96
Total LIGHT KELLY, P.C.:	24,817.90
Total MAIN STREET MAT COMPANY, INC:	227.31
Total MATCO TOOLS:	16.15
Total MCDONALD FARMS ENTERPRISES, INC:	6,301.02
Total MCI:	50.75
Total NEIGHBORS POINT METRO DISTRICT:	158.01
Total NEXTERA HEALTHCARE:	1,648.00

Vendor	Amount
Total Northern Colorado Water Cons. Dist.-FURA:	3,541.73
Total NP125 Metropolitan District - FURA:	2,548.99
Total OFFICE DEPOT INC:	555.29
Total O'REILLY AUTO PARTS:	556.12
Total ORKIN PEST CONTROL, INC:	179.83
Total PAUL D. BASSO:	1,000.00
Total PITNEY BOWES PURCHASE POWER:	1,005.00
Total PRAIRIE MOUNTAIN PUBLISHING:	40.02
Total PUBLIC AGENCY TRAINING COUNCIL:	295.00
Total RARESTEP, INC:	3,839.40
Total ROSA LUCAS:	75.00
Total ROTH SHEPPARD ARCHITECTS, LLP:	125,017.09
Total S & B PORTA-BOWL RESTROOMS, INC:	294.00
Total SAFE BUILT COLORADO INC:	44,554.96
Total SAFETY AND CONSTRUCTION SUPPLY INC:	404.81
Total SEAHORSE SAFE & LOCKOUT SERVICE, LLC:	225.00
Total ST VRAIN VALLEY SCHOOL DIST RE-1J:	38,313.59
Total St. Vrain & Left Hand Water Conservancy:	116.06
Total ST. VRAIN LAKES METRO DISTRICT #2 - FURA:	2,927.51
Total ST. VRAIN LAKES METRO DISTRICT #3 - FURA:	9,026.47
Total ST. VRAIN LAKES METRO DISTRICT #4 - FURA:	6,460.67
Total St. Vrain Sanitation District - FURA:	1,811.11
Total STEVE BALCEROVICH:	1,250.00
Total STOP STICK, LTD:	1,443.00
Total THE SPRINGS METRO DISTRICT - FURA:	480.06
Total THE STANDARD INSURANCE COMPANY:	4,742.62
Total THK ASSOCIATES, INC.:	32,064.42
Total TIMBERLAN, INC:	15,382.25
Total Toilet Rebates:	75.00
Total TRAILER SOURCE INC - WHEATRIDGE:	3,694.00
Total UME CUSTOM EMBROIDERY:	737.87
Total UNITED POWER:	1,330.25
Total VARRA COMPANIES:	7,138.00
Total VERIZON WIRELESS:	4,251.35
Total VISION SERVICE PLAN - VSP:	599.07
Total WELD COUNTY ACCOUNTING DEPARTMENT:	400.00
Total WELD COUNTY ACCOUNTING DEPT.-FURA:	27,979.69
Total WORKWELL OCCUPATIONAL MEDICINE LLC:	125.90
Total XPRESS BILL PAY / XPRESS SOLUTIONS:	1,461.70

Vendor

Amount

Total :

970,166.44

Pre-Paid Item(s):

Total WELD COUNTY COMBINED COURTS:

2,500.00

Grant Totals:

972,666.44

Payables Summary

Accounts Payable Report

June 13, 2018

of Invoices - 398

\$ 919,326.51

<u>COMPANY NAME</u>	<u>DESCRIPTION</u>	<u>Pass-Through \$</u>	<u>Total Amt.</u>
Total of Invoices under \$25,000.00		9949.70+	\$ 185,961.49
Central Weld County Water District	May 2018 Water Tap Fees		\$ 72,973.70
Central Weld County Water District	May 2018 Water Treatment and Delivery		\$ 47,611.16
Colorado Civil Group	May 2018 Engineering Services	\$ 11,858.75	\$ 72,614.25
Dana Kepner Company	Water Meter Yoke Equipment		\$ 46,857.48
Frederick Firestone Fire District	April 2018 FURA TIF Distributions		\$ 40,212.53
Highway 119 Metro District #2	April 2018 FURA TIF Distributions		\$ 185,166.15
Roth Sheppard Architectural	APR-18 PD Facility Architectural Services		\$ 125,017.09
Safe Built	May 2018 Building Department Services		\$ 44,554.96
St Vrain Valley School Dist RE-1J	April 2018 FURA TIF Distributions		\$ 38,313.59
THK Associates	APR & MAY 2018 Planning Services	\$ 660.00	\$ 32,064.42
Weld County Acct Dept	April 2018 FURA TIF Distributions		\$ 27,979.69
Total Invoices, Current		\$ 12,518.75	\$ 919,326.51

AP Adjustments between Invoice Register, Unpaid Report, Paid Report

Kenz & Leslie Distributing	Credit on account	\$ (19.45)
US Bank National Assoc	Voided check payment from previous AP approval	\$ 53,359.38

Total (to match Board AP Detail Reports)	\$	972,666.44
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For further detail please see Finance Department.

Please direct any questions to Judy Scott ext. 256.

FIRESTONE SUMMARY OF CASH & INVESTMENTS

May 2018	DATE	RATE	MATURITY	BALANCE
Cash & Investments				
Deposit Accounts:				
1st Bank				
Checking Account (rate allowed to offset monthly fees only)		0.60%	Liquid	\$ 667,682
Utility Deposit Account		0.00%	Liquid	-
Court Account		0.00%	Liquid	49
Savings Account		0.40%	Liquid	1,935,301
Xpress BillPay Deposit Account		0.00%	Liquid	670,936
Adams Bank & Trust				
Deposit Account		0.24%	Liquid	7,383
Petty Cash on Hand		N/A	Liquid	1,490
TOTAL Deposit Accounts and Cash				\$ 3,282,841
Restricted Deposit Accounts:				
ColoTrust Plus - Money Mkt/Daily Pooled Investment Accts				
UMB - COPS 2018 Construction Fund		2.06%	Liquid	14,362,216
UMB - COPS 2018 Issuance Funds		2.06%	Liquid	25,609
UMB - COPS 2018 Reserve Fund		2.06%	Liquid	1,003,944
TOTAL Restricted Deposit Accounts				15,391,769
Money Market Accounts:				
C-SAFE - Money Mkt/Daily Pooled Investment Accts				
<i>Pooled Investment Account - AAAM</i>				
Operations (unrestricted Town assets)				
Liquid Assets	daily	1.93%	Liquid	28,136,648
Developer Bonds (restricted assets)				
Liquid Assets	daily	1.93%	Liquid	196,396
Urban Renewal Authority (restricted assets)				
Liquid Assets	daily	1.93%	Liquid	3,443,478
Conservation Trust Fund (restricted Town assets)				
Liquid Assets	daily	1.93%	Liquid	344,876
Adams Bank & Trust ICS Savings	daily	1.65%	Liquid	4,322,392
Total Money Market Assets				36,443,791
Cash & Investments				\$ 55,118,401
Certificates of Deposit				
Certificates of Deposit:	<u>Purchase</u>	<u>Rate</u>	<u>Maturity</u>	
Adams Bank & Trust CDARS				
1018081071	7/23/2015	1.04%	7/19/2018	515,164
Capital One Bank				
CD 140420B25 (Sigma GTR-034238)	8/10/2016	1.20%	8/12/2019	245,000
Guaranty Bank & Trust Co.				
CD 400820BJ4 (Sigma GTR-034238)	5/29/2014	1.35%	5/29/2018	245,000 *
JP Morgan Chase				
CD 48126XCR4 (Sigma GTR-034238)	8/31/2016	1.60%	8/31/2021	245,000
TOTAL Certificates of Deposit				1,250,164
Certificates of Deposit				\$ 1,250,164
TOTAL ALL FUNDS				\$ 56,368,564

AGENDA INFORMATION MEMORANDUM

FIRESTONE TOWN BOARD OF TRUSTEES



AIM#: 5.d.

Consent Agenda

Meeting Date: June 13, 2018

Initiated By: Leah Vanarsdall, Town Clerk

Dept: Community Resources

AGENDA TITLE

Gould Property Alluvial Well Field Analysis Consultant Agreement

SUMMARY

Staff has been working with it's consulting teams to develop a reliable alluvial water (ground water) supply for a future water treatment plant (WTP). Previous test wells and modeling identified several potential locations. Further study and investigation refined these alternatives and have helped focus on the most likely candidate solutions.

In February of this year the Town entered into a consultant agreement with McGrane Watger Engineers, Inc. (MWE) to perform a cost-benefit analysis between the 3 most likely candidate locations (Gould, Varra, and Mountain Shadows). The Mountain Shadows location was immediately identified as the most likely expensive site because of the cost to transport the water to the water treatment plant site on the Gould property. As the cost-benefit project was just starting, the design team working on the WTP design discovered a manganese concentration in the ground water on the Varra property that would not be compatible with the treatment system that we had settled on.

Based on this, staff determined that it was not necessary to continue with the cost benefit analysis and suspended the MWE work. The Gould site appears to be the best practical solution to the alluvial supply and we believe we should skip ahead to the next level of site evaluation. Staff has worked with MWE to develop a scope and budget for a final, detailed evaluation of this site's ability to deliver a reliable alluvial supply for the WTP. This final evaluation will allow us to set the final design parameters for the final stage of the alluvial supply. It should be noted that as part of this project, but not part of this contract, will be contracting with the services of a drilling contractor to drill the additional test holes. That will be done by separate contract with a drilling company but the bidding and management of that driller is included in the MWE contract.

A consultant agreement with MWE is being presented to the Board for their consideration and action.

HISTORY AND PREVIOUS BOARD ACTION

The Town entered into a design services agreement with McGrane Water Engineering, LLC on September 27, 2017 for the study of a potential groundwater well field to be located on the Gould property.

The Town entered into a design services agreement with McGrane Water Engineering, LLC on September 27, 2017 for the design of an irrigation production well at Mountain Shadows Park.

The Town approved a construction services agreement with Cascade on October 25, 2017 to complete the drilling of the test wells and monitoring wells associated with the Gould Property well field study.

The Town approved Change Order No.1 to the agreement on November 15, 2017 and Change Order No. 2 on November 7, 2018 to allow us to use them, in part, for additional drilling operations at the Mountain Shadows and Gould sites to develop more detailed geologic and well production data in anticipation of this new study.

The Town entered into a design services agreement with McGrane Water Engineers, LLC on February 28, 2018 to evaluate alternatives for an alluvial water supply for a future water treatment plant.

RECOMMENDATION

Staff recommends the Board of Trustees approve the attached Engineering Consulting Services Agreement with McGrane Water Engineers, LLC for the Gould Property Alluvial Well Field Analysis for a contract amount not to exceed \$102,500.00.

Staff further recommends the Board of Trustees exercise the contract termination language in Section 13.2 of the of the Engineering Services Agreement for the Alluvial Well Field Alternatives Analysis with MWE as this work is no longer needed and direct staff to provide the requizite termination notice to MWE.

ALTERNATIVES

Board could direct staff to modify the terms of the agreement or to table the matter.

ATTACHMENTS

1. Gould Property Alluvial Well Field Analysis (2018.06.08)

FINANCIAL CONSIDERATIONS

This project was not specifically included in the 2018 Budget but will be paid from the Watetr Fund. Termination of the previous agreement will also make availble \$33,875.00 tobe applied to the cost of this project.

**AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE
AND McGRANE WATER ENGINEERING, LLC
FOR ENGINEERING SERVICES
(Gould Property Alluvial Well Field Analysis)**

1.0 PARTIES

The parties to this Agreement are the **Town of Firestone**, a Colorado municipal corporation, hereinafter referred to as the “Town”, and **McGrane Water Engineering, LLC**, a Colorado limited liability company doing business as McGrane Water Engineering, LLC, hereinafter referred to as the “Consultant”.

2.0 RECITALS AND PURPOSE

- 2.1 The Town desires to engage the Consultant for the purpose of providing engineering services as further set forth in the Consultant’s Scope of Services (which services are hereinafter referred to as the “Services”).
- 2.2 The Consultant represents that it has the special expertise, qualifications and background necessary to complete the Services.

3.0 SCOPE OF SERVICES

The Consultant agrees to provide the Town with the specific Services and to perform the specific tasks, duties and responsibilities set forth in Scope of Services attached hereto as Exhibit “A” and incorporated herein by reference. The Consultant shall furnish all tools, labor and supplies in such quantities and of the proper quality as are necessary to professionally and timely perform the Services. The Consultant acknowledges that this Agreement does not grant any exclusive privilege or right to supply Services to the Town. In its sole discretion, the Town may contract with other consultants to provide the same or similar services during the term of this Agreement.

4.0 COMPENSATION

- 4.1 The Town shall pay the Consultant for services requested and rendered under this Agreement at the hourly rates set forth in Exhibit A provided, however, that the total amount payable for Services under this Agreement shall in no event exceed \$102,500.00. For services compensated at hourly rates, or on a per-task basis, such rates or costs per task shall not exceed the amounts set forth in Exhibit A. The Town shall pay mileage and other reimbursable expenses which are deemed necessary for performance of the services and which are identified in Exhibit A. The foregoing amounts of compensation shall be inclusive of all costs of whatsoever nature associated with the Consultant’s efforts, including but not limited to salaries, benefits, overhead, administration, profits, expenses, and outside consultant fees. The Scope of Services and payment therefor shall only be changed by a properly authorized amendment to this Agreement. No Town employee has the authority to bind the Town with

regard to any payment for any services which exceeds the amount payable under the terms of this Agreement.

- 4.2 The Consultant shall submit monthly an invoice to the Town for Services rendered and a detailed expense report for pre-approved, reimbursable expenses incurred during the previous month. The invoice shall document the Services provided during the preceding month, identifying by work category and subcategory the work and tasks performed and such other information as may be required by the Town. The Consultant shall provide such additional backup documentation as may be required by the Town. The Town shall pay the invoice within thirty (30) days of receipt unless the Services or the documentation therefor are unsatisfactory. Payments made after thirty (30) days may be assessed an interest charge of one percent (1%) per month unless the delay in payment resulted from unsatisfactory work or documentation therefor.

5.0 PROJECT REPRESENTATION

- 5.1 The Town designates Julie Pasillas, Director of Community Resources, as the responsible Town staff to provide direction to the Consultant during the conduct of the Services. The Consultant shall comply with the directions given by the Resources and Sustainability Coordinator and such person's designees.
- 5.2 The Consultant designates Dennis McGrane, PE, CPG, Principle, as its project manager and as the principal in charge who shall be providing the Services under this Agreement. Should any of the representatives be replaced, particularly Dennis McGrane, and such replacement require the Town or the Consultant to undertake additional reevaluations, coordination, orientations, etc., the Consultant shall be fully responsible for all such additional costs and services.

6.0 TERM

The term of this Agreement shall be effective upon execution by the Town and shall continue until the services are completed (currently estimated to be November 2018), unless sooner terminated pursuant to Section 13, below. The Consultant's services under this Agreement shall commence upon execution of this Agreement by the Town and shall progress so that the Services are completed in a timely fashion consistent with the Town's requirements.

7.0 INSURANCE

- 7.1 The Consultant agrees to procure and maintain, at its own cost, the policies of insurance set forth in Subsections 7.1.1 through 7.1.4. The Consultant shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types. The coverages required below shall be procured and maintained with forms and insurers acceptable to the Town. All coverages

shall be continuously maintained from the date of commencement of services hereunder. The required coverages are:

- 7.1.1 Workers' Compensation insurance to cover obligations imposed by the Workers' Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of work under this contract. Evidence of qualified self-insured status may be substituted.
- 7.1.2 Consultant's own automobile liability and physical damage insurance and physical damage insurance for any vehicle used in performing services for the Town, in amounts not less than prescribed by Colorado law (currently \$25,000 per person/\$50,000 per accident bodily injury and \$15,000 per accident property damage).
- 7.1.3 Professional liability insurance against errors and omissions with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate.
- 7.1.4 General liability insurance with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate. The policy shall include the Town of Firestone, its officers and its employees, as additional insureds, with primary coverage as respects the Town of Firestone, its officers and its employees, and shall contain a severability of interests provision.
- 7.2 The Consultant's general liability insurance, automobile liability and physical damage insurance, shall be endorsed to include the Town, and its elected and appointed officers and employees, as additional insureds, unless the Town in its sole discretion waives such requirement. Every policy required above shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by the Consultant. Such policies shall contain a severability of interests provision. The Consultant shall be solely responsible for any deductible losses under each of the policies required above.
- 7.3 Certificates of insurance shall be provided by the Consultant as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be subject to review and approval by the Town. No required coverage shall be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto.
- 7.4 Failure on the part of the Consultant to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the Town may immediately terminate the contract, or at its discretion may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the Town shall be repaid

by Consultant to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Consultant from the Town.

- 7.5 The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations (presently \$350,000 per person and \$990,000 per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., 10 C.R.S., as from time to time amended, or otherwise available to the Town, its officers, or its employees.

8.0 INDEMNIFICATION

To the fullest extent permitted by law, the Consultant agrees to indemnify and hold harmless the Town, and its elected and appointed officers and its employees, from and against liability on account of any injury, loss, or damage, which arise out of or are connected with the services hereunder, if such injury, loss, or damage is caused by the negligent act, omission, or other fault of the Consultant or any subcontractor of the Consultant, or any officer, employee, or agent of the Consultant or any subcontractor, or any other person for whom Consultant is legally responsible. The Consultant shall further bear all other costs and expenses incurred by the Town or Consultant and related to such liability, including but not limited to court costs, expert witness fees and reasonable attorneys' fees, to the extent the court determines such fees and costs were incurred as a result of such negligent acts, errors, and omissions or other fault of the Consultant. The Town shall be entitled to its costs and reasonable attorneys' fees incurred in any action to enforce the provisions of this Section 8.0. The Consultant's indemnification obligation shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the Town.

9.0 QUALITY OF WORK

Consultant's professional services shall be in accordance with the prevailing standard of care normally exercised in the performance of services of a similar nature in the Denver metropolitan area.

10.0 INDEPENDENT CONTRACTOR

Consultant and any persons employed by Consultant for the performance of work hereunder shall be independent contractors and not agents of the Town. Any provisions in this Agreement that may appear to give the Town the right to direct Consultant as to details of doing work or to exercise a measure of control over the work mean that Consultant shall follow the direction of the Town as to end results of the work only. **As an independent contractor, Consultant is not entitled to workers' compensation benefits except as may be provided by the independent contractor nor to unemployment insurance benefits unless unemployment compensation coverage is provided by the independent contractor or some other entity. The Consultant is obligated to pay all federal and state income tax on any moneys earned or paid pursuant to this contract.**

11.0 ASSIGNMENT

Consultant shall not assign or delegate this Agreement or any portion thereof, or any monies due to or become due hereunder without the Town's prior written consent.

12.0 DEFAULT

Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either party should fail or refuse to perform according to the terms of this Agreement, such party may be declared in default.

13.0 TERMINATION

13.1 This Agreement may be terminated by either party for material breach or default of this Agreement by the other party not caused by any action or omission of the other party by giving the other party written notice at least thirty (30) days in advance of the termination date. Termination pursuant to this subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

13.2 In addition to the foregoing, this Agreement may be terminated by the Town for its convenience and without cause of any nature by giving written notice at least fifteen (15) days in advance of the termination date. In the event of such termination, the Consultant will be paid for the reasonable value of the services rendered to the date of termination, not to exceed a pro-rated daily rate, for the services rendered to the date of termination, and upon such payment, all obligations of the Town to the Consultant under this Agreement will cease. Termination pursuant to this Subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

14.0 INSPECTION AND AUDIT

The Town and its duly authorized representatives shall have access to any books, documents, papers, and records of the Consultant that are related to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

15.0 DOCUMENTS

All computer input and output, analyses, plans, documents photographic images, tests, maps, surveys, electronic files and written material of any kind generated in the performance of this Agreement or developed for the Town in performance of the Services are and shall remain the exclusive property of the Town. All such materials shall be promptly provided to the Town upon request therefor and at the time of termination of this Agreement, without further charge or expense to the Town. Consultant shall not provide copies of any such material to any other party without the prior written consent of the Town. Any and all unauthorized reuse of Consultants Instruments of Service will be at the Owner's sole risk and without liability to the Consultant.

16.0 ENFORCEMENT

- 16.1 Except as provided in Section 8.0, in the event that suit is brought upon by this Agreement to enforce its terms, each party shall be responsible for and shall pay its own attorneys' fees and related court costs.
- 16.2 Colorado law shall apply to the construction and enforcement of this Agreement. The parties agree to the jurisdiction and venue of the courts of Weld County in connection with any dispute arising out of or in any matter connected with this Agreement.

17.0 COMPLIANCE WITH LAWS; WORK BY ILLEGAL ALIENS PROHIBITED

- 17.1 Consultant shall be solely responsible for compliance with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the Town; for payment of all applicable taxes; and obtaining and keeping in force all applicable permits and approvals.
- 17.2 Exhibit B, the "Town of Firestone Public Services Contract Addendum-Prohibition Against Employing Illegal Aliens", is attached hereto and incorporated herein by reference. There is also attached hereto a copy of Consultant's Pre-Contract Certification which Consultant has executed and delivered to the Town prior to Consultant's execution of this Agreement.

18.0 INTEGRATION AND AMENDMENT

This Agreement represents the entire Agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties.

19.0 NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be given by hand delivery, by United States first class mail, postage prepaid, registered or certified, return receipt requested, by national overnight carrier, or by facsimile transmission, addressed to the party for whom it is intended at the following address:

If to the Town:

Town of Firestone
Attn: Director of Community Resources
151 Grant Ave.
P.O. Box 100
Firestone, Colorado 80520
Telephone: (303) 833-3291
Fax: (303) 833-4863

If to the Consultant:

Dennis McGrane, PE, CPG
McGrane Water Engineering, LLC
1669 Apple Valley Road
Lyons, CO 80540

Any such notice or other communication shall be effective when received as indicated on the delivery receipt, if by hand delivery or overnight carrier; on the United States mail return receipt, if by United States mail; or on facsimile transmission receipt. Either party may by similar notice given, change the address to which future notices or other communications shall be sent.

20.0 EQUAL OPPORTUNITY EMPLOYER

- 20.1 Consultant will not discriminate against any employee or applicant for employment because of race, color, religion, age, sex, disability or national origin. Consultant will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, age, sex, disability, or national origin. Such action shall include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notice to be provided by an agency of the federal government, setting forth the provisions of the Equal Opportunity Laws.
- 20.2 Consultant shall be in compliance with the applicable provisions of the American with Disabilities Act of 1990 as enacted and from time to time amended and any other applicable federal, state, or local laws and regulations. A signed, written certificate stating compliance with the Americans with Disabilities Act may be requested at any time during the life of this Agreement or any renewal thereof.

21.0 THIRD-PARTY BENEFICIARIES

Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other party or entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder.

In witness whereof, the parties have executed this Agreement to be effective as of the day and year of signed by the Town.

TOWN OF FIRESTONE,
a Colorado Municipal Corporation

By: _____
Bobbi Sindelar, Mayor

Attest: _____
Leah Vanarsdall, Town Clerk

Date: _____

McGRANE WATER ENGINEERING, LLC
a Colorado limited liability company, doing business as McGrane Water Engineering, LLC

By: _____

Title: _____

Attest: _____

Exhibit A – Scope of Services

[See Following 7 Pages]

McGrane Water Engineering, llc

1669 Apple Valley Rd. , Lyons, CO 80540 • Office: (303)823-5933, Cell: (303) 917-1247
E-Mail: dennis@mcgranewater.com. Website: www.mcgranewaterengineering.com



June 8, 2018

Mr. David Lindsay, President
Colorado Civil Group
5110 Granite St. Suite 200
Loveland, CO 80538

Via email at: dlindsay@ccginc.com

RE: Proposal – Town of Firestone, Developing a Groundwater Supply for a Water Treatment Plant

Dear Mr. Lindsay:

At your request, McGrane Water Engineering, LLC (MWE) is providing this proposal to further evaluate the Gould property aquifer for its suitability to supply groundwater as a base-load water source to the Town's planned water treatment plant (WTP). The WTP is planned for the Gould property near Saint Vrain Creek (SVC). The main goal is for the wellfield to sustain year-round pumping at approximately 200 gallons per minute (gpm). A secondary goal is to achieve higher peak rates during the summer.

I. Background

In early 2017, we conducted a Phase I drilling program that evaluated eight potential well sites mostly at Town parks (see MWE report, July 2017). We concluded that Mountain Shadows park (MSP) and sites along the Firestone Trail have the potential for 250 to 350 gpm yields from individual wells. Next, in late 2017, the Phase II drilling program focused on characterizing the Gould and Varra sites near SVC (MWE, June 2018). We concluded that the Gould site has the potential for individual production wells that yield 70 to 110 gpm, and that on a long-term basis a wellfield at Gould could sustain between 140 and 330 gpm (for five vertical wells). The sustainability of the higher rate likely depends on how much hydraulic communication there is between Pelican Shores lake and the river on its north side and the groundwater aquifer surrounding the lake's other three sides. The higher rate could also be achieved if the Town implemented a Managed Aquifer Recharge (MAR) program where available surface water (which the Town already has water rights for) is directed to recharge trenches on the property. Placing that recharge adjacent to vertical extraction wells or a horizontal well could also boost summer peaking rates.

The Town Engineer, Colorado Civil Group (CCG), has requested that we provide a proposal to conduct additional monitoring and to further evaluate the feasibility of a wellfield or a horizontal well on the Gould property. The evaluation will be conducted for pumping operations both with and without MAR at the property.

II. Objectives

The objectives of the study are to:

- Expand the existing monitoring well coverage around the Gould site;
- Assess how groundwater in the vicinity interacts with Pelican Shores lake to the west of the Gould property and with the newly dewatered gravel mine to the south of the property;
- Assess if there is interaction between Pelican Shores lake and SVC.
- Expand the existing Gould groundwater model and use it to further evaluate long and short-term pumping rates;
- Use the model(s) to evaluate whether a vertical-well wellfield or a horizontal well is the better approach for this aquifer; and
- Evaluate how effectively a MAR program (through recharge trenches) could be used to sustain wellfield water levels and production rates; and
- Evaluate water quality changes that may occur during sustained pumping.

Figure 1 shows the existing Phase II wells drilled at the Gould and Varra sites and the preliminary location of additional monitoring wells we propose for this project.



III. Scope of Additional Work

Our proposed scope of work is described below. Miller Groundwater Engineering, LLC (MGE) will subcontract to MWE to collaborate with the test design and planning, with the groundwater modeling tasks, and with the technical memorandum documentation. The project consists of 4 principal tasks:

- Task 1: Preproposal and test design/planning activities (already conducted);

McGrane Water Engineering, LLC

1669 Apple Valley Rd., Lyons, CO 80301. Website: www.mcgranewaterengineering.com

- Task 2: Conduct drilling and testing of additional monitoring wells;
- Task 3: Perform a long-term (e.g., 90-day) pumping test using existing test well G-TW1; and
- Task 4: Evaluate vertical and horizontal wellfield configurations, evaluate MAR scenarios, estimate production rates, and evaluate costs.

Task 1 – Preproposal Activities

Prior to this proposal, we:

- Evaluated the Phase I and II exploration, testing and modeling results, and prepared a simple cost-benefit decision matrix to help the Town decide which site was the most appealing based on several variables including peak and long-term production estimates and water quality;
- Met with CCG and the Town's water attorney and water rights engineer to report Phase II results, to discuss the costs and benefits of pursuing each site, and to formulate goals and technical needs/plans for this next phase of work;
- Contacted drillers and prepared preliminary drilling and testing cost estimates;
- Met with a United Power representatives to discuss power needs for the 90-day test;
- Installed transducers (water-level recorders) at four locations including in two existing Gould monitoring wells plus the river (SVC) and Pelican Shores lake; and
- Prepared this proposal.

Deliverables: 1) Team meeting handouts including cost-benefit results; 2) Gould model simulations to plan the requested longer-term pumping test at Gould, and 3) draft and final proposals.

Task 2 – Drilling Additional Monitoring Wells

This task can be divided into two subtasks. **Task 2a (Prepare Bid Package)** includes the following engineering subtasks:

- Site additional wells (Figure 1, subject to change);
- Prepare plans and specifications for drilling and installing a pumping and metering system;
- Receive bids and recommend a contractor;
- Assist the Town with contracting with a driller;
- Well permitting;
- Obtain drilling locates; and
- Team correspondence and project management

Deliverables: 1) Plans and Specs. *Assumptions:* 1) At least two contractors will be invited to bid; 2) The Town will contract directly with the selected driller; 3) The contractor cost estimate is based on five 27-foot wells per conversation with Rick Rogers (Drilling Engineers, Inc.); and 4) A monitoring well construction variance may be required by the State for installing less than 19 feet of cemented surface casing.

Task 2b (Drilling and Construction Observation) includes the following engineering subtasks:

- Construction observation;
- Surveying in the elevations of monitoring points (CVR, Pelican Lakes, and all wells);
- Contract administration;
- Complete geologic logs and State well completion reports; and
- Team correspondence and project management.

Contractor tasks include drilling 5 monitoring wells.

Deliverables: 1) Geologic logs and well completion reports. *Assumptions:* 1) Drilling 5 monitoring wells will take 2 field days; and) Survey costs will not exceed \$2,500.

Task 3 – Monitoring Test

This task can be divided into two subtasks. **Task 3a (Conduct 90-day Test)** includes the following engineering subtasks:

- Provide and Install 10 data loggers (4 already installed);
- Observe pumping equipment installation;
- Data downloads about once every two weeks;
- Coordinate power from the Varra site*; and
- Team correspondence and project management.

*Based on a meeting with United Power on June 6, 2018, they informed us that one option is to tie into their switch gear on the west side of Colorado Blvd and run primary power to a transformer near the pumping well. That would cost approximately \$40,000. The other option is to run a temporary cable from the Varra property and pay Varra for the power used. We will pursue the Varra option at an estimated cost of \$5,000 (included in contractor cost for Task 3a).

Contractor tasks include: providing and install a pump, cable, pipe, cable and surface piping and metering. Temporary power (Assumption 3 below) will be provided by Varra.

Assumptions: 1) Pumping equipment will be bid with the option to purchase; 2) The Town will pay Varra up to \$5,000 for the temporary electric service and power which is included in the Contractor costs; 3) Costs could be reduced if the test is stopped short of 90 days, such as if water levels stabilize.

Task 3b (Provide Transducers) includes providing and installing 10 data loggers.

Deliverables: 1) Purchase 4 to 6 data loggers for future use. *Assumptions:* 1) 4 to 6 data loggers and a “BaroTroll” (to measure barometric pressure) will be purchased and 4 to 6 will be rented from MWE and MGE; 2) Loggers and a BaroTroll cost \$490 apiece and rental from MWE is \$100/month apiece; 3) Cost

can be reduced if we hand measure distant monitoring wells every two weeks instead of equipping those with data loggers.

Task 4 – Computer Modeling and Forecasts

This task can be divided into four subtasks.

Task 4a (Expand Model to South) includes:

- Collaborating with LG Everest (LGE) to determine Carbon Valley Reservoir (CVR) and Brooks Pit history, planned dewatering operations, and planned pit lining;
- Evaluating water level data provided by LGE;
- Conceptualizing model to accommodate pit lining;
- Expanding model to south; and
- Team correspondence and project management.

Deliverables: 1) Draft task memo including pit water level time series. *Assumptions:* 1) two days work to coordinate with LGE on pit histories and obtain water level data and prepare time series plots.

Task 4b (Interpret 90-day Test) includes:

- Test observations input into the model every two weeks to monitor test progress;
- Interpreting the 90-day test;
- Preparing draft task technical memo; and
- Team correspondence and project management.

Deliverables: 1) Draft task memo.

Task 4c (Evaluate well scenarios including MAR) includes:

- Modeling future peak and long-term yields and preparing a task technical memorandum;
- Evaluating vertical and horizontal wellfield configurations;
- Preparing a cost comparison of various options and preparing a task technical memorandum;
- Meeting with the Town to discuss the preliminary results; and
- Team correspondence and project management.

Deliverables: 1) Two draft task memorandums; *Assumptions:* 1) The number of long-term and peak production scenarios presented will be limited to two vertical and two horizontal well configurations and two MAR scenarios (6 total).

Task 4d (Prepare Report) includes:

1. Prepare draft and final reports for overall project work; and
2. Present results to the Town if requested.

Deliverables: Draft and final report. *Assumptions:* 1) Includes a single Town revision of the draft document; and 2) Reporting and revisions may take approximately 2-4 weeks.

IV. Needs from the Town

We also request that the Town:

- Arrange permission from Garrett Varra to: 1) provide power; and 2) allow us to pipe discharge water to their lake;
- Coordinate with the Town's water lawyer to file a Substitute Water Supply Plan (SWSP) if required;
- Arrange permission with the Pelican Shores HOA for site access for drilling and monitoring;
- Utilize Town operations staff to monitor the pumping test site 3 days a week to make sure the pump is running (to alert us immediately if not), record the flow meter reading, and then email observations once a week.

V. Cost

The table below summarizes our cost estimate for this proposed evaluation.

Task	Description	Time to Complete (Weeks)	Engineering	Engineering Subcontracts (1)	Contractor (2)	Task Total
1	Preposal Acitivities					
1a	Prepare preliminary cost estimates and develop SOW	Completed	\$6,000		-	\$6,000
1b	Install Transducers		\$2,000		-	\$2,000
1c	Meetings and Proposal		\$5,000		-	\$5,000
Task 1 Subtotal			\$13,000		-	\$13,000
2	Drill Monitoring Wells					
2a	Prepare Bid Package	1	\$11,000		-	\$11,000
2b	Drilling, Construction Observation (5 monitoring Wells), and surveying	4	\$10,000	\$2,500	\$17,000	\$29,500
Task 2 Subtotal			\$21,000	\$2,500	\$17,000	\$40,500
3	Monitoring Test					
3a	Conduct 90-day Test (incl. pump and power)	12	\$16,000		\$22,000	\$38,000
3b	Provide and install transducers	2	\$1,000	\$5,000		\$6,000
Task 3 Subtotal			\$17,000	\$5,000	\$22,000	\$44,000
4	Computer Modeling and Forecasts					
4a	Expand Model to South (Include CVR and Brooks Pit)	1	\$6,000		-	\$6,000
4b	Interpret 90 day test	1	\$8,000		-	\$8,000
4c	Evaluate Horizontal and Vertical Well Scenarios including MAR	1	\$9,000		-	\$9,000
4d	Prepare Report	4	\$11,000		-	\$11,000
Task 4 Subtotal			\$34,000		-	\$34,000
Total			\$85,000	\$7,500	\$39,000	\$131,500
Contingencies 10%			\$9,000	\$1,000	\$4,000	\$14,000
Grand Total			\$94,000	\$8,500	\$43,000	\$145,500

Notes: 1) Assume \$2,500 for surveying and 5,000 for transducers (read above).

2) We will attempt to bid all work to allow a single contract with the Town.

We recommend that the Town budget **\$102,500** for engineering and subcontracts (94,000 + \$8,500) and **\$43,000** for contractor activities (wells, pump and power) totaling **\$144,500**.

Payments for our services, like other professional services, are based on the actual time spent on your behalf and at hourly rates offered for this specific project scope (\$160/hr for Dennis McGrane and \$140/hr for Calvin Miller). Billing occurs on a monthly basis and payment is expected within 30 days.

McGrane Water Engineering, LLC

1669 Apple Valley Rd., Lyons, CO 80301. Website: www.mcgranewaterengineering.com

VI. Time Required

We envision the project can be completed in approximately 6 months and therefore be completed by the end of the year. Delays caused by circumstances beyond the control of the engineer could extend the time of completion.

VII. Contracting

We envision the Town will include this proposal as an attachment in their standard professional services contract and MWE will subcontract work to other consultants as needed.

We look forward to working the Town of Firestone and CCG on this project.

Sincerely,

MCGRANE WATER ENGINEERING, LLC.

A handwritten signature in blue ink that reads "Dennis McGrane". The signature is written in a cursive style with a large "D" and "M".

Dennis McGrane, P.E., C.P.G.
Principal Engineer and Hydrogeologist

Exhibit B

Town of Firestone Public Services Contract Addendum Prohibition Against Employing Illegal Aliens

Prohibition Against Employing Illegal Aliens. Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor shall not enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

Contractor will participate in either the E-verify program or the Department program, as defined in C.R.S. § 8-17.5-101(3.3) and 8-17.5-101(3.7), respectively, in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services. Contractor is prohibited from using the E-verify program or the Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If Contractor obtains actual knowledge that a subcontractor performing work under this contract for services knowingly employs or contracts with an illegal alien, Contractor shall:

- a. Notify the subcontractor and the Town within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this paragraph the subcontractor does not stop employing or contracting with the illegal alien; except that the Contractor shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Contractor shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. § 8-17.5-102(5).

If Contractor violates a provision of this Contract required pursuant to C.R.S. § 8-17.5-102, Town may terminate the contract for breach of contract. If the contract is so terminated, the Contractor shall be liable for actual and consequential damages to the Town.

**Pre-Contract Certification
in Compliance with C.R.S. Section 8-17.5-102(1)**

From: McGrane Water Engineering, LLC
(Prospective Contractor)

To: Town of Firestone

As a prospective independent contractor for the above-identified project, I (we) do hereby certify that, as of the date of this certification, the undersigned does not knowingly employ or contract with an illegal alien; and that the undersigned will participate in the E-Verify employment verification program administered jointly by the United States Department of Homeland Security and the Social Security Administration or the employment verification program of the Colorado Department of Labor and Employment Program, as defined in C.R.S. § § 8-17.5-101(3.3) and 8-17.5-101(3.7), respectively, in order to confirm the employment eligibility of any employees hired since the date of this contract to perform work under this contract.

Executed this _____ day of _____, 2018.

By: _____

Title: _____

Attest: _____

RESOLUTION NO. 18-24

A RESOLUTION APPROVING AN AGREEMENT FOR MUNICIPAL JAIL SERVICES BETWEEN THE TOWN OF FIRESTONE AND THE COUNTY OF WELD, COLORADO

WHEREAS, pursuant to C.R.S. § 31-15-401(1)(k), the governing body of a statutory municipality has the authority to use the county jail for the confinement or punishment of offenders, subject to such conditions as are imposed by law, and with the consent of the board of county commissioners; and

WHEREAS, pursuant to C.R.S. § 29-1-203, political subdivisions may contract with one another to provide any function, service or facility lawfully authorized to each of the contracting entities; and

WHEREAS, the Town does not maintain or desire to maintain its own jail facility; and

WHEREAS, there has been proposed an agreement for the Town's use of the Weld County Jail in exchange for the Town's payment of certain costs associated with the confinement or punishment of municipal offenders; and

WHEREAS, the Town Board of Trustees by this Resolution desires to approve such agreement and authorize its execution;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

1. The proposed Agreement for Municipal Jail Services ("Agreement") between the Town of Firestone and County of Weld is hereby approved in essentially the same form as the copy of such Agreement accompanying this Resolution.

2. The Mayor is authorized to execute the Agreement, except that the Mayor is hereby granted the authority to negotiate and approve such revisions to said Agreement as the Mayor determines are necessary or desirable for the protection of the Town, so long as the essential terms and conditions of the Agreement are not altered.

INTRODUCED, READ AND ADOPTED this 13th day of June, 2018.

TOWN OF FIRESTONE, COLORADO

Bobbi Sindelar, Mayor

ATTEST:

Leah Vanarsdall, Town Clerk

**AGREEMENT FOR MUNICIPAL JAIL SERVICES BETWEEN WELD COUNTY
AND _____**

This Agreement is made this _____ day of _____, 2018, by and between the Town / City of _____ (insert description of whether home rule) hereinafter referred to as the "Municipality"; and the County of Weld, a body corporate and political subdivision of the State of Colorado, through its Board of County Commissioners, hereinafter referred to as "County."

WHEREAS, the Municipality does not desire to maintain a jail facility and wishes to use the Weld County Jail and the services of the Sheriff of the County of Weld; and

WHEREAS, the joint use of the County Jail facilities would provide increased efficiency for both parties; and

WHEREAS, in accordance with Section 31-15-401 (1) (k), Colorado Revised Statutes ("C.R.S."), the Municipality, with the consent of the board of Weld County Commissioners, may use the county jail for the confinement or punishment of offenders, subject to such conditions as are imposed by law; and

WHEREAS, in accordance with Section 29-1-203, C.R.S., political subdivisions may cooperate or contract with one another to provide any function, service or facility lawfully authorized to each of the corporations or contracting entities; and

WHEREAS, County and Municipality agree to comply with C.R.S. 13-10-111.5, and

WHEREAS, in order to set forth clearly the responsibilities, obligations, powers and rights of each of the parties, the Municipality and the County hereby enter into this Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants, conditions, and promises contained herein, the parties hereto agree as follows:

1. Definitions

- A. Municipal Offender(s) ("offenders") – As used in this Agreement, the term Municipal Offender(s) shall mean offenders placed with the County jail pursuant to this Agreement.
- B. Municipal Court – the duly designated judicial entity of the Municipality.

2. Conditions for Acceptance of Municipal Offender(s)

The following conditions must be met before an offender will be accepted for commitment to or placement at the Weld County Jail ("Jail"):

- A. The offender(s):
 - I. Must be an adult, 18 years of age or older.
 - II. Must be without serious medical and/or mental health issues, including but not limited to communicable, infectious disease, as determined by the Weld County Jail Medical Services Provide.
 - III. Identity must be reasonably established.
- B. The Pre-booking documentation must be completed as required by the Jail and include, but not be limited to:
 - I. The actual and specific description of the municipal ordinance violation; or
 - II. The actual and specific description of the original municipal ordinance violation, if the booking results from a municipal arrest warrant for failure to appear, comply, complete conditions, , or is a municipal mittimus order.
- C. One of the following forms of documentation from the Municipality must accompany the offender or be provided to the County prior to the offender being accepted and booked at the Jail:

- I. Mittimus Order

A mittimus order shall be accepted only if the commitment is for consecutive days, with the consecutive days not consisting of weekend days only or with days of liberty interspersed with days of detention. The offender may be committed to work release and/or electronic home detention if they meet the minimum acceptance criteria for such jail alternative program and if space is available.

- II. Arrest Warrant

An arrest warrant shall be accepted only if the arrest warrant: (1) includes the actual and specific, (original) municipal ordinance description, (e.g. Failure to Appear/Speeding, Failure to Pay Fines & Costs/ Disorderly Conduct, etc.), AND (2) specifies the amount and type of bond to secure bail, such as: a) an amount of cash, b) an amount of cash or surety, c) personal recognizance after 24

hours, or d) "Hold without Bond." Notice of the municipal arrest warrant service shall be made to the municipal court clerk by fax or email address, or a mutually accepted alternative, within four hours pursuant to C.R.S. 13-10-111.5. The Municipality shall provide the municipal clerk's fax number to the County at the time of the execution of this Agreement. The municipal law enforcement agency listed as the arrest warrant originating agency on the Colorado Bureau of Investigation's Colorado Crime Information Center (CCIC) computer system will be notified that the offender has been located when the arrest warrant is confirmed.

- III. Penalty Assessment, Summons or Summons & Compliant
A penalty assessment, summons and complaint, or summons shall be accepted, except when the municipal offender is also: 1) Cited for violations of Colorado Statutes from the same criminal episode giving rise to the municipal ordinance violation; 2) There is an outstanding county or district court arrest warrant; or 3) A hold has been placed on the offender by the Colorado Department of Corrections, Adult Parole Division or the 19th Judicial District Probation Department.

Municipal Offenders cannot be released on personal recognizance after their incarceration based upon the issuance of these documents when any one of the three (3) above listed circumstances are present. A municipal detainer for the offender may be entered in lieu of issuing a penalty assessment, summons and complaint, or summons by request of the arresting municipal officer when any one of the three listed circumstances are present.

- D. The municipality shall provide the County with an Annual Court Appearance Schedule.
- E. The Municipality agrees to comply with the policies and procedures of the Jail and Weld County Sheriff's Office, unless specifically altered in this Agreement.

3. Description of Services

- A. In accordance with the terms of this Agreement, it shall be the responsibility of the County to receive and safely keep every adult offender duly committed or placed in the Jail for safekeeping, examination, trial, or duly sentenced to imprisonment in the Jail upon conviction for any contempt, misconduct, or for any violation

of municipal ordinance. The County shall not release the offender from jail, on bail or otherwise, except by lawful authority and/or pursuant to the provisions of this Agreement.

- B. It shall be the responsibility of the County to make record of every adult offender duly committed or placed in the Jail in accordance with the terms of this Agreement. The record shall include a photograph or digital image of the offender and offender identification information as defined in Colorado Revised Statutes 24-72-302 (1) and 24-73-302 (2).
 - I. Ten-print fingerprint cards will be electronically sent to the Colorado Bureau of Investigation when the actual and specific description of the municipal ordinance is provided on pre-booking documentation and/or municipal arrest warrants. A ten-print fingerprint card will be maintained by the County for each Municipal Offender in accordance to the Weld County Sheriff's Office Criminal Justice Records Retention Schedule approved by the Colorado Archivist.
- C. It shall be the responsibility of the County to accept municipal court orders temporarily detaining offenders held pursuant to county or district court matters. The County is responsible to provide timely notice to the municipal law enforcement agency or municipal court detaining the offender when there has been a disposition of pending county or district court matters. The jail shall notify the Municipal Court of the Municipal hold within four hours in pursuant to CRS 13-10-111.5.
- D. It shall be the responsibility of the County to accurately prepare for and accept bonds and related cash or surety documents, set court appearances in accordance to municipal court schedules, complete mittimi, and complete or prepare other municipal court documents required to accept and release Municipal Offenders into and from the Weld County Jail. The County is responsible to make said documents available to the municipal clerk or mail said documents to the municipal clerk first class the following work day.
- E. It shall be the responsibility of the County to afford municipal offenders access to inmate programs and activities in a manner consistent with the Jail classification of like County inmates. The Municipal Offender's classification will be determined by the Jail Inmate Services Unit Classification staff.

- F. It shall be the responsibility of the County to comply with Colorado Revised Statutes 17-26-109 and afford sentenced Municipal Offenders deductions of time for his/her municipal court sentence in a manner consistent with sentenced County offenders.
- G. It shall be the responsibility of the County to determine sentenced Municipal Offender's eligibility and conditions for furlough consistent with sentenced County offenders. The County shall notify the municipal court of any Municipal Offender furlough.
- H. It shall be the responsibility of the County to comply with the provisions of C.R.S. 13-10-111.5, as amended, and the "Standing Order" issued by the Municipal Court pursuant to that statute.

4. Duration of Agreement

This Agreement shall be effective upon final execution by the appropriate officers of both parties on the date first set forth above, and shall continue through **January 30th, 2023**, the Initial Term, and following the Initial Term shall be automatically renewable year to year for up to 5 years from the end of the Initial Term unless sooner terminated by notice from either party in accordance with Section 5 of this Agreement. It is further understood and agreed that the obligations of the Municipality as set forth herein shall be subject to annual appropriation. Nothing herein shall be deemed a multiple fiscal-year obligation in violation of Article X, Section 20 of the Colorado Constitution. At the time this Agreement is terminated, the Municipality shall retake all Municipal Offenders.

5. Termination of Agreement

This Agreement may be unilaterally terminated, with or without cause, by 30 days written notice, by either party delivered to the other party in accordance with Section 12 "Notices". Within 30 days after delivery of said notice, the Municipality shall retake physical custody of Municipal offenders in the County's custody pursuant to this Agreement.

6. Emergency Release

Notwithstanding the provisions of Section 4 & 5 set forth herein, the County has the authority to release, on an emergency basis, those Municipal Offenders when the County deems such release is necessary due to exigent circumstances. The County shall, in its sole discretion, determine those exigent circumstances which necessitate such emergency release. Such exigent circumstances may include, but are not limited to, inmate overcrowding of the County Jail. The County shall notify

the municipal court of the offender's name, date & time released, and the basis for release due to exigent circumstances.

7. Agreement Monitor

In order to administer this Agreement effectively, the Municipality shall designate an Agreement Monitor. Until further notice is received, the Municipality's Agreement Monitor shall be the individual named in Schedule A, attached hereto and incorporated herein by reference. Any change in the Agreement Monitor shall be effective upon 10 days advance written notice to the County's Contact Person.

8. County Contact Person

In order to administer this Agreement effectively, the Sheriff or his/her designee shall act as the County's Contact Person. Until further notice is received, the County's Contact Person shall be the individual named in Schedule A, attached hereto and incorporated herein by reference. Any change in the County's Contact Person shall be effective upon 10 days advance written notice to the Municipality's Agreement Monitor.

9. Cost and Reimbursement

- A. Except as otherwise provided in this Agreement, all costs of housing the Municipality's offenders, pursuant to the terms of this Agreement shall be fixed and reimbursed at the per offender per day rate set in the previous year by the Joint Budget Committee of the Colorado General Assembly for reimbursement to Colorado counties for holding backlogged Department of Corrections' inmates. Said rate shall begin **July 1** of the year following the setting of the rate and continuing to and until **June 30** of such year. The Municipality shall reimburse the County for the day the Municipality's offender is delivered and for every subsequent day that the Municipality's offender is assigned to the Weld County Jail, but not the day that the Municipality's offender is released from the Weld County Jail due to completion of sentence or by order of the committing Court.
- B. For those offenders who remain in the County Jail for a period of no more than four (4) hours, the Municipality shall pay the County a processing fee of twenty-three dollars and 82/100 (\$23.82). Under these circumstances, the fixed offender Per Diem rate set forth in paragraph A, above, shall not apply.

- C. If the Municipal Offender is detained in the Weld County Jail under the concurrent authority of the municipality and of other municipal jurisdictions, the municipality shall be responsible for no more than its equally proportional share of the cost of housing and maintaining the offender in the custody and/or under the supervision of the Weld County Sheriff.
- D. The costs of providing routine, on-site or contract medical, psychiatric or dental services shall be considered normal costs incidental to the operation of the County Jail, as further defined in Schedule B, attached hereto and incorporated herein by reference, and are considered part of the costs reimbursed by the Per Diem rate per offender as provided in paragraph A, above. The County shall be reimbursed by the Municipality for the costs of extraordinary health care services, as further defined in Schedule-B.
- E. Physical damage to the Weld County Jail as a direct result of the placement of a Municipal Offender housed therein shall not be considered "usual costs" incidental to the operation of the Weld County Jail. These costs shall not be part of the reimbursed by the fixed rate per offender per day as provided by subparagraphs A. and B. of Section 9 of this Agreement. The County shall be reimbursed separately by the Municipality for these costs.
- F. The Municipality shall be billed monthly by the County for the rates set forth in Section 9 subparagraphs A, B, & C of this Agreement. Payment shall be made within 30 days of receipt of the County's invoice. The Municipality shall reimburse the County for extraordinary medical expenses as set forth in Schedule B. The Municipality shall reimburse the County for non-medical extraordinary expenses incurred under the terms of this Agreement within 30 days of receipt of the County's invoice.

10. Transportation

Transportation of offenders in custody for violation of a Municipal Ordinance is the sole responsibility of the Municipality. If the Municipality and County have entered into a separate agreement for law enforcement services, then transportation of offenders in custody for violation of a Municipal Ordinance shall take place in accordance with the provisions of said agreement and all costs incurred by the County in the course of providing such transportation on behalf of the Municipality shall be paid by the Municipality as provided therein.

- A. Municipal Video Court Appearance technology is available to Municipality in the jail. If Municipality wants to use this technology,

Municipality will work closely with the Weld County Sheriff Office and Weld County Information Technology to identify system minimums and requirements for Municipality to include hardware, software and network configurations. Municipality understands and agrees that identified system minimums and requirements, which may include hardware, software, network configurations, labor and installation, and post installation connectivity troubleshooting of Municipality Video Court is not the responsibility of the County.

- B. Municipality shall provide, in advance, the Municipality Court docket to the Sheriff's Office. Municipality shall be responsible to provide a Municipality Bailiff to transport, escort, and provide security for Municipality Offenders to Municipal Video Court Appearance at the facility in the North Jail Complex. Upon completion of Municipality Video Court, Municipality Bailiff shall transport and escort Municipality Offenders back to a designated area within the North Jail Complex determined by the County.

11. Responsibility for Legal Proceedings

- A. The Municipality shall be responsible for defending itself and its officers and employees in any civil action brought against the Municipality its officers and employees by any Municipal Offender in the physical custody of the County.
- B. The County shall be responsible for defending itself, its officers and employees in any civil action brought against the County, its officers and employees by any Municipal Offender in the physical custody of the County.
- C. The Municipality and its representatives shall not be deemed to assume any liability for intentional or negligent acts, errors or omissions of the County or the representatives thereof, arising out of the housing of any Municipal Offender pursuant to this Agreement.
- D. The County and its representatives shall not be deemed to assume any liability for intentional or negligent acts, errors or omissions of the Municipality or the representatives thereof, arising out of the housing of any Municipal Offender pursuant to this Agreement.

12. Notices

Any notices provided for in this Agreement shall be in writing and shall be served by personal delivery or by certified mail, return receipt requested, prepaid postage at the address listed in Schedule C, attached hereto and incorporated herein by reference, until such time as written notice of a change is received from the other party. Any notice so mailed and any notice served by personal delivery shall be deemed delivered and effective upon receipt or upon attempted delivery. This method of notification will be used in all instances, except for emergency situations when immediate notification to the Agreement Monitor or the County Contact Person is required.

13. No Third Party Beneficiary Enforcement

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Municipality and the County, and nothing contained in this Agreement shall give or allow any claim or right of action whatsoever by any other person on this Agreement. It is the express intention of the Municipality and the County that any entity, other than the Municipality or the County receiving services or benefits under this Agreement, shall be deemed an incidental beneficiary only.

14. Modification and Breach of Contract

This Agreement and the attached schedules contain the entire Agreement and understanding between the parties and supersedes any other agreements concerning the subject matter of this transaction whether oral or written. No modification, amendment, revocation, renewal or other alteration of/to this Agreement and the attached schedules, shall be deemed valid or of any force or effect whatsoever, unless mutually agreed upon in writing by the parties. No breach of any term, provision or clause of this Agreement or the attached schedules shall be deemed waived or excused, unless such waiver or consent shall be in writing and signed by the party claimed to have waived or consented. Any consent by any party to, or waiver of, a breach by the other, whether expressed or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.

15. Severability

If any term or condition of this Agreement shall be held to be invalid, illegal or unenforceable, this Agreement shall be construed and enforced without such a provision, to the extent this Agreement is then capable of execution within the original intent of the parties.

16. Governmental Immunity. No term or condition of this Agreement shall be

construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections or other provisions, of the Colorado Governmental Immunity Act §§24-10-101 et seq., as applicable now or hereafter amended.

17. Board of County Commissioners of Weld County Approval. This Agreement shall not be valid until it has been approved by the Board of County Commissioners of Weld County, Colorado or its designee.
18. Acknowledgment. County and Municipality acknowledge that each has read this Agreement, understands it and agrees to be bound by its terms. Both parties further agree that this Agreement, with the attached Schedules A-C, is the complete and exclusive statement of agreement between the parties and supersedes all proposals or prior agreements, oral or written, and any other communications between the parties relating to the subject matter of this Agreement.
19. Non-Appropriation. Nothing in this Agreement is intended or shall be deemed or construed as creating any multiple-fiscal year direct or indirect debt or financial obligation on the part of the Municipality within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of the Municipality under this Agreement are subject to annual budgeting and appropriation by the Dacono City Council, in its sole discretion. Notwithstanding anything in this Agreement to the contrary, in the event of non-appropriation by the Dacono City Council, this Agreement shall terminate effective December 31 of the then-current fiscal year.

IN WITNESS WHEREOF, the parties hereto have signed this Agreement this ____ day of _____, 2018.

Signed and executed the _____ day of _____, 20____.

BOARD OF COUNTY COMMISSIONERS
OF WELD COUNTY, COLORADO

By: _____
Steve Moreno , Chairman

ATTEST:

By: _____
Deputy County Clerk to the Board

APPROVED AS TO FORM:

County Attorney

TOWN / CITY OF _____, COLORADO

By: _____

ATTEST:

By: _____
Town / City Clerk

APPROVED AS TO FORM:

Town / City Attorney

AGREEMENT FOR MUNICIPAL JAIL SERVICES

SCHEDULE A

1. Until further notice is received, the Municipality's Agreement Monitor shall be:

2. Until further notice is received, the County's Contact Person shall be:

Rosanna Soto, Office Manager
Administrative Division
Weld County Sheriff's Office
1950 O Street
Greeley, CO 80631
Telephone: (970) 400-2804

AGREEMENT FOR MUNICIPAL JAIL SERVICES

SCHEDULE B

The costs of providing to Municipal Offenders routine on-site medical psychological/ psychiatric, dental and medication services, customarily provided to persons sentenced to confinement in the Weld County Jail, shall be considered usual costs incident to the operation of the Weld County Jail. These usual costs include but are not limited to, regularly scheduled sick call, nursing coverage, regular on-site physician visits, routine X-rays for diagnostic purposes which may lead to off-site care, and the dispensing and cost of common prescription medications for routine and minor illnesses. In addition, all Municipal Offenders transferred to the County pursuant to this Agreement with a condition of drug aftercare, a known history of drug abuse while incarcerated, or who are suspected of illegal use of drugs, shall be required to participate in routine

urinalysis testing conducted by the Weld County Jail health care provider. All positive test results for unauthorized drugs shall be reported by the County Contact Person to the Agreement Monitor. The cost of this routine urinalysis testing, together with the usual costs of care referenced above, shall be part of the fixed rate per offender per day as set forth in Section 9 A, of this Agreement.

Extraordinary medical expenses for extraordinary health care shall be the responsibility of the Municipality, subject to the authorization provision below. For purposes of this Agreement, extraordinary medical expenses are those expenses for extraordinary health care commonly provided to offenders on-site at the Weld County Jail by the Weld County Jail health care provider. Extraordinary medical expenses also include costs for prescribed prosthetics, hearing aids, prescribed eyeglasses, dentures or costs for any cosmetic, dental or elective medical procedure or treatment. Extraordinary health care includes but is not limited to, prescription medication for serious, chronic, infectious and/or uncommon illnesses such as diabetes and hepatitis; respiratory care including requirements for oxygen; rehabilitation-therapy and equipment; care requiring a general or spinal anesthetic; care requiring the services of a surgeon and attending nursing care; dental surgery excluding the repair of cavities, on-site tooth extraction or routine dental procedures; ambulance or Air Life transportation. The Weld County Jail health care provider shall determine when off-site care is required for Municipal Offenders housed at the Weld County Jail.

Extraordinary medical expenses shall be reimbursed by the Municipality provided:

- 1) Such service is emergency medical treatment as determined by the Weld County Jail health care provider, or
- 2) Such service was approved in advance by the Agreement Monitor.

In cases where the Weld County Jail health care provider has determined that extraordinary care must be provided prior to obtaining the Agreement Monitor's consent, the Weld County health care provider shall notify the Agreement Monitor as soon as practicable, but no later than 8 hours after the rendering of care.

AGREEMENT FOR MUNICIPAL JAIL SERVICES

SCHEDULE C

1. Any notice to the Municipality provided for in this Agreement shall be sent to the Agreement Monitor at:

2. Any notice to the County provided for in this Agreement shall be sent to:

Board of Weld County Commissioners
P.O. Box 758
Greeley Co. 80632-D758
Telephone: (970) 356-4000 Ext. 4225

With a copy to:

Rosanne Soto, Office Manager
Administrative Division
Weld County Sheriff's Office
1950 O Street
Greeley, CO 80631
Telephone: (970) 400-2804



2017



COMPREHENSIVE ANNUAL FINANCIAL REPORT

for the
FISCAL YEAR ENDED
DECEMBER 31, 2017



www.firestoneco.gov



TOWN OF FIRESTONE

FIRESTONE, COLORADO

**Comprehensive Annual Financial Report
For the Fiscal Year ended December 31, 2017**

Issued by the Town of Firestone, Finance Department

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TOWN OF FIRESTONE, COLORADO
Comprehensive Annual Financial Report
For the Fiscal Year Ended December 31, 2017

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INTRODUCTORY SECTION

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June 13, 2018

To the Honorable Mayor, members of the Board of Trustees (the "Trustees"), and Citizens of the Town of Firestone (the "Town"):

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual financial report of the Town for the fiscal year ended December 31, 2017.

This report consists of management's representations concerning the finances of the Town. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the Town has established a comprehensive internal control framework that is designed both to protect the Town's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the Town's internal controls have been designed to provide reasonable, rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Anton Collins Mitchell LLP, a firm of licensed certified public accountants, has audited the Town's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the fiscal year ended December 31, 2017 are free of material misstatement. The independent audit involved: examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that, based upon the audit, there was a reasonable basis for rendering an unmodified opinion that the Town's financial statements for the fiscal year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town's MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE TOWN OF FIRESTONE

The Town, incorporated in 1908, is located on the northern fringe of the Denver metropolitan area of Colorado. The Town has a current area of 14 square miles and serves a population of approximately 14,500 and is located in Weld County. The Town is empowered to levy a property tax on real properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing board and voter approval. On April 2, 1996, the taxpayers approved a ballot question to remove the Taxpayer Bill of Rights ("TABOR") limits that were imposed on the Town in 1992.

The Town has operated under the Trustees-Town Manager form of government since its first meeting as a statutory Town. Policy-making and legislative authority are vested in the Board, consisting of the Mayor and six Trustees. The Town's Board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town's manager, attorney, treasurer, and clerk. The Town's manager is responsible for: carrying out the goals, policies, and ordinances of the Board; for overseeing the day-to-day operations of the Town; and for appointing the heads of the various departments. The Board is elected on a nonpartisan basis. The Mayor is elected for a two-year term and the Trustees are elected for four-year terms. The Mayor and Trustees are elected at-large.

The Town provides a full range of services including: police protection; construction and maintenance of streets, parks, trails, and open space; and stormwater and water utilities. Other utility services such as sewer, electricity, natural gas, and trash removal are provided by organizations not affiliated with the Town, and therefore, are not reported in the Town's financial statements.

The annual budget serves as the foundation for the Town's financial planning and control. All departments of the Town are required to submit requests for appropriation to the Town's finance department on or about the last day of August each year. The finance department and Town manager use these requests as the starting point for developing a proposed budget. The finance department then presents the proposed budget to the Board by October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. The Town's fiscal year is on a calendar year basis. The Town's budget is prepared by fund (e.g. general) and department (e.g. police). However, the annual budget is appropriated and approved at the fund level only by the Board and certified to the State of Colorado as such. Transfers of appropriations between funds require the approval of the Board.

Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. As for the General Fund and Sales Tax Capital Improvement Fund (1%), these comparisons are presented on pages 57 to 58 as part of the required supplementary information. For all other governmental and proprietary funds, the comparisons are presented in the other supplementary information subsection of this report, which begins on page 63.

FACTORS AFFECTING FINANCIAL CONDITION

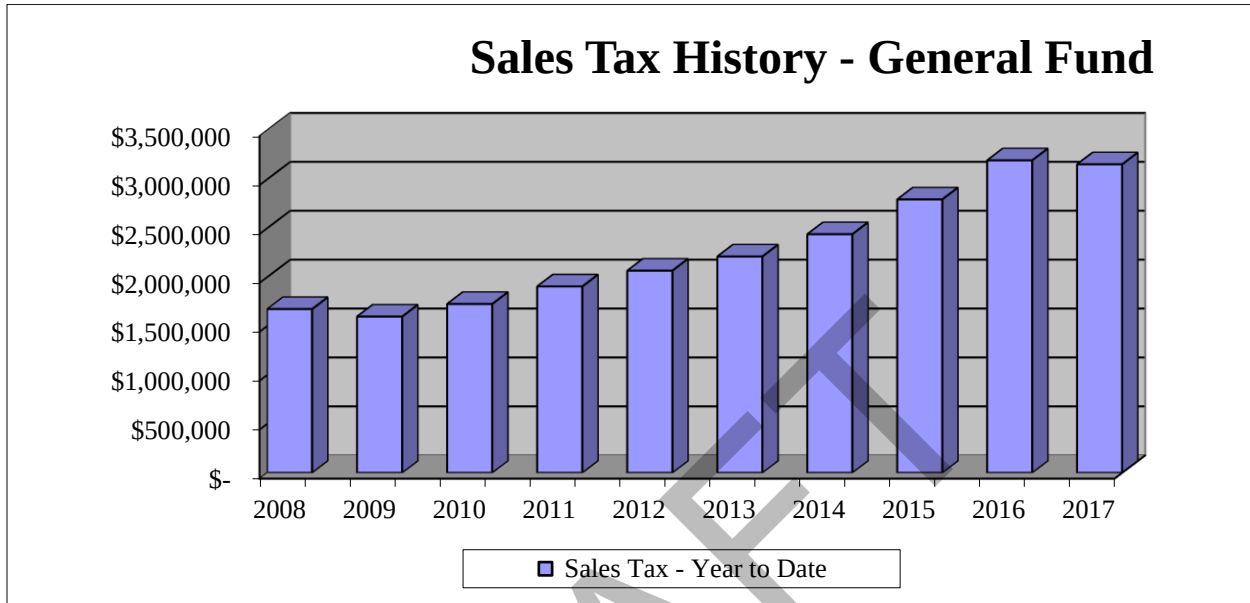
LOCAL ECONOMY

The Town is a unique community of citizens, businesses, and governments that are united in creating a stable, safe, prosperous, and healthful environment in which to live, work, worship, learn, recreate and exercise the rights and freedoms provided by the United States Constitution. The Town has been recognized in several national and Colorado listings for its cost of home ownership, amenities, and for being a safe environment. During 2017, the Town was named the ninth safest community in Colorado by Safewise. The Town continues to grow and develop and was recognized 6th nationally in the Top 10 Cities primed for economic growth and opportunity in 2018. The area has a homeownership rate of 88.8 percent, and a median household income of \$81,071 annually. The median home value in Firestone is \$294,649 as of December 2016 according to Alteryx 2016A. In addition, according to City-Data.com, the Town's cost of living index is 102.9, which is near the United States average of 100. In order to maximize commercial and residential development opportunities, the Town continued with a strategic and targeted economic development program in 2017. The objective of the plan is to attract new businesses and encourage expansion of existing businesses.

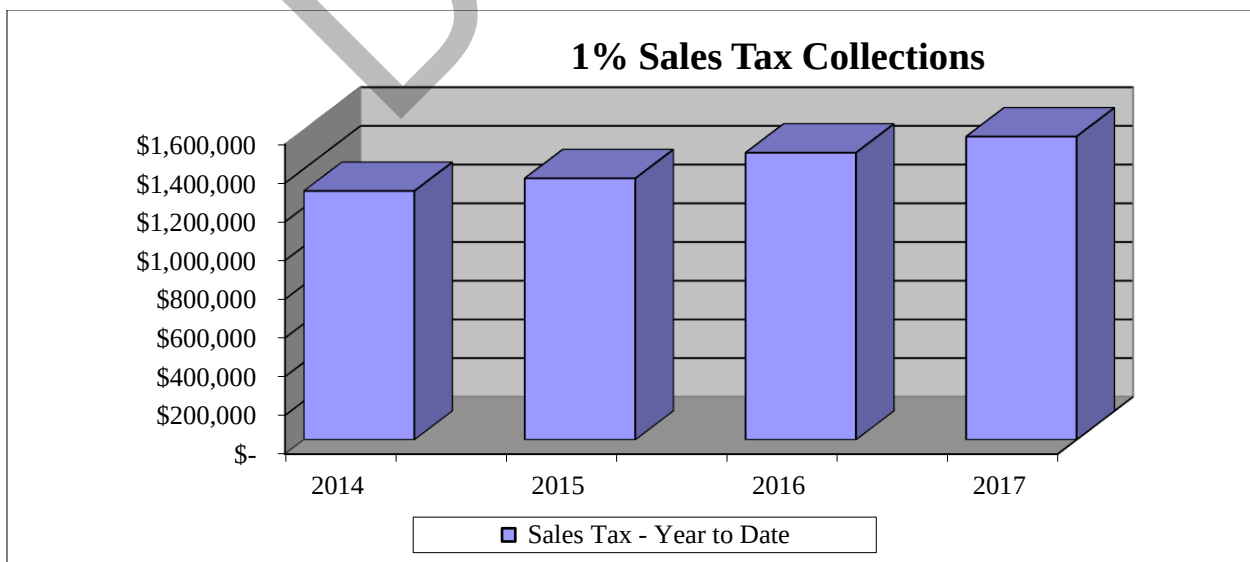
The Town is currently working to increase the number and variety of businesses throughout the community, including initiatives to enhance the economic success of historic Old Town Firestone. The tables below detail the Town's taxable assessed value (AV) for the past ten years.

AV year / Year Levied	Assessed Valuation
2008 / 2009	\$118,208,020
2009 / 2010	\$132,642,530
2010 / 2011	\$116,860,720
2011 / 2012	\$132,306,920
2012 / 2013	\$142,807,170
2013 / 2014	\$135,635,763
2014 / 2015	\$147,288,760
2015 / 2016	\$170,842,090
2016 / 2017	\$208,282,680
2017 / 2018	\$215,444,970

Because of the growth of the Town's residential and retail base, sales tax revenues have shown significant growth throughout the past ten years. The retail trade sector has steadily employed more of the Town's population in the past several years and significantly influences the Town's economy. Below is a chart reflecting the increase in sales tax revenues throughout the last ten years (as of December of each year).



In addition to the sales tax revenues shown in the previous chart, in November 2013, the Town's citizens approved a 1 percent additional sales tax to be utilized for street and park capital projects, operation and maintenance and associated debt service issuances/payments. Collection of this additional tax began in 2014 and will provide for long term sustainability of the Town's streets and park assets. Below is a chart reflecting the increase in 1% sales tax revenues for the past four years (as of December of each year).



LONG-TERM PLANNING

The Board and management are currently working on a major project that will impact the Town's financial position. In 2005, the Board indicated its desire to pursue participation in Northern Integrated Supply Project ("NISP") for future water needs. NISP is a joint project to develop water storage and supply facilities for a large group of water providers in the region. The Town maintains a long-range financial model in order to plan and provide future funding for this vital project.

The Town continuously monitors the status of its budget and will make adjustments, as warranted.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its comprehensive annual financial report for the fiscal year ended December 31, 2016. This was the eleventh consecutive year that the Town has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administrative departments. Credit also must be given to the Mayor and the Board for their unfailing support for maintaining the highest standards of professionalism in the management of the Town's finances.

Respectfully submitted,

Marjorie Wickham
Deputy Finance Director/Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Town of Firestone
Colorado**

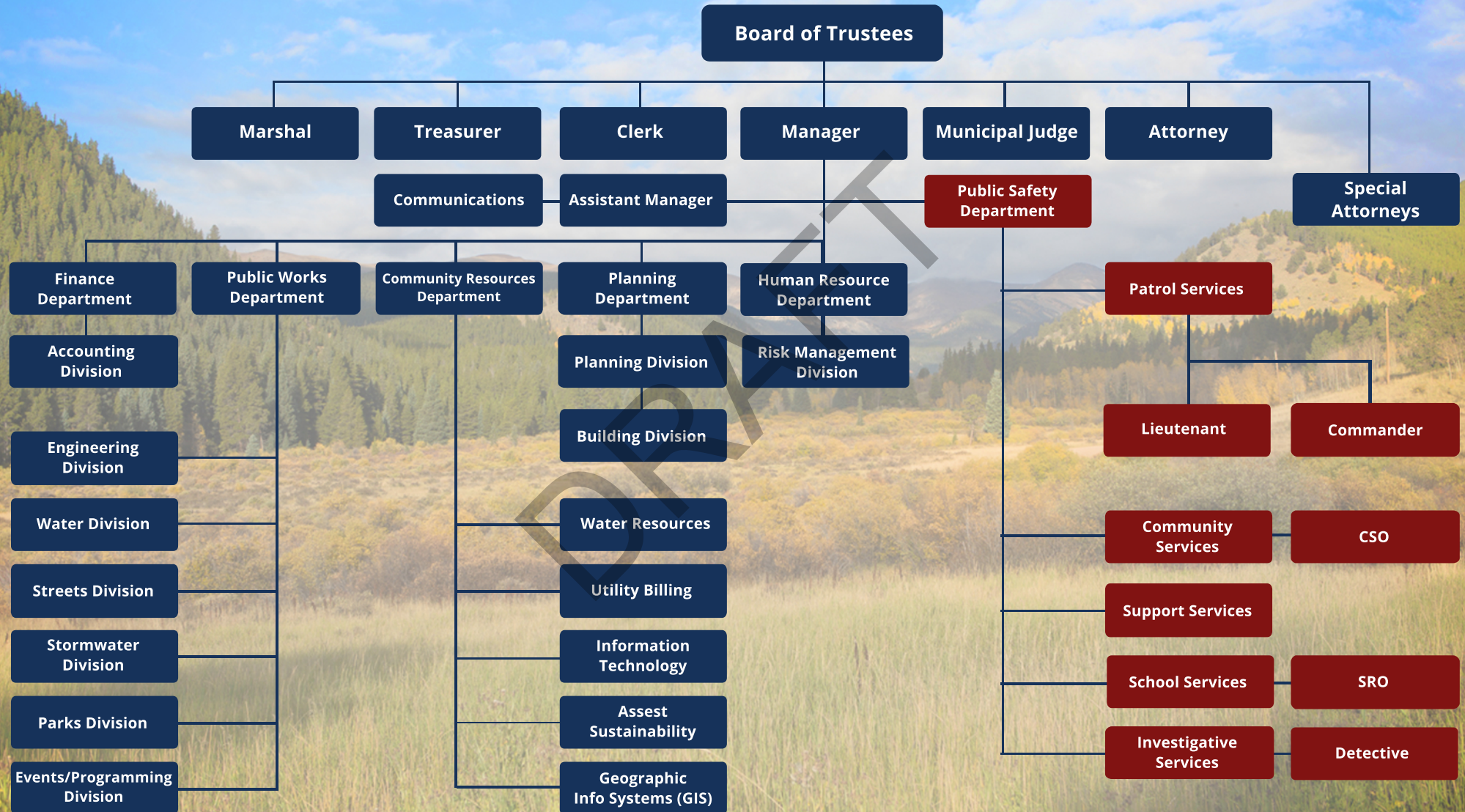
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morrell

Executive Director/CEO

TOWN OF FIRESTONE ORGANIZATIONAL CHART





LIST OF PRINCIPAL OFFICIALS – AS OF DECEMBER 31, 2017

Elected Officials

Mayor Paul Sorensen
Mayor Pro-tem Bobbi Sindelar
Trustee John Damsma
Trustee George Heath
Trustee Samantha Meiring
Trustee Drew Peterson
Trustee Doug Sharp

Appointed Officials

Town Clerk Leah Vanarsdall
Town Treasurer Christine Harwell, CliftonLarsonAllen
Town Attorney Sam Light, Light & Kelly, PC
Town Engineer Dave Lindsay, CCG, Inc.
Municipal Judge Paul Basso

Branch Directors

Town Manager Bruce Nickerson
Assistant Town Manager Jennifer Weinberger
Chief of Police David Montgomery
Town Clerk Leah Vanarsdall
Director of Public Works Theo Abkes
Director of Community Resources Julie Pasillas
Controller Marjorie Wickham

FINANCIAL SECTION

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Independent Auditor's Report

Honorable Mayor and Members
of the Town Board of Trustees
Town of Firestone, 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 Firestone, Colorado (the "Town") 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 financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of the 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 Firestone 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 through 12, the budgetary comparison information on pages 57 and 58, and the required pension schedules on pages 59 through 62 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison information, statistical section, and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison information, 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 information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

Greeley, Colorado
June 13, 2018

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

As management of the Town, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources as of December 31, 2017 by \$121.6 million. Of this amount, \$21.8 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$3.8 million, or 3.2%. Governmental net position increased by \$0.6 million, or 1.3%, and business-type net position increased by \$3.2 million, or 4.5%.
- As of December 31, 2017, the Town's governmental funds reported combined ending fund balances of \$17.2 million an increase of \$2.3 million from 2016. Approximately 34% of this total amount, \$5.8 million is unassigned and available for discretionary spending for the benefit of Town citizens.
- Outlays for capital assets were construction of street, water and storm water infrastructure; improvements to various parks; acquisition of police vehicles and equipment, public works equipment and information technology equipment. See the Capital Assets section of this management's discussion and analysis for more information.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets, deferred outflows of resources, liabilities and deferred inflows of resources with the difference between the three 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 related cash flows. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works and parks and recreation. Business-type activities include the water system and storm drainage system.

The government-wide financial statements can be found on pages 13 through 15 of this report.

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

Governmental 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, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 6 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Sales Tax Capital Improvement Fund (1%), which are both considered to be major funds. Data from the other 4 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for each individual governmental fund. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 16 through 19 of this report.

Proprietary Funds: The Town maintains two individual proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water and stormwater operations.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water operation and the stormwater operation, which are both considered to be major funds.

The basic proprietary fund financial statements can be found on pages 20 through 22 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 23 of this report.

Required Supplementary Information: Required supplementary information consists of budgetary comparison statements for the major governmental funds and supporting pension schedules found on pages 57 through 62.

Other Information: The combining statements for the nonmajor governmental funds are presented immediately following the required supplementary information and begin on page 63 of this report. In addition, budget schedules for nonmajor governmental funds and all of the proprietary funds are also presented in this section.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets exceeded liabilities and deferred inflows by \$121.6 million at December 31, 2017. The Town reported positive balances in net position for both governmental and business-type activities.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

The following table reflects the Town's condensed statement of net position.

Town of Firestone's Net Position (\$000s)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
ASSETS						
Current and Other Assets	\$ 19,497	\$ 17,043	\$ 9,127	\$ 8,753	\$ 28,624	\$ 25,796
Capital Assets	38,892	39,735	65,988	61,740	104,880	101,475
Total Assets	58,389	56,778	75,115	70,493	133,504	127,271
TOTAL DEFERRED OUTFLOWS OF RESOURCES	1,558	1,177	175	348	1,733	1,525
LIABILITIES						
Long-Term Liabilities						
Outstanding	8,279	7,131	2,436	1,359	10,715	8,490
Other Liabilities	919	744	495	252	1,414	996
Total Liabilities	9,198	7,875	2,931	1,611	12,129	9,486
TOTAL DEFERRED INFLOWS OF RESOURCES	1,473	1,427	5	21	1,478	1,448
NET POSITION						
Invested in Capital Assets,						
Net of Related Debt	34,650	35,226	64,408	61,740	99,058	96,966
Restricted	803	621	-	-	803	621
Unrestricted	13,823	12,806	7,946	7,469	21,769	20,275
Total Net Position	\$ 49,276	\$ 48,653	\$ 72,354	\$ 69,209	\$ 121,630	\$ 117,862

By far the largest portion of the Town's net position (81.4%) reflects its investment in capital assets (e.g., land, buildings, streets and storm drainage systems and equipment and vehicles); less any related debt used to acquire those assets that is still outstanding. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Restricted net position accounts for .7% of its total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing 17.9% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

Town of Firestone's Changes in Net Position (\$000s)

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
PROGRAM REVENUES						
Charges for Services	\$ 4,169	\$ 3,944	\$ 6,246	\$ 3,867	\$ 10,415	\$ 7,811
Operating Grants and Contributions	202	853	23	1	225	854
Capital Grants and Contributions	1,181	4,785	401	3,229	1,582	8,014
GENERAL REVENUE						
Property Taxes	2,306	1,631	-	-	2,306	1,631
Sales and Use Taxes	6,093	6,072	-	-	6,093	6,072
Other Taxes	1,006	917	-	-	1,006	917
Other Revenue	943	968	66	23	1,009	991
Total Revenues	15,900	19,170	6,736	7,120	22,636	26,290
EXPENSES						
General Government	5,515	2,533	-	-	5,515	2,533
Public Safety	3,261	2,970	-	-	3,261	2,970
Public Works	4,880	3,091	-	-	4,880	3,091
Parks and Recreation	900	1,013	-	-	900	1,013
Interest and Fiscal Charges	146	160	-	-	146	160
Water/Stormwater	-	-	4,166	2,973	4,166	2,973
Total Expenses	14,702	9,767	4,166	2,973	18,868	12,740
INCREASE (DECREASE) IN NET POSITION BEFORE TRANSFERS	1,198	9,403	2,570	4,147	3,768	13,550
Transfers	(575)	(1,755)	575	1,755	-	-
INCREASE (DECREASE) IN NET POSITION	623	7,648	3,145	5,902	3,768	13,550
Net Position - January 1	48,653	41,005	69,209	63,307	117,862	104,312
NET POSITION - DECEMBER 31	\$ 49,276	\$ 48,653	\$ 72,354	\$ 69,209	\$ 121,630	\$ 117,862

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

General Government Functions

The following schedule presents a summary of the governmental funds revenues from various sources for the fiscal year ended December 31, 2017 and the changes from the prior year.

The following table provides the breakdown of revenues by source for 2017:

REVENUE SOURCE	2017		2016		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 8,597	57.2 %	\$ 7,864	54.7 %	\$ 733	9.3 %
Intergovernmental	1,096	7.3	871	6.1	225	25.8
Licenses, Fees and Charges	3,753	25.0	3,543	24.6	210	5.9
Fines	213	1.4	243	1.7	(30)	(12.3)
Grants	5	-	730	5.0	(725)	(99.3)
Miscellaneous	1,359	9.1	1,133	7.9	226	19.9
Total Revenue (\$000s)	<u>\$ 15,023</u>	100.0%	<u>\$ 14,384</u>	100.0%	<u>\$ 639</u>	4.4%

Overall revenue increased by 4.4% or \$0.6 million in 2017 over 2016.

The largest source of revenue for 2017 was derived from taxes, 57.2% of total revenues. Overall, tax revenue increased by 9.3% or \$0.7 million. Property tax revenue in 2017 increased by \$0.7 million or 42% over 2016 due primarily to an increase in assessed value. The Town maintained its mill levy at 6.805 mills. Sales and Use taxes remained consistent with the prior year.

Intergovernmental revenue increased in 2017 by \$0.2 million or 25.8%, due primarily to increases in Highway User Taxes and County Road & Bridge share backs.

Grant revenue decreased due to a one-time DOLA grant received for street projects in 2016 of approximately \$0.7 million.

Licenses, Fees and Charges show a 5.9% increase from 2016 due primarily do to developer chargebacks being included in revenues in 2017 instead of being netted with expenditures.

Miscellaneous revenue was more in 2017 than 2016 primarily due to an increase in franchise fees, a new intergovernmental agreement with a District to receive 5 mills of the District's projected annual AV, and interest earnings the Town received on its cash investment portfolio for 2017.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

The following schedule presents a summary of the governmental funds expenditures for the fiscal year ended December 31, 2017 and the changes from the prior year.

	2017		2016		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
EXPENDITURES						
General Government	\$ 4,579	37.5 %	\$ 2,261	21.9 %	\$ 2,318	102.5 %
Public Safety	3,225	26.4	2,455	23.9	770	31.4
Public Works	1,640	13.4	976	9.5	664	68.0
Parks and Recreation	435	3.6	603	5.9	(168)	(27.9)
Capital Outlay	1,906	15.6	3,576	34.8	(1,670)	(46.7)
Debt Service	410	3.5	408	4.0	2	0.5
Total Expenditures (\$000s)	<u>\$ 12,195</u>	100.0%	<u>\$ 10,279</u>	100.0%	<u>\$ 1,916</u>	18.6%

Overall expenditures for 2017 were \$1.9 million or 18.6% more than 2016.

General government expenditures increased \$2.3 million in 2017 primarily due to the consolidation of multi-funds into the General Fund at January 1, 2017 and eliminating the allocation of expenditures to both the Water and Stormwater Funds.

Public Safety increased by \$0.8 million or 31.4% due primarily to an increase in personnel and overall operating expenses. Public Works activities increased by \$0.7 million or 68.0%, due to increased personnel costs and the increase in street maintenance projects. Parks and Recreation decreased by \$0.2 million or 27.9% due to re-allocation of personnel costs. Capital outlay decreased by \$1.7 million or 46.7% due to the decrease in street projects performed in 2017.

Financial Analysis of the Town's Funds

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of December 31, 2017, the Town's governmental funds reported combined ending fund balances of \$17.2 million, an increase of \$2.3 million over the prior year. Approximately 34% of this total amount constitutes unassigned fund balance, which is available for spending to meet the needs of Town citizens. The remainder of fund balance is separated into three categories. (1) Non-spendable fund balance which includes amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact (\$63,850). (2) Restricted fund balance has constraints placed on the use of these resources either externally imposed by creditors, grantors, contributors, or have been imposed by law through constitutional provisions or enabling legislation, 1) impact fees collected for Roadway, Regional Parks, Municipal Facilities, Drainage, and Raw Water Irrigation have been reserved for related capital projects respectively (\$7.2 million), 2) to provide an emergency reserve as required by the TABOR amendment (\$0.3 million), 3) Conservation Trust funds as stipulated by State statute for specific spending purposes (\$0.3 million), 4) Lodging taxes have been restricted for the purchase, development and maintenance of open space within the Town (\$0.3 million), 5) funds related to the Finance Urban Renewal Authority – Southern, Northern and

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

Central Funds are restricted for projects within the three blighted areas (\$1.1 million), (3) Assigned fund balance is constrained by the Town's intent to be used for a specific purpose (\$2.2 million).

The General Fund is the chief operating fund of the Town. At December 31, 2017, unassigned fund balance of the General Fund was \$5.9 million while total fund balance reached \$16.1 million. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures (including transfers). Unassigned fund balance represents 49% of total General Fund expenditures (including transfers out), while total fund balance represents 134% of that same amount.

The Town has established a working reserve of 25% of current year General Fund operating expenditures and a capital reserve of 20% of the total aggregate amount of the subsequent year's General Fund budgeted capital improvement costs, offset by impact fees as applicable.

The fund balance of the Town's General Fund increased by \$9.7 million during 2017, as multiple funds were consolidated into the General Fund at January 1, 2017 adding \$7.0 million in fund balance. The balance of the increase is due to increases in various tax revenues.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Both of the Town's proprietary funds are enterprise funds engaged in business-type activities.

The total net position of the enterprise funds as of December 31, 2017, was \$72.4 million, of which \$7.9 million was unrestricted. Total net position increased \$3.1 million over the prior year, with unrestricted net position increasing \$0.5 million.

The following schedule provides the breakdown of revenues by source for 2017:

REVENUE SOURCE	2017		2016		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Charges for Services	\$ 6,246	92.7 %	\$ 3,867	54.2 %	\$ 2,379	61.5 %
Grants	23	0.3	-	-	23	-
Capital Contributions	401	6.0	3,229	45.4	(2,828)	(87.6)
Interest Earnings	62	0.9	23	0.3	39	169.6
Miscellaneous	5	0.1	1	0.1	4	400.0
Total Revenue (\$000s)	<u>\$ 6,737</u>	100.0%	<u>\$ 7,120</u>	100.0%	<u>\$ (383)</u>	-5.4%

Business-type activities rely on charges for services to support related expenses. Charges for services of \$6.2 million for business-type activities represented 92.7% of 2017 revenues, and increased \$2.4 million, or 61.5%, compared to the prior year. The other primary source of revenue, representing 6.0% of revenues comes primarily from capital contributions in the form of donated capital assets. This source of revenue decreased \$2.8 million, or 87.6%, compared to 2016.

Business-type expenses were \$4.2 million in 2017, an increase of \$1.2 million, or 39.7%, compared to 2016.

The increase in both the revenues and expenditures along with the decrease in contributed capital are due to the fact that in previous years tap fee revenues and expenditures were netted

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

together and any residual balance was included in capital contributions. In the current year both the tap fee revenues and expenditures are shown separately and not included in capital contributions.

General Fund Budgetary Highlights

The Town's original budget for the General Fund provided for a deficit of \$0.2 million, reflecting revenues of \$7.8 million, expenditures of \$9.6 million and other financing sources, net of other financing uses of \$1.6 million. The final budget provided for a surplus of \$9.5 million, reflecting revenues of \$12.6 million, expenditures of \$11.5 million and other financing sources, net of other financing uses of \$8.4 million.

The \$4.8 million increase in revenues and \$1.9 million increase in expenditures as compared to the original adopted Town budget were due to the combining of several governmental funds into the General Fund at January 1, 2017.

Actual results in the General Fund was a surplus of \$0.2 million. Revenues in total were under budget mainly due the decrease in motor vehicle use tax. Expenditures were under budget due primarily to vacant employee positions.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2017 amounts to \$104.9 million (net of accumulated depreciation). This investment in capital assets includes land and improvements, water shares, construction in progress, buildings and improvements, streets and storm drainage, utility systems and equipment and vehicles. The total net increase in the Town's investment in capital assets for the current fiscal year was \$3.4 million.

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
CAPITAL ASSETS						
Land	\$ 6,537	\$ 6,537	\$ 1,601	\$ 99	\$ 8,138	\$ 6,636
Water Shares	-	-	42,190	40,610	42,190	40,610
Construction in Progress	1,018	364	1,782	839	2,800	1,203
Land Improvements	2,151	2,438	-	-	2,151	2,438
Buildings and Improvements	923	1,010	-	-	923	1,010
Streets and Storm Drainage	26,903	28,130	-	-	26,903	28,130
Utility Systems	-	-	20,170	19,878	20,170	19,878
Equipment and Vehicles	1,360	1,251	245	314	1,605	1,565
Total Capital Assets (\$000s)	<u>\$ 38,892</u>	<u>\$ 39,730</u>	<u>\$ 65,988</u>	<u>\$ 61,740</u>	<u>\$ 104,880</u>	<u>\$ 101,470</u>

Additional information on the Town's capital assets can be found in Note 5 on pages 35 and 36 of the financial statements.

Long-Term Debt: At the end of 2017, the Town had \$3.2 million in sales tax revenue bonds reported in the governmental funds. In addition, the Town had Certificates of Participation outstanding totaling \$1.1 million. At December 31, 2017 the Water Fund had a \$1.6 million loan from the Colorado Water Conservation Board (CWCB). For 2017, the Town experienced a \$1.4 million increase overall in outstanding debt from 2016, mainly due to the borrowing of the Water Fund CWCB loan.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2017**

The Town's debt consists of the following at December 31, 2017:

	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Sales Tax Revenue Bonds	\$ 3,187	\$ 3,344	\$ -	\$ -	\$ 3,187	\$ 3,344
Certificate of Participation	1,055	1,160	-	-	1,055	1,160
CWCB Loan	-	-	1,580	-	1,580	-
Compensated Absences	229	178	21	38	250	216
Total Long-Term Debt (\$000s)	<u>\$ 4,471</u>	<u>\$ 4,682</u>	<u>\$ 1,601</u>	<u>\$ 38</u>	<u>\$ 6,072</u>	<u>\$ 4,720</u>

State statutes limit the amount of general obligation debt the Town may issue to 3% of estimated actual valuation, except for such debt as may be incurred in supplying water. The Town's outstanding debt is below this limit. Additional information on the Town's long-term debt can be found in Note 6 in the financial statements and the statistical section of this report for more details.

Economic Factors and Next Year's Budgets and Rates

- There are several factors that drive the Town's budget and financial performance. The factors include but are not limited to the following: area employment rates, sales and use tax revenues, building permit valuation and issuance, population growth, and capital asset construction requirements.
- Currently, the Town's residential building permit valuation and issuance drives a reasonable part of the budget revenue for corresponding capital expenditures. The Town receives capital revenues from impact fees and water tap fees during the fiscal year, which will be utilized in future years to acquire or construct capital assets to serve future residents. A significant decrease in housing permits would have a significant adverse effect on impact fee revenues and corresponding capital projects.
- The Town has set aside significant amounts of reserves in the General Fund to enable it to continue to provide required services should an economic downturn occur.
- In November 2017, the residents of the Town, passed a 0.6% sales tax increase to fund the construction of a new Police Facility and associated debt service issuance/payments. In 2018, the Sales and Use Tax – Police Facilities Capital Improvement Fund (.6%) was established to account for the additional sales tax. The 2018 budget includes costs for debt service payments for Certificates of Participation issued in 2018 along with transfers to the General Fund related to construction of the new Police Facility.

All of these factors were considered in preparing the Town's budget for 2018.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Firestone Deputy Finance Director, 151 Grant Avenue, P.O. Box 100, Firestone, Colorado 80520-0100.

BASIC FINANCIAL STATEMENTS

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TOWN OF FIRESTONE
STATEMENT OF NET POSITION
December 31, 2017

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and Investments	\$ 16,998,305	\$ 8,892,759	\$ 25,891,064
Receivables, net	2,435,080	234,113	2,669,193
Prepaid Expenses	63,850	200	64,050
Capital Assets:			
Capital Assets Not Subject to Depreciation:			
Land and Water Rights	6,537,310	43,791,239	50,328,549
Construction in Progress	1,017,512	1,782,174	2,799,686
Capital Assets Subject to Depreciation:			
Land Improvements, Net	2,151,177	-	2,151,177
Buildings and Improvements, Net	923,077	-	923,077
Streets and Storm Drainage, Net	26,903,454	-	26,903,454
Utility Systems, Net	-	20,169,991	20,169,991
Equipment & Vehicles, Net	1,359,702	244,643	1,604,345
Total Assets	<u>58,389,467</u>	<u>75,115,119</u>	<u>133,504,586</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	<u>1,557,957</u>	<u>175,077</u>	<u>1,733,034</u>
LIABILITIES			
Accounts Payable and Other Current Liabilities	621,867	495,999	1,117,866
Accrued Interest Payable	11,970	-	11,970
Developer Deposits	285,603	-	285,603
Noncurrent Liabilities:			
Customer Deposits	-	169,646	169,646
Accrued Interest Payable	-	14,190	14,190
Accrued Compensated Absences			
Due Within One Year	162,706	21,177	183,883
Due in Greater Than One Year	66,722	-	66,722
Long-Term Liabilities			
Portion Due or Payable within One Year	265,000	-	265,000
Portion Due or Payable after One Year	3,976,868	1,580,000	5,556,868
Net Pension Liability	<u>3,807,495</u>	<u>650,977</u>	<u>4,458,472</u>
Total Liabilities	<u>9,198,231</u>	<u>2,931,989</u>	<u>12,130,220</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenues	1,400,949	-	1,400,949
Pensions	<u>71,769</u>	<u>4,629</u>	<u>76,398</u>
Total Deferred Inflows of Resources	<u>1,472,718</u>	<u>4,629</u>	<u>1,477,347</u>
NET POSITION			
Net Investment in Capital Assets	34,650,364	64,408,047	99,058,411
Restricted for:			
Emergencies	268,496	-	268,496
Conservation Trust	260,501	-	260,501
Open Space	274,122	-	274,122
Unrestricted	<u>13,822,992</u>	<u>7,945,531</u>	<u>21,768,523</u>
Total Net Position	<u>\$ 49,276,475</u>	<u>\$ 72,353,578</u>	<u>\$ 121,630,053</u>

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

**TOWN OF FIRESTONE
STATEMENT OF ACTIVITIES
Year Ended December 31, 2017**

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 5,513,763	\$ 1,944,779	\$ -	\$ -
Public Safety	3,261,233	215,919	69,594	-
Public Works	4,880,477	1,451,035	132,322	1,181,103
Parks and Recreation	900,040	557,611	-	-
Interest on Long-Term Debt	145,887	-	-	-
Total Governmental Activities	<u>14,701,400</u>	<u>4,169,344</u>	<u>201,916</u>	<u>1,181,103</u>
BUSINESS-TYPE ACTIVITIES				
Water	4,017,740	5,741,998	22,616	312,030
Stormwater	148,496	503,901	-	88,951
Total Business-Type Activities	<u>4,166,236</u>	<u>6,245,899</u>	<u>22,616</u>	<u>400,981</u>
Total	<u>\$ 18,867,636</u>	<u>\$ 10,415,243</u>	<u>\$ 224,532</u>	<u>\$ 1,582,084</u>

GENERAL REVENUES AND TRANSFERS

Property Taxes
Sales and Use Taxes
Highway Users Tax
Specific Ownership
Other Shared Taxes
Franchise Fees
Interest Earnings
Miscellaneous
Transfers In (Out)
Total General Revenues and Transfers

CHANGE IN NET POSITION

Net Position - Beginning of Year

NET POSITION - END OF YEAR

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

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business- Type Activities	Total
\$ (3,568,984)	\$ -	\$ (3,568,984)
(2,975,720)	-	(2,975,720)
(2,116,017)	-	(2,116,017)
(342,429)	-	(342,429)
(145,887)	-	(145,887)
<u>(9,149,037)</u>	<u>-</u>	<u>(9,149,037)</u>
-	2,058,904	2,058,904
-	444,356	444,356
-	<u>2,503,260</u>	<u>2,503,260</u>
<u>(9,149,037)</u>	<u>2,503,260</u>	<u>(6,645,777)</u>
2,305,859	-	2,305,859
6,093,407	-	6,093,407
401,994	-	401,994
110,069	-	110,069
493,796	-	493,796
517,269	-	517,269
116,195	61,555	177,750
309,380	4,945	314,325
(575,000)	575,000	-
<u>9,772,969</u>	<u>641,500</u>	<u>10,414,469</u>
623,932	3,144,760	3,768,692
<u>48,652,543</u>	<u>69,208,818</u>	<u>117,861,361</u>
<u>\$ 49,276,475</u>	<u>\$ 72,353,578</u>	<u>\$ 121,630,053</u>

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

**TOWN OF FIRESTONE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2017**

	General Fund	Sales Tax Capital Improvement (1%) Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and Investments	\$ 15,907,718	\$ -	\$ 1,090,587	\$ 16,998,305
Receivables	2,435,080	-	-	2,435,080
Advances from Other Funds	-	-	38,456	38,456
Prepaid Expenses	63,850	-	-	63,850
Total Assets	<u>\$ 18,406,648</u>	<u>\$ -</u>	<u>\$ 1,129,043</u>	<u>\$ 19,535,691</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 469,163	\$ -	\$ 54,552	\$ 523,715
Accrued Liabilities	98,152	-	-	98,152
Advances to Other Funds	-	-	38,456	38,456
Developer Deposits	285,603	-	-	285,603
Total Liabilities	<u>852,918</u>	<u>-</u>	<u>93,008</u>	<u>945,926</u>
DEFERRED INFLOWS OF RESOURCES				
Property Tax Revenues	<u>1,400,949</u>	<u>-</u>	<u>-</u>	<u>1,400,949</u>
FUND BALANCE				
Nonspendable	63,850	-	-	63,850
Restricted for:				
Emergencies	268,496	-	-	268,496
Conservation Trust	260,501	-	-	260,501
Open Space	274,122	-	-	274,122
Assigned for:				
Impact Fees	7,166,423	-	-	7,166,423
FURA Improvements	-	-	1,074,337	1,074,337
Working Reserve	2,237,466	-	-	2,237,466
Unassigned	5,881,923	-	(38,302)	5,843,621
Total Fund Balance	<u>16,152,781</u>	<u>-</u>	<u>1,036,035</u>	<u>17,188,816</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE	<u>\$ 18,406,648</u>	<u>\$ -</u>	<u>\$ 1,129,043</u>	<u>\$ 19,535,691</u>

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

TOWN OF FIRESTONE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2017

Total Fund Balance - Governmental Funds \$ 17,188,816

Amounts reported for governmental activities on the Statement of Net Position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds. 38,892,232

Long-term liabilities, including certificates of participation, are not due and payable from current financial resources, and therefore, are not reported as liabilities in the governmental funds.

Certificates of Participation	(1,055,000)
Sales Tax Revenue Bonds	(3,165,000)
Unamortized Bond Premium	(21,868)
Accrued Interest Payable	(11,970)
Compensated Absences	(229,428)
Total	(4,483,266)

Net pension liability is not payable from current financial resources and, therefore, are not reported in the governmental funds. (3,807,495)

Deferred outflows of resources used in governmental activities are not financial resources and, therefore are not reported in the governmental funds.

Change in investment earnings	710,734
Changes in assumptions	330,233
Change in experience	153,759
Change in proportionate share	31,223
Contributions subsequent to the measurement date	332,008
Total	1,557,957

Deferred inflows of resources used in governmental activities are not due and payable in the current year and, therefore, are not reported in the governmental funds.

Changes in assumptions	(10,726)
Change in experience	(4,998)
Change in proportionate share	(56,045)
Total	(71,769)

Net Position - Governmental Activities \$ 49,276,475

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

TOWN OF FIRESTONE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
GOVERNMENTAL FUNDS
Year Ended December 31, 2017

	General Fund	Sales Tax Capital Improvement (1% Fund)	Other Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 6,139,548	\$ 1,566,960	\$ 890,758	\$ 8,597,266
Intergovernmental	1,096,057	-	-	1,096,057
Licenses, Fees and Charges	3,752,927	-	-	3,752,927
Fines	212,529	-	-	212,529
Grants	5,367	-	-	5,367
Miscellaneous	1,355,437	3,122	-	1,358,559
Total Revenues	<u>12,561,865</u>	<u>1,570,082</u>	<u>890,758</u>	<u>15,022,705</u>
EXPENDITURES				
Current:				
General Government				
Town Administration	2,825,058	-	551,682	3,376,740
Municipal Court	104,474	-	-	104,474
Planning	1,098,054	-	-	1,098,054
Public Safety	3,224,787	-	-	3,224,787
Public Works	1,639,613	-	-	1,639,613
Parks and Recreation	435,065	-	-	435,065
Capital Outlay	1,905,964	-	-	1,905,964
Debt Service:				
Principal	-	155,000	105,000	260,000
Interest and Other Charges	-	109,819	40,595	150,414
Total Expenditures	<u>11,233,015</u>	<u>264,819</u>	<u>697,277</u>	<u>12,195,111</u>
EXCESS OF REVENUE OVER (UNDER)				
EXPENDITURES	<u>1,328,850</u>	<u>1,305,263</u>	<u>193,481</u>	<u>2,827,594</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	9,152,860	-	941,667	10,094,527
Transfers Out	(782,452)	(2,114,909)	(7,772,166)	(10,669,527)
Total Other Financing Sources (Uses)	<u>8,370,408</u>	<u>(2,114,909)</u>	<u>(6,830,499)</u>	<u>(575,000)</u>
NET CHANGE IN FUND BALANCES	9,699,258	(809,646)	(6,637,018)	2,252,594
Fund Balances - Beginning of Year	<u>6,453,523</u>	<u>809,646</u>	<u>7,673,053</u>	<u>14,936,222</u>
FUND BALANCES - END OF YEAR	<u>\$ 16,152,781</u>	<u>\$ -</u>	<u>\$ 1,036,035</u>	<u>\$ 17,188,816</u>

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

TOWN OF FIRESTONE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds **\$ 2,252,594**

Amounts reported for governmental activities in the Statement of Activities are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceed depreciation in the current period.

Depreciation	\$ (3,114,168)
Capital Outlay	1,782,685
Total	(1,331,483)

Contributions of capital assets by developers increase net position in the Statement of Activities but do not appear in the governmental funds because they are not financial resources.	931,103
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Net Book Value of Disposed Capital Assets	(437,565)
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Repayment of debt principal is an expenditure in the governmental funds. However, in the Statement of Activities these payments are reflected as a reduction in long-term debt obligations.	260,000
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the Government funds.

Change in accrued interest payable	2,282
Change in accrued compensated absences	(51,114)
Amortization of premiums	2,245
Pension expense	(1,004,130)
Total	(1,050,717)

Change in Net Position of Governmental Activities	\$ 623,932
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The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2017

	Water Fund	Stormwater Fund	Total
CURRENT ASSETS			
Cash and Investments	\$ 8,085,908	\$ 806,851	\$ 8,892,759
Receivables	183,619	50,494	234,113
Prepaid Expenses	200	-	200
Total Current Assets	<u>8,269,727</u>	<u>857,345</u>	<u>9,127,072</u>
NONCURRENT ASSETS			
Capital Assets:			
Land	1,600,841	-	1,600,841
Water Rights	42,190,398	-	42,190,398
Utility Systems	19,263,075	5,344,038	24,607,113
Construction in Progress	1,782,174	-	1,782,174
Equipment	688,592	-	688,592
Less Accumulated Depreciation	<u>(4,707,063)</u>	<u>(174,008)</u>	<u>(4,881,071)</u>
Total Noncurrent Assets	<u>60,818,017</u>	<u>5,170,030</u>	<u>65,988,047</u>
Total Assets	<u>69,087,744</u>	<u>6,027,375</u>	<u>75,115,119</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	<u>144,940</u>	<u>30,137</u>	<u>175,077</u>
CURRENT LIABILITIES			
Accounts Payable	486,720	1,725	488,445
Accrued Liabilities	6,198	1,356	7,554
Accrued Compensated Absences	20,317	860	21,177
Total Current Liabilities	<u>513,235</u>	<u>3,941</u>	<u>517,176</u>
NONCURRENT LIABILITIES			
Customer Deposits	167,910	1,736	169,646
CWCB Loan	1,580,000	-	1,580,000
Accrued Interest Payable	14,190	-	14,190
Net Pension Liability	538,920	112,057	650,977
Total Noncurrent Liabilities	<u>2,301,020</u>	<u>113,793</u>	<u>2,414,813</u>
Total Liabilities	<u>2,814,255</u>	<u>117,734</u>	<u>2,931,989</u>
DEFERRED INFLOWS OF RESOURCES			
Pensions	<u>3,832</u>	<u>797</u>	<u>4,629</u>
NET POSITION			
Net Investment in Capital Assets	59,238,017	5,170,030	64,408,047
Unrestricted	<u>7,176,580</u>	<u>768,951</u>	<u>7,945,531</u>
Total Net Position	<u>\$ 66,414,597</u>	<u>\$ 5,938,981</u>	<u>\$ 72,353,578</u>

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

TOWN OF FIRESTONE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2017

	Water Fund	Stormwater Fund	Total
OPERATING REVENUE			
Charges for Services	\$ 5,741,998	\$ 503,901	\$ 6,245,899
Total Operating Revenues	<u>5,741,998</u>	<u>503,901</u>	<u>6,245,899</u>
OPERATING EXPENSES			
Operations	1,468,083	40,431	1,508,514
Administration	254,187	175	254,362
Engineering	365,156	-	365,156
Tap Fees	1,302,247	-	1,302,247
Depreciation	481,483	107,890	589,373
Total Operating Expenses	<u>3,871,156</u>	<u>148,496</u>	<u>4,019,652</u>
OPERATING INCOME	<u>1,870,842</u>	<u>355,405</u>	<u>2,226,247</u>
NONOPERATING REVENUES (EXPENSES)			
Interest Earnings	56,947	4,608	61,555
(Loss) on Disposal of Assets	(132,394)	-	(132,394)
Interest Expense	(14,190)	-	(14,190)
Grants	22,616	-	22,616
Intergovernmental	4,945	-	4,945
Total Nonoperating Revenues	<u>(62,076)</u>	<u>4,608</u>	<u>(57,468)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,808,766	360,013	2,168,779
Contributed Capital Assets	312,030	88,951	400,981
Transfers in	<u>575,000</u>	<u>-</u>	<u>575,000</u>
CHANGE IN NET POSITION	2,695,796	448,964	3,144,760
Net Position - Beginning of Year	<u>63,718,801</u>	<u>5,490,017</u>	<u>69,208,818</u>
NET POSITION - END OF YEAR	<u><u>\$ 66,414,597</u></u>	<u><u>\$ 5,938,981</u></u>	<u><u>\$ 72,353,578</u></u>

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

TOWN OF FIRESTONE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2017

	Business-Type Activity	
	Water Fund	Stormwater Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Received from Customers	\$ 5,722,273	\$ 501,468
Cash Paid to Suppliers	(2,778,300)	(16,518)
Cash Paid to and for Employees	(620,374)	(73,637)
Net Cash Provided by Operating Activities	<u>2,323,599</u>	<u>411,313</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfers from Other Funds	575,000	-
Operating Grants Received	22,616	-
Other Receipts	4,945	-
Net Cash Provided by Noncapital Financing Activities	<u>602,561</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Loan Proceeds	1,580,000	-
Acquisition of Capital Assets	(4,568,591)	-
Net Cash (Used) by Capital and Related Financing Activities	<u>(2,988,591)</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	56,947	4,608
Net Increase (Decrease) in Cash and Cash Equivalents	(5,484)	415,921
Cash and Cash Equivalents - Beginning of Year	<u>8,091,392</u>	<u>390,930</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 8,085,908</u>	<u>\$ 806,851</u>
	Business-Type Activity	
	Water Fund	Stormwater Fund
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES		
Operating Income	\$ 1,870,842	\$ 355,405
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities		
Depreciation and Amortization	481,483	107,890
(Increase) Decrease in Accounts Receivable	(16,585)	(4,170)
(Increase) Decrease in Inventory	55,064	-
(Increase) Decrease in Prepaid Expenses	1,537	177
Increase (Decrease) in Pension Related Items	(297,520)	(45,439)
Increase (Decrease) in Customer Deposits	(3,140)	1,736
Increase (Decrease) in Accounts Payable	250,058	(397)
Increase (Decrease) in Compensated Absences	(24,337)	(5,245)
Increase (Decrease) in Accrued Liabilities	6,198	1,356
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 2,323,599</u>	<u>\$ 411,313</u>
NON-CASH INVESTING AND FINANCING TRANSACTIONS		
Contributed Capital Assets	\$ 312,030	\$ 88,951

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

NOTES TO FINANCIAL STATEMENTS

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TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Firestone (the Town), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant accounting principles.

Financial Reporting Entity

The Town was incorporated in 1908 as a statutory municipality. The governing body of the Town consists of a mayor and six Board of Trustee members. The Town's major operations include general administrative services, municipal court, community development and engineering, public safety, public works, parks and recreation, utility billing and water services, and street and storm drainage systems.

In conformance with governmental accounting and financial reporting standards, the Town is the reporting entity for financial reporting purposes. The Town is the primary government financially accountable for all activities of the Town. The Town meets the criteria of a primary government: its Town Board of Trustees is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The Town is not included in any other governmental reporting entity.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization.

Based on the application of the above criteria, the Town considers both the Firestone Finance Authority and the Firestone Urban Renewal Authority as blended component units. The Firestone Finance Authority was created to account for the acquisition and development of Central Park and its related debt service. The Firestone Urban Renewal Authority was established to develop and implement a plan to renew and revitalize portions of the northern, central and southern Firestone areas. The Town is financially accountable and has operational responsibility for each of the blended component units. The basis for blending is that the Town's Board acts as the governing board for both of the entities. Separate financial statements are not issued for the Firestone Finance Authority or the Firestone Urban Renewal Authorities.

Joint Ventures

The Town may participate in joint ventures created for special purposes which are not part of the Town's reporting entity. Additional information regarding the Town's participation in joint ventures is provided in Note 13. The following is a description of the only joint venture in which the Town participated in during the year ended December 31, 2017.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Weld 911 Emergency Telephone Service Authority Board – The Town is one of 49 local governments which are members of the Weld 911 Emergency Telephone Service Authority Board (“Weld 911”). Weld 911 is an organization created by an intergovernmental agreement in 1988 solely to provide for the operation of the 911 emergency telephone service program. Weld 911 is governed by a seven-member board selected as defined in the agreement. The governing board is autonomous as to budgeting and fiscal matters.

Investments in joint ventures are recorded as expenditures at the time the investment is made.

Complete financial statements of this joint venture can be obtained from:

Weld County
P.O. Box 758
Greeley, Colorado 80632

Government-wide and Fund Financial Statements

The government-wide statements include the statement of net position and the statement of activities, which display information about the primary government (the Town) and its component units. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the Town and for each function of the Town’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Separate financial statements are provided for governmental funds and proprietary funds. The Town does not operate any fiduciary funds. Major individual governmental funds and proprietary funds are reported as separate columns in the fund financial statements.

Governmental Funds

Governmental funds are those through which governmental functions of the Town are financed. The acquisition, use and balances of the Town’s expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the Town’s major governmental funds:

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

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The Sales Tax Capital Improvement Fund (1%) is a special revenue fund which was established to account for financial resources segregated for the acquisition or construction of street and park capital and operational costs.

Other Governmental Funds are non-major funds and are a Debt Service Fund (Firestone Finance Authority) or Special Revenue Funds (Firestone Urban Renewal Authority – Southern, Northern and Central) which have been established to account for revenues derived from specific taxes or other earmarked revenue sources which finance specific activities as required by law or administrative action.

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Town reports the following major enterprise funds:

The Water Fund accounts for the financial transactions related to the water service operations of the Town.

The Stormwater Fund accounts for the financial transactions related to the stormwater service operations of the Town.

Measurement Focus, Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are reported as revenue in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days after year-end. Property taxes, sales taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources. When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted revenues first, then unrestricted resources as they are needed.

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

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

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

1. By October 15 of each year, a proposed operating budget is submitted to the Board for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the Town to obtain taxpayer comments.
3. Prior to December 15, the budget is legally adopted at the fund level through passage of a resolution for all Town funds, except the fiduciary fund types.
4. Any revisions that increase the expenditure of any fund or elected official budget must be approved by the Board of Trustees by passage of a resolution.
5. Budgets for the governmental fund types are adopted on a basis consistent with GAAP. The proprietary fund types adopt budgets using a non-GAAP basis.

Appropriations are at the total fund expenditure level and lapse at year-end. Original budget appropriations, inclusive of interfund transfers out, for the year ended December 31, 2017 were \$27,082,147. The Town had a supplemental appropriation totaling \$8,065,471 which increased final budget appropriations, inclusive of interfund transfers out, to \$35,147,618.

During 2017, the following funds had supplemental appropriations that resulted in budget amendments as follows:

Fund	Original Amount	Amended Amount
Government Funds:		
General Fund	\$ 10,080,173	\$ 12,254,052
Special Revenue Funds:		
Conservation Trust Fund	90,000	201,235
Open Space Fund	-	186,192
Capital Project Funds:		
Capital Improvements Fund	3,535,224	5,776,858
Sales Tax Capital Improvement Fund (1%)	1,515,218	2,381,228
Firestone Urban Renewal Authority	441,056	695,759
Firestone Urban Renewal Authority - Northern	-	550,500
Firestone Urban Renewal Authority - Central	-	38,746
Business-Type Funds:		
Water Fund	6,747,428	8,390,000
	<u>\$ 22,409,099</u>	<u>\$ 30,474,570</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Investments

All cash is pooled and invested by the Town. The Town makes investments pursuant to its investment policy and relevant State of Colorado statutes. For purposes of the statement of cash flows, cash equivalents are defined as liquid investments with original maturity dates of 90 days or less at the time of purchase.

Investments at December 31, 2017, consisted of CSAFE that are stated at amortized cost in accordance with GASB Statement 72 "Fair Value Measurement and Application". Investments are reported in accordance with GASB Statement 72.

Receivables and Payables

All property tax and other receivables are shown net of an allowance for uncollectibles. Activities between funds where an outstanding balance is present at year-end and is expected to be repaid within one year are reported as "due to/from other funds" in the fund financial statements. If such balances are expected to remain outstanding for more than one year from the current year-end date, the balances are reported as "advances to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

No allowance is provided for utility service charges since delinquent amounts are certified as a lien against the property billed and are expected to be fully collectible.

Property Tax Calendar

Property taxes are not due and payable until after the assessment year has ended and are not included in the budget or statement of revenues, expenditures and changes in fund balance of the assessment year.

Property taxes are recorded as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

By December 15th of each year, property taxes for the Town are levied by the Board of Trustees and certified to Weld County (the County) for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 20 or in two installments by June 15 in the year of collection. The taxes are collected by Weld County Treasurer on behalf of the Town. A 1% collection fee is retained by the County as compensation for collecting the taxes.

Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items in the government-wide and fund financial statements and will be reported as expenses/expenditures in the following year.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include land, water rights, buildings and improvements, land and improvements, streets and storm drainage, machinery and equipment, and construction in progress are reported in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of more than \$5,000 and a useful life longer than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art or similar items, and capital assets received in a service concession arrangement are reported at acquisition value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are completed.

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

Land Improvements	10-30 years
Buildings and Improvements	5-30 years
Streets and Storm Drainage	15-40 years
Machinery and Equipment	5-20 years
Utility Systems	30-50 years

Accrued Compensated Absences Payable

It is the Town's policy to permit employees to accumulate earned but unused paid time off and extended sick leave benefits. There is no liability for unpaid accumulated extended sick leave since the Town does not have a policy to pay out any amounts when employees separate from service with the Town. It is the Town's policy to permit employees to accumulate earned but unused paid time off up to a maximum of 240 hours. All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. Compensated absences for governmental activities are paid from the General Fund.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund-type statement of net position. Long-term debt premiums and discounts are amortized over the life of the related debt using the straight-line method, which approximates the effective interest method. Debt issuance costs are reported as an outflow of resources.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Net Position

Net position is classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. Restricted net position is noncapital assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Town. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Fund Balance

In the governmental fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable: amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted: amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed: amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Trustees, the Town's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board Trustees.

Assigned: amounts the Town intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Board of Trustees has the authority to assign amounts for specific purposes.

Unassigned: a residual classification within the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Negative fund balances in other governmental funds are reported as unassigned once other purposes of that fund were reduced.

For the General Fund, in the event that an expenditure can be considered restricted or unrestricted (committed, assigned, or unassigned) and both categories have available amounts, the funds will be first applied against the most restrictive fund balance classification, unless the Town has provided otherwise in its commitment or assignment actions.

Contribution of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, or from grants or outside contributions of resources for capital acquisition and construction.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Financial Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the Town that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

The Town has certain items that relate to its pension plans that qualify for reporting as deferred outflows of resources and deferred inflows of resources. See Notes 7 and 9 for more information. Deferred inflows of resources also consist of property taxes receivable. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected.

Pensions

The Town participates in the Local Government Division Trust Fund ("LGDTF"), a cost-sharing, multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). In addition, the Town participates in the Statewide Defined Benefit Plan ("SWDB"), a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado ("FPPA").

The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Use of Estimates

The preparation of 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 may differ from those estimates and could be material.

Deficit Fund Balances

The Firestone Urban Renewal Authority – Central Fund had a deficit unassigned fund balance of \$38,302 as of December 31, 2017. The Town anticipates repayment of the advance from the Firestone Urban Renewal Authority – Southern and Northern Funds that has financed this deficit, which is expected to be re-paid by 2020.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Consolidation

The governmental fund statements in this report reflect several fund combinations that were not in place in the prior year. These combinations were made to simplify reporting for funds that serve a similar purpose or have very similar transactions. These changes are summarized in the table below:

Fund	Continue to Use	Consolidated to New Fund
General Fund	Yes	N/A
Highway Fund	No	General Fund
Park Fund	No	General Fund
Conservation Trust Fund	No	General Fund
Open Space	No	General Fund
Capital Improvements Fund	No	General Fund
Sales Tax Capital Improvement Fund (1%)	Yes	N/A
Debt Service Fund	No	N/A
Finance Authority Fund	Yes	N/A
Firestone Urban Renewal Authority	No	*
Water Fund	Yes	N/A
Stormwater Fund	Yes	N/A

* The Firestone Urban Renewal Authority Fund was broken out into three individual funds related to each URA planned area - Southern, Northern and Central

NOTE 2 - DEPOSITS AND INVESTMENTS

At December 31, 2017, the Town's cash and investments consist of the following:

Cash and Investments - Statement of Net Position	<u><u>\$ 25,891,064</u></u>
--	-----------------------------

At December 31, 2017, cash and investments of the Town are held as follows:

Cash on Hand	\$ 1,490
Cash Deposits	2,974,336
Savings	6,225,428
Investments	<u>16,689,810</u>
Total	<u><u>\$ 25,891,064</u></u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash be 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 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 102% of the aggregate uninsured deposits.

Investments

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

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

Investments of the Town at December 31, 2017 are as follows:

	Standard & Poor's Rating	Fair Fair Value	Maturity	
			Less than 1 Year	1-5 Years
Local Government Investment Pools	AAAm	\$ 16,689,810	\$ 16,689,810	\$ -
Total Investments		<u>\$ 16,689,810</u>	<u>\$ 16,689,810</u>	<u>\$ -</u>

As of December 31, 2017, the Town has invested \$16,689,810 in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is a local government investment pool that operates similarly to a money market fund and each share is equal in value to \$1.00. Investments of the pool consist of securities of the United States Treasury, United States agencies, primary dealer repurchase agreements and Colorado depositories (with short term ratings of A1 or better) in which the deposits are collateralized at 102% of market value under the provisions of PDPA. The custodian's internal records identify the investments owned by the pool. Separately issued financial statements may be obtained at the following address:

CSAFE
1600 Broadway, Suite 1100
Denver, CO 80202 www.csafe.org

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 2 - DEPOSITS AND INVESTMENTS (CONTINUED)

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, repurchase agreements, government backed securities, money market mutual funds, local government investment pools, and corporate obligations.

The Town's investment policy is to "invest idle public funds in a manner to meet the daily cash flow demands of the Town with the primary objective in priority order, being: a) safety of principal b) liquidity and c) return on Investments." Investments shall be diversified so as to minimize the risk of loss and to maximize the rate of return.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy does not allow investment maturities to exceed five years. This limit on investment maturities is a means of limiting exposure to adverse fair market value changes arising from increasing interest rates.

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the Town would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town manages its credit risk by limiting its investment to certain types of securities allowed by State statutes, by pre-qualifying financial institutions, brokers/dealers, intermediaries, and advisors.

Fair Value

The Town categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

The Town's investments held with CSAFE are valued at amortized cost.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 3 - ACCOUNTS RECEIVABLE

Receivables at December 31, 2017, consist of the following:

Receivables	Governmental Activities	Business - Type Activities	Total
Taxes	\$ 2,363,914	\$ -	\$ 2,363,914
Customer Utilities	15,363	234,113	249,476
Other	55,803	-	55,803
Total Funds	<u>\$ 2,435,080</u>	<u>\$ 234,113</u>	<u>\$ 2,669,193</u>

NOTE 4 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Interfund receivables and payables (due to/from and advances to/from) consist of the following:

Fund	Interfund Receivable	Interfund Payable
Firestone Urban Renewal Authority - Southern	\$ 30,765	\$ -
Firestone Urban Renewal Authority - Northern	7,691	-
Firestone Urban Renewal Authority - Central	-	38,456
	<u>\$ 38,456</u>	<u>\$ 38,456</u>

The \$38,456 interfund balance relates to funds temporarily moved between funds to cover startup costs in the Firestone Urban Renewal Authority – Central Fund. This amount is not expected to be repaid within one year.

Transfers to and from the various funds consist of the following:

Transfers In				
Transfers Out	General	Non-Major Governmental	Water	Total
Major Fund				
General	\$ -	\$ 207,452	\$ 575,000	\$ 782,452
Sales Tax Capital Improvement (1%)	2,114,909	-	-	2,114,909
Non-Major Governmental	7,037,951	734,215	-	7,772,166
Total	<u>\$ 9,152,860</u>	<u>\$ 941,667</u>	<u>\$ 575,000</u>	<u>\$ 10,669,527</u>

Transfers to and from the various funds were to cover the costs of operations, capital and debt service or to consolidate the beginning fund balances of various governmental funds into the General Fund as discussed in Note 1.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance 12/31/2016	Additions	Deletions	Transfers	Ending Balance 12/31/2017
<u>Governmental Activities</u>					
Capital Assets Not Subject to Depreciation:					
Land	\$ 6,537,310	\$ -	\$ -	\$ -	\$ 6,537,310
Construction in Progress	364,298	978,712	(364,298)	38,800	1,017,512
Total Capital Assets Not Subject to Depreciation	6,901,608	978,712	(364,298)	38,800	7,554,822
Capital Assets Subject to Depreciation:					
Land Improvements	6,555,094	60,777	-	-	6,615,871
Buildings and Improvements	2,014,270	-	(47,589)	-	1,966,681
Streets and Storm Drainage	50,094,793	1,210,380	-	-	51,305,173
Equipment and Vehicles	3,569,894	463,919	(427,738)	(38,800)	3,567,275
Total Capital Assets Subject to Depreciation	62,234,051	1,735,076	(475,327)	(38,800)	63,455,000
Less Accumulated Depreciation for:					
Land Improvements	(4,117,538)	(347,156)	-	-	(4,464,694)
Buildings and Improvements	(1,004,209)	(86,984)	47,589	-	(1,043,604)
Streets and Storm Drainage	(21,964,876)	(2,436,843)	-	-	(24,401,719)
Equipment and Vehicles	(2,318,859)	(243,185)	354,471	-	(2,207,573)
Total Accumulated Depreciation	(29,405,482)	(3,114,168)	402,060	-	(32,117,590)
Capital Assets Subject to Depreciation, Net	32,828,569	(1,379,092)	(73,267)	(38,800)	31,337,410
Governmental Activities Capital Assets, Net	<u>\$ 39,730,177</u>	<u>\$ (400,380)</u>	<u>\$ (437,565)</u>	<u>\$ -</u>	<u>\$ 38,892,232</u>

Depreciation expense for governmental activities capital assets was allocated as follows:

Governmental Activities:	
General Government	\$ 107,345
Public Safety	117,016
Public Works	2,542,651
Parks and Recreation	347,156
Total	<u>\$ 3,114,168</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 5 - CAPITAL ASSETS (CONTINUED)

	Balance 12/31/2016	Increase	Decrease	Transfers	Balance 12/31/2017
<u>Business-Type Activities</u>					
Capital Assets Not Subject to Depreciation:					
Land	\$ 99,121	\$ 1,501,720	\$ -	\$ -	\$ 1,600,841
Water Rights	40,610,164	1,580,234	-	-	42,190,398
Construction in Progress	838,951	1,058,723	(115,500)	-	1,782,174
Total Capital Assets Not Subject to Depreciation	41,548,236	4,140,677	(115,500)	-	45,573,413
Capital Assets Subject to Depreciation:					
Utility Systems	23,820,768	786,345	-	-	24,607,113
Equipment and Vehicles	801,580	42,550	(155,538)	-	688,592
Total Capital Assets Subject to Depreciation	24,622,348	828,895	(155,538)	-	25,295,705
Less Accumulated Depreciation for:					
Utility Systems	(3,942,334)	(494,788)	-	-	(4,437,122)
Equipment and Vehicles	(488,008)	(94,585)	138,644	-	(443,949)
Total Accumulated Depreciation	(4,430,342)	(589,373)	138,644	-	(4,881,071)
Capital Assets Subject to Depreciation, Net	20,192,006	239,522	(16,894)	-	20,414,634
Business-Type Activity Capital Assets, Net	<u>\$ 61,740,242</u>	<u>\$ 4,380,199</u>	<u>\$ (132,394)</u>	<u>\$ -</u>	<u>\$ 65,988,047</u>

Depreciation expense was charged to business-type activities capital assets as follows:

Business-Type Activities:	
Water	\$ 481,483
Stormwater	107,890
Total	<u>\$ 589,373</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 6 - LONG-TERM DEBT

Pledged Revenues

During 2006, the Town executed two reimbursement agreements (an Amended and Restated Public Improvements Reimbursement Agreement and Retail Infrastructure Funding Agreement) (the "Plan") with a developer (the "Developer"). Pursuant to the Plan, the Town will reimburse the Developer for costs incurred in constructing certain assets that were conveyed to the Town upon completion. Reimbursements are made based on a percentage of revenues derived from sales tax charged by the Town, commencing with the date the assets were completed by the developer and conveyed to the Town. Any unpaid balance accrues interest at the Wall Street Journal Prime Rate, capped at 7 percent per annum, compounding monthly until the balance is paid in full.

The Town follows guidance provided in GASB No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, to account for the assets received, and payments made in connection with these agreements. Accordingly, the pledged revenues are treated as an obligation of the Town, until fully repaid. The assets have been capitalized and are depreciated over their useful lives in the government-wide financial statements. At December 31, 2017, there is no balance due to the Developer.

Following is a schedule of changes in long-term debt for the year ended December 31, 2017:

	Beginning Balance	Additions	Reductions/ Adjustments	Ending Balance	Amounts Due Within One Year
<u>Governmental Activities</u>					
Certificates of Participation					
Series 2005	\$ 1,160,000	\$ -	\$ (105,000)	\$ 1,055,000	\$ 110,000
Sales Tax Revenue Bonds					
Series 2014	3,320,000	-	(155,000)	3,165,000	155,000
Premium	24,113	-	(2,245)	21,868	-
Compensated Absences	178,314	419,297	(368,183)	229,428	162,706
Total Governmental Long-Term Debt	<u>\$ 4,682,427</u>	<u>\$ 419,297</u>	<u>\$ (630,428)</u>	<u>\$ 4,471,296</u>	<u>\$ 427,706</u>
<u>Business-Type Activity</u>					
Colorado Water Conservation Board Loan	\$ -	\$ 1,580,000	\$ -	\$ 1,580,000	\$ -
Compensated Absences	37,627	21,482	(37,932)	21,177	21,177
Total Business-Type Long-Term Debt	<u>\$ 37,627</u>	<u>\$ 1,601,482</u>	<u>\$ (37,932)</u>	<u>\$ 1,601,177</u>	<u>\$ 21,177</u>

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Certificates of Participation

Certificates of participation dated May 31, 2005, in the amount of \$1,985,000, were issued by the Firestone Finance Authority (the Authority) pursuant to a lease purchase agreement with a financial institution to acquire leased property for future use as a park. The interest rate is (65 percent) of the Prime Rate as of October 15 of the prior year, reset every three years with a minimum rate of 3.50 percent and a maximum rate of 6.75 percent. The certificates mature December 1, 2025. The certificates are payable solely from revenues from the Town under a lease agreement with the Authority. Payments are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the Town within the meaning of any constitutional or statutory debt limitation.

Future minimum payments under the lease purchase agreement as of December 31, 2017 are as follows:

Year	Principal	Interest	Total
2018	\$ 110,000	\$ 36,925	\$ 146,925
2019	115,000	33,075	148,075
2020	120,000	29,050	149,050
2021	130,000	24,850	154,850
2022	135,000	20,300	155,300
2023 - 2025	445,000	31,675	476,675
Total	<u>\$ 1,055,000</u>	<u>\$ 175,875</u>	<u>\$ 1,230,875</u>

Sales Tax Revenue Bonds

Sales Tax Revenues Bonds, Series 2014, in the amount of \$3,795,000 were issued on April 8, 2014, to pay or reimburse the costs of the acquisition, development, construction, repair, replacement, expansion, rehabilitation and renovation of existing and planned streets and parks. The rate on the debt ranges from 2.00 to 3.625 percent. The Sales Tax Revenues Bonds, Series 2014, mature December 1, 2033.

Future minimum payments as of December 31, 2017 are as follows:

Year	Principal	Interest	Total
2018	\$ 155,000	\$ 106,718	\$ 261,718
2019	160,000	103,618	263,618
2020	175,000	100,418	275,418
2021	170,000	96,044	266,044
2022	170,000	91,582	261,582
2023 - 2027	950,000	372,670	1,322,670
2028 - 2032	1,130,000	188,600	1,318,600
2033	255,000	10,200	265,200
Total	<u>\$ 3,165,000</u>	<u>\$ 1,069,850</u>	<u>\$ 4,234,850</u>

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 6 - LONG-TERM DEBT (CONTINUED)

Colorado Water Conservation Board Loan

In 2017, the Town was approved for a loan with the Colorado Water Conservation Board (CWCB) for a total of \$10 million, which includes a 1 percent loan origination fee of \$99,010 and is payable over 20 years at an interest rate of 2.35 percent. During 2017, the Town drew down \$1,580,000 of the loan proceeds. Interest accrues at a rate of 2.35 percent as the loan funds are disbursed and will become payable when the project is substantially complete. Interest of \$14,190 was accrued as of December 31, 2017. Principal and interest will be payable in annual payments with the first payment due and payable one year from the substantial date of completion of the project. As the project was not substantially complete at December 31, 2017, only the amount drawn down of \$1,580,000 is included in long-term debt. The loan will be repaid with pledged revenues from the water utility charges. The CWCB loan funds will be used to develop a non-potable water supply and associated water storage for the Town.

NOTE 7 - DEFINED BENEFIT PENSION PLAN – POLICE OFFICERS

Plan Description

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits Provided

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

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

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 7 - DEFINED BENEFIT PENSION PLAN – POLICE OFFICERS (CONTINUED)

Benefits Provided (Continued)

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

Contributions

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Members of the SWDB plan and their employers are contributing at the rate of 9.5 percent and 8 percent, respectively, of base salary for total contribution rate of 17.5 percent in 2017. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022. Contributions of the SWDB plan from the Town were \$126,486 for the year ended December 31, 2017.

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

At December 31, 2017, the Town reported a liability of \$98,278 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total 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 to the pension plan relative to the contributions of all participating entities. At December 31, 2016, the Town's proportion was .27198 percent, which was an increase of .03427 percent from its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the Town recognized pension expense of \$18,884. At December 31, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 7 - DEFINED BENEFIT PENSION PLAN – POLICE OFFICERS (CONTINUED)

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 87,751	\$ 4,998
Changes of assumptions or other inputs	67,132	-
Net difference between projected and actual earnings on pension plan investments	265,273	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	13,740	40,397
Contributions subsequent to the measurement date	126,486	-
Total	<u>\$ 560,382</u>	<u>\$ 45,395</u>

The \$126,486 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as reductions of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended December 31, 2017</u>	<u>Amount</u>
2018	\$ 98,337
2019	98,337
2020	92,286
2021	35,818
2022	14,876
Thereafter	48,847
	<u>\$ 388,501</u>

Actuarial Assumptions

The total pension liability in the December 31, 2016 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

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

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 7 - DEFINED BENEFIT PENSION PLAN – POLICE OFFICERS (CONTINUED)

Actuarial Assumptions (Continued)

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

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2016 are summarized in the following table:

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

** While the expected inflation exceeds the expected rate of return for cash, a 0.0 percent rate of return is utilized.

Discount Rate

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

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 7 - DEFINED BENEFIT PENSION PLAN – POLICE OFFICERS (CONTINUED)

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.50 percent, as well as the Town's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is 1-percentage point lower (6.50 percent) or 1-percentage point higher (8.50 percent) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.5%)	1% Increase (8.50%)
Proportionate Share of the Net Pension Liability (Asset)	\$ 836,188	\$ 98,278	\$ (514,592)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report.

NOTE 8 - DEFINED CONTRIBUTION PENSION PLAN – POLICE OFFICERS

Plan Description

Employees of the Town who are members of the FPPA Statewide Defined Benefit Plan (see Note 7) may voluntarily contribute to the FPPA 457 Plan ("457 Plan"), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is voluntary, and contributions are separate from others made to FPPA. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the 457 Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111 or by calling FPPA at 770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Funding Policy

The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$18,000 for 2015 through 2017). Catch-up contributions up to \$6,000 for the calendar year 2015 through 2017 were allowed for participants who had attained age 50 before the close of the plan year. For the year ended December 31, 2017, 2016 and 2015, the 457 Plan member contributions from the Town of Firestone were \$3,960, \$6,264 and \$6,854, respectively.

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF

Plan Description

Eligible employees of the Town are provided with pensions through the Local Government Division Trust Fund ("LGDTF") – a cost sharing multiple-employer defined benefit pension plan administered by the Colorado Public Employees' Retirement Association ("PERA"). Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes ("C.R.S."), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

Benefits Provided

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers: waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contribution were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI-W") for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve ("AIR") for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

Contributions

Eligible employees of the Town are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	Rates
Employer Contribution Rate *	10.00%
Amount of Employer Contribution apportioned to the Health Care Trust Fund as specified in CRS SS 24-51-208(1)(f) *	(1.02%)
Amount Apportioned to the LGDTF *	8.98%
Amortization Equalization Disbursement (AED) as specified in CRS SS 24-51-411 *	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in CRS 24-51-411 *	1.50%
Total Employer Contribution Rate to the LGDTF *	12.68%

* Rates are expressed as a percentage of salary as defined in CRS SS 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Town were \$241,592 for the year ended December 31, 2017.

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

At December 31, 2017, the Town reported a liability of \$4,360,194 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll-forward the total pension liability to December 31, 2016. The Town's proportion of the net pension liability was based on Town contributions to the LGDTF for the calendar year 2016 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2016, the Town's proportion was .32290 percent, which was a decrease of .00383 percent from its proportion measured as of December 31, 2015.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

For the year ended December 31, 2017, the Town recognized pension expense of \$642,287. At December 31, 2017, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 77,592	\$ -
Changes of assumptions or other inputs	309,276	12,609
Net difference between projected and actual earnings on pension plan investments	523,640	-
Changes in proportion and differences between contributions recognized and proportionate share contributions	20,552	18,394
Contributions subsequent to the measurement date	241,592	-
Total	<u>\$ 1,172,652</u>	<u>\$ 31,003</u>

\$241,592 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30, 2017</u>	<u>Amount</u>
2018	\$ 517,769
2019	230,582
2020	146,727
2021	4,979
2022	-
	<u>\$ 900,057</u>

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

Actuarial Assumptions

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.80 percent
Real wage growth	1.10 percent
Wage inflation	3.90 percent
Salary increase, including wage inflation	3.90 – 10.85 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.50 percent
Discount rate	7.50 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; And DPS benefit structure (automatic)	2.00 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Based on the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic assumptions were adopted by PERA's Board on November 18, 2016 and were effective as of December 31, 2016. These revised assumptions shown below were reflected in the roll-forward calculation of the total pension liability from December 31, 2015 to December 31, 2016:

Actuarial cost method	Entry age
Price inflation	2.40 percent
Real wage growth	1.10 percent
Wage inflation	3.50 percent
Salary increase, including wage inflation	3.50 – 10.45 percent
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25 percent
Discount rate	7.25 percent
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07; And DPS benefit structure (automatic)	2.00 percent
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)	Financed by the Annual Increase Reserve

Mortality rates used in the December 31, 2015 valuation were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disable retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board on November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedures.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentation to PERA's Board on October 28, 2016. As a result of the October 28, 2016 actuarial assumptions workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed effective December 31, 2016, as follows:

- Investment rate of return assumption decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.80 percent per year to 2.40 percent per year.
- Real rate of investment return assumption increased from 4.70 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.90 percent per year to 3.50 percent per year.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
U.S. Equity - Large Cap	21.20%	4.30 %
U.S. Equity - Small Cap	7.42%	4.80%
Non U.S. Equity - Developed	18.55%	5.20%
Non U.S. Equity - Emerging	5.83%	5.40%
Core Fixed Income	19.32%	1.20%
High Yield	1.38%	4.30%
Non U.S. Fixed Income - Developed	1.84%	0.60%
Emerging Market Debt	0.46%	3.90%
Core Real Estate	8.50%	4.90%
Opportunity Fund	6.00%	3.80%
Private Equity	8.50%	6.60%
Cash	1.00%	0.20%
Total	100.00%	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions show above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated economic and demographic actuarial assumptions adopted by PERA's Board on November 18, 2016.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

Discount Rate (Continued)

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projections years, total covered payroll was assumed to increase annually at a rate of 3.50 percent.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for further plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amount cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e. the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the end of the month.

Based upon the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 9 - DEFINED BENEFIT PENSION PLAN – NON-POLICE STAFF (CONTINUED)

Discount Rate (Continued)

As of the prior measurement date, the long-term expected rate of return of 7.50 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate was 7.50 percent, 0.25 percent higher compared to the current measurement date.

Sensitivity of the Town's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 6,428,907	\$ 4,360,194	\$ 2,647,074

Pension Plan Fiduciary Net Position

Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 10 - DEFINED CONTRIBUTION PENSION PLAN – NON-POLICE STAFF

Plan Description

Employees of the Town that are members of the LGDTF (see Note 9) may voluntarily contribute to the Voluntary Investment Program ("401(k) Plan"), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contribution, employer contributions and investment earnings. For the years ended December 31, 2017, 2016 and 2015, the 401(k) Plan member contributions were \$26,510, \$30,948 and \$28,079, respectively.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 11 - DEFINED CONTRIBUTION PENSION PLAN – NON-POLICE STAFF

Plan Description

Employees of the Town who are members of the LGDTF (see Note 9) may voluntarily contribute to the PERA 457 Plan ("457 Plan"), an Internal Revenue Code Section 457 defined contribution plan administered by PERA. Plan participation is voluntary, and contributions are separate from others made to PERA. PERA issues a publicly available comprehensive annual financial report for the 401(k) Plan. That report may be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. The Town began offering this plan in 2013. For the years ended December 31, 2017, 2016 and 2015, the 457 Plan member contributions were \$15,000, \$30,915 and \$33,815, respectively.

NOTE 12 - OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Town contributes to the Health Care Trust Fund ("HCTF"), a cost-sharing multiple-employer post-employment healthcare plan administered by PERA. The HCTF provides a healthcare premium subsidy to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the CRS, as amended, assigns the authority to establish the HCTF benefit provisions to the State Legislature. PERA issues a publicly annual financial report for the program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy

The Town is required to contribute at a rate of 1.02 percent of PERA includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the Town are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ended December 31, 2017, 2016 and 2015, the Town contributions to the HCTF were \$20,975, \$19,663 and \$18,927, respectively, equal to their required contributions each year.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 13 - JOINT VENTURES

Condensed financial information for the joint venture in which the Town of Firestone has an interest in is as follows:

Weld 911 Emergency Telephone Service Authority Board

At December 31, 2016 (date of latest available information), Weld 911 had a fund balance of \$4,662,411. Total revenues for 2016 were \$2,338,113 and total expenses were \$2,290,120 resulting in an excess of expenses over revenues of \$47,993. The amount of the Town's share of these amounts is based upon the percentage of the county wide telephone accesses to be served by the Weld 911 Authority.

Complete financial statements for this joint venture can be obtained from:

Weld County
P.O. Box 758
Greeley, Colorado 80632

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Construction Commitments

At December 31, 2017, the Town had unexpended construction related contract commitments of approximately \$2,097,165. These projects are expected to be completed in 2017.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the Taxpayer Bill of Rights, otherwise known as TABOR), which has 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 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 also requires local governments to establish emergency reserves to be used for declared emergencies only. An emergency, as defined by the Amendment, excludes economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has restricted \$268,496 for this purpose at December 31, 2017.

On April 2, 1996, the voting citizens of the Town of Firestone authorized the Town to collect, retain, and expend the full proceeds of the Town's sales and use tax, property tax revenues, non-federal grants, fees and other revenues collected and received during the year 1996 and each subsequent year, for capital projects, basic municipal services or other lawful municipal purposes, notwithstanding any state limitation on fiscal year revenue and spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution or any other law. This effectively removed all revenue and spending limits imposed by TABOR.

The Town believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require Judicial interpretation.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 14 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Litigation

Management is not aware of any outstanding claims that could have a material adverse effect on the Town's financial statements.

Operating Leases

The Town leases office facilities under an operating lease that expires in December, 2019. Total rental expense for the year ended December 31, 2017 was \$44,458. The future minimum annual rental commitments under this lease are as follows: \$51,505 for 2018 and \$52,885 for 2019.

NOTE 15 - NET POSITION

The following is a summary of the purposes of fund balance/net position classifications in the various funds:

General Fund

Nonspendable	Payments made to vendors for services that will benefit periods beyond year end.
Restricted – Emergencies	A portion restricted for emergencies as defined under TABOR.
Restricted – Conservation Trust	Fund balance restricted for future payments on maintenance and capital expenditures as allowed under state statutes.
Restricted – Open Space	Fund balance restricted for the purchase, development, and maintenance of open space within the Town.
Assigned – Impact Fees	Impact fees collected for Roadway, Regional Parks, Municipal Facilities, Drainage, and Raw Water are restricted for related capital projects, respectively.
Assigned - Working Reserve	Fund balance established as a working reserve of 25% of current year General Fund operating expenditures.

Firestone Urban Renewal Authority – Southern, Northern and Central

Assigned	Fund balance designated for improvements to mitigate blight in the Urban Renewal Authority boundaries.
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TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017

NOTE 16 - RISK MANAGEMENT

Since January 1, 2010, the Town has been a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") which provides sufficient liability and property coverage to protect against property damage to all the Town's capital assets and equipment. Other coverage includes general liability coverage as well as supplemental liability coverage for employee benefits, employment practices, law enforcement activities, vehicle and auto liability, crimes against the Town and a general umbrella liability policy. In addition, the Town has secured additional coverage for Town events and volunteers. The Town maintains the state required workers compensation insurance with Pinnacol Assurance, the primary provider of workers compensation coverage in Colorado.

NOTE 17 - DEVELOPER AGREEMENTS AND TAX ABATEMENTS

The Town is involved in developer agreements to promote commercial growth within its boundaries. These agreements are structured so that future revenues are committed to meet development obligations, but only as the revenues are earned. If revenues are not earned from the sources outlined in the agreements, the Town of Firestone is not obligated to fund the expenditures from other sources. These agreements fall under Government Accounting Standard Board Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* for pledged revenues. The obligations to be repaid through these pledged revenues are summarized below:

American Furniture Warehouse (AFW) and THF/TFD Firestone Development, L.L.C.

An Amended and Restated Public Improvements Reimbursement Agreement (the "PIRA") between AFW and THF/TFD Firestone Development (the "Developers") was approved by the Town on July 31, 2006. The PIRA will finance the construction of certain public improvements in connection with the Town City Centre development, located at I-25 and Firestone Blvd. Under the PIRA, the Developers will receive 1.25 percent (the "Credit PIF") of the Town's 3 percent sales and use tax on the sale or provision of goods in the development. The amount of eligible cost that could be reimbursed to the Developers from Credit PIF Revenues is limited to \$11,000,000, plus interest accruing at the Wall Street Journal Prime Rate (4.50 percent at December 31, 2017), capped at 7 percent per annum. The Developers have 20 years (2026) to receive the maximum reimbursable amount.

The amount of sales taxes credited to the Developers as part of this developer agreement for the year ended 2017 amounted to \$203,624.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2017**

NOTE 17 - DEVELOPER AGREEMENTS AND TAX ABATEMENTS (CONTINUED)

THF Firestone Development, L.L.C.

A Retail Infrastructure Funding Agreement (the "RIFA") with THF Firestone Development (the "THF Developer") was approved by the Town on September 4, 2008. The RIFA supplements the PIRA and is intended to help finance the construction of additional public improvements in connection with the development of a portion of the retail area at I-25 and Firestone Boulevard. Under the RIFA, the THF Developer imposed a Retail Transaction Fee ("RTF") in the amount of 0.25 percent of the Town's 3 percent sales and use tax on the sale or provision of goods in the project area. The amount of eligible cost that could be reimbursed to the Developers from RTF Revenues is limited to \$4,000,000, plus interest accruing at the Wall Street Journal Prime Rate (4.50% at December 31, 2017), capped at 7 percent per annum. The Developers have 20 years (2028) to receive the maximum reimbursable amount.

The amount of sales taxes credited to the THF Developer as part of this developer agreement for the year amounted to \$467,606.

NOTE 18 - SUBSEQUENT EVENTS

The Town issued Certificates of Participation, Series 2018 (the Certificates), in the amount of \$16,113,343 on April 18, 2018, to pay for the construction of a new police facility at an interest rate of 3.81% payable semi-annually on June 1 and December 1 commencing June 1, 2018. Principal related payments on the Certificates are due beginning December 1, 2018. The Certificates mature December 1, 2042.

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

TOWN OF FIRESTONE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 6,526,507	\$ 6,179,500	\$ 6,139,548	\$ (39,952)
Intergovernmental	38,000	1,147,000	1,096,057	(50,943)
Licenses, Fees and Charges	698,000	3,751,200	3,752,927	1,727
Fines	295,000	212,500	212,529	29
Grants	-	5,250	5,367	117
Miscellaneous	261,800	1,296,900	1,355,437	58,537
Total Revenues	<u>7,819,307</u>	<u>12,592,350</u>	<u>12,561,865</u>	<u>(30,485)</u>
EXPENDITURES				
General Government	2,329,454	2,927,750	2,825,059	102,691
Municipal Court	107,651	106,000	104,474	1,526
Planning	683,563	1,104,500	1,098,054	6,446
Public Safety	3,183,480	3,240,850	3,224,787	16,063
Public Works	141,825	1,658,500	1,639,613	18,887
Parks and Recreation	12,000	439,000	435,065	3,935
Capital Outlay	3,122,200	1,995,000	1,905,964	89,036
Total Expenditures	<u>9,580,173</u>	<u>11,471,600</u>	<u>11,233,016</u>	<u>238,584</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,760,866)</u>	<u>1,120,750</u>	<u>1,328,849</u>	<u>208,099</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,050,000	9,152,860	9,152,860	-
Transfers Out	<u>(500,000)</u>	<u>(782,452)</u>	<u>(782,452)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,550,000</u>	<u>8,370,408</u>	<u>8,370,408</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (210,866)</u>	<u>\$ 9,491,158</u>	<u>9,699,257</u>	<u>\$ 208,099</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>6,453,523</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 16,152,780</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
SALES TAX CAPITAL IMPROVEMENT FUND (1%)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,586,500	\$ 1,566,500	\$ 1,566,960	\$ 460
Interest Earnings	7,200	3,100	3,122	22
Total Revenues	<u>1,593,700</u>	<u>1,569,600</u>	<u>1,570,082</u>	<u>482</u>
EXPENDITURES				
2014 Revenue Bonds - Principal	155,000	155,000	155,000	-
2014 Revenue Bonds - Interest	109,818	109,819	109,819	-
Administrative Fees	1,500	1,500	-	1,500
Total Expenditures	<u>266,318</u>	<u>266,319</u>	<u>264,819</u>	<u>1,500</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,327,382</u>	<u>1,303,281</u>	<u>1,305,263</u>	<u>1,982</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,248,900)	(2,114,909)	(2,114,909)	-
Total Other Financing Sources (Uses)	<u>(1,248,900)</u>	<u>(2,114,909)</u>	<u>(2,114,909)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 78,482</u>	<u>\$ (811,628)</u>	<u>(809,646)</u>	<u>\$ 1,982</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>809,646</u>	
FUND BALANCE AT END OF YEAR			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

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

FPPA - STATEWIDE DEFINED BENEFIT PLAN
Last Ten Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Town's proportionate share of the net pension liability/(asset)	0.27198%	0.23771%	0.25068%	0.25271%
Town's proportion of the net pension liability/(asset)	\$ 98,278	\$ (4,191)	\$ (282,914)	\$ (316,152)
Town's covered payroll	\$ 1,349,000	\$ 1,253,350	\$ 1,127,325	\$ 1,097,600
Town's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	7.29%	-0.33%	-25.10%	-28.80%
Plan fiduciary net position as a percentage of the total pension	98.21%	101.60%	106.30%	105.80%

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report.

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

PERA - LOCAL GOVERNMENT DIVISION TRUST FUND
Last Ten Years

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Town's proportionate share of the net pension liability/(asset)	0.32290%	0.32673%	0.30410%	0.28906%
Town's proportion of the net pension liability/(asset)	\$ 4,360,194	\$ 3,599,155	\$ 2,725,702	\$ 2,167,416
Town's covered payroll	\$ 1,957,152	\$ 1,855,551	\$ 1,666,348	\$ 1,542,145
Town's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	222.78%	193.97%	163.57%	140.55%
Plan fiduciary net position as a percentage of the total pension	73.65%	76.87%	80.72%	77.66%

* The amounts presented for each fiscal year were determined as of December 31 of the prior year.

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

**FPPA - STATEWIDE DEFINED BENEFIT PLAN
Last Ten Years**

As of December 31,2017	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contributions	\$ 126,486	\$ 107,920	\$ 100,268	\$ 90,186	\$ 87,808
Contributions in relation to the statutorily required contribution	<u>126,486</u>	<u>107,920</u>	<u>100,268</u>	<u>90,186</u>	<u>87,808</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	1,581,069	1,349,000	1,253,350	1,127,325	1,097,600
Contribution as a percentage of covered payroll	8.00%	8.00%	8.00%	8.00%	8.00%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

**PERA - LOCAL GOVERNMENT DIVISION TRUST FUND
Last Ten Years**

As of December 31,2017	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Statutorily required contributions	\$ 241,592	\$ 248,166	\$ 235,284	\$ 211,293	\$ 195,544
Contributions in relation to the statutorily required contribution	<u>241,592</u>	<u>248,166</u>	<u>235,284</u>	<u>211,293</u>	<u>195,544</u>
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	1,905,298	1,957,152	1,855,551	1,666,348	1,542,145
Contribution as a percentage of covered payroll	12.68%	12.68%	12.68%	12.68%	12.68%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

See accompanying Independent Auditor's Report.

OTHER SUPPLEMENTARY INFORMATION

DRAFT

**TOWN OF FIRESTONE
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
December 31, 2017**

	Firestone Finance Authority	Firestone Urban Renewal Authority - Southern	Firestone Urban Renewal Authority - Northern	Firestone Urban Renewal Authority - Central	Total Nonmajor Governmental Funds
ASSETS					
Cash and Investments	\$ -	\$ 464,738	\$ 625,695	\$ 154	\$ 1,090,587
Due from Other Funds	-	30,765	7,691	-	38,456
Total Assets	<u>\$ -</u>	<u>\$ 495,503</u>	<u>\$ 633,386</u>	<u>\$ 154</u>	<u>\$ 1,129,043</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 54,552	\$ -	\$ 54,552
Due to Other Funds	-	-	-	38,456	38,456
Total Liabilities	<u>-</u>	<u>-</u>	<u>54,552</u>	<u>38,456</u>	<u>93,008</u>
FUND BALANCE					
Assigned for:					
FURA Improvements	-	495,503	578,834	-	1,074,337
Unassigned	-	-	-	(38,302)	(38,302)
Total Fund Balance	<u>-</u>	<u>495,503</u>	<u>578,834</u>	<u>(38,302)</u>	<u>1,036,035</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 495,503</u>	<u>\$ 633,386</u>	<u>\$ 154</u>	<u>\$ 1,129,043</u>

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - OTHER GOVERNMENTAL FUNDS
Year Ended December 31, 2017

	Firestone Finance Authority	Firestone Urban Renewal Authority - Southern	Firestone Urban Renewal Authority - Northern	Firestone Urban Renewal Authority - Central
REVENUES				
Taxes	\$ -	\$ -	\$ 890,319	\$ 439
Total Revenues	-	-	890,319	439
EXPENDITURES				
Current:				
Town Administration	1,200	-	550,197	285
Debt Service:				
Principal	105,000	-	-	-
Interest	40,595	-	-	-
Total Expenditures	146,795	-	550,197	285
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	(146,795)	-	340,122	154
OTHER FINANCING SOURCES (USES)				
Transfers In	144,514	495,503	238,712	-
Transfers Out	-	-	-	(38,456)
Total Other Financing Sources (Uses)	144,514	495,503	238,712	(38,456)
NET CHANGE IN FUND BALANCES	(2,281)	495,503	578,834	(38,302)
Fund Balances - Beginning of Year	2,281	-	-	-
FUND BALANCES - END OF YEAR	\$ -	\$ 495,503	\$ 578,834	\$ (38,302)

See accompanying Independent Auditor's Report.

Highway	Parks	Conservation Trust	Open Space	Capital Improvement	Firestone Urban Renewal Authority	Total Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 890,758
-	-	-	-	-	-	890,758
-	-	-	-	-	-	551,682
-	-	-	-	-	-	105,000
-	-	-	-	-	-	40,595
-	-	-	-	-	-	697,277
-	-	-	-	-	-	193,481
-	62,938	-	-	-	-	941,667
(873,666)	-	(201,235)	(186,192)	(5,776,858)	(695,759)	(7,772,166)
(873,666)	62,938	(201,235)	(186,192)	(5,776,858)	(695,759)	(6,830,499)
(873,666)	62,938	(201,235)	(186,192)	(5,776,858)	(695,759)	(6,637,018)
873,666	(62,938)	201,235	186,192	5,776,858	695,759	7,673,053
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,036,035

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
FIRESTONE FINANCE AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ -	\$ -	\$ -
EXPENDITURES			
2005 COP's - Principal	105,000	105,000	-
2005 COP's - Interest	50,924	40,595	10,329
Administration fee	1,500	1,200	300
Total Expenditures	<u>157,424</u>	<u>146,795</u>	<u>10,629</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(157,424)</u>	<u>(146,795)</u>	<u>(10,629)</u>
OTHER FINANCING SOURCES			
Transfers In	157,424	144,514	(12,910)
Total Other Financing Sources (Uses)	<u>157,424</u>	<u>144,514</u>	<u>(12,910)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	(2,281)	<u>\$ (2,281)</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>2,281</u>	
FUND BALANCE AT END OF YEAR		<u>\$ -</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
FIRESTONE URBAN RENEWAL AUTHORITY - SOUTHERN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes - TIF	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Property Taxes - TIF Shareback	-	-	-	-
County's Treasurer's Fees	-	-	-	-
Total Expenditures	-	-	-	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES				
Transfers In	-	495,503	495,503	-
Total Other Financing Sources	-	495,503	495,503	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ 495,503</u>	495,503	<u>\$ -</u>
FUND BALANCE AT BEGINNING OF YEAR			-	
FUND BALANCE AT END OF YEAR			<u>\$ 495,503</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
FIRESTONE URBAN RENEWAL AUTHORITY - NORTHERN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property Taxes - TIF	\$ -	\$ 890,319	\$ 890,319	\$ -
Total Revenues	-	890,319	890,319	-
EXPENDITURES				
Property Taxes - TIF Shareback	-	537,000	536,842	158
County's Treasurer's Fees	-	13,500	13,355	145
Total Expenditures	-	550,500	550,197	303
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	339,819	340,122	303
OTHER FINANCING SOURCES				
Transfers In	-	238,712	238,712	-
Total Other Financing Sources	-	238,712	238,712	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ 578,531</u>	578,834	<u>\$ 303</u>
FUND BALANCE AT BEGINNING OF YEAR			-	
FUND BALANCE AT END OF YEAR			<u>\$ 578,834</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
FIRESTONE URBAN RENEWAL AUTHORITY - CENTRAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Property Taxes - TIF	\$ -	\$ 439	\$ 439	\$ -
Total Revenues	-	439	439	-
EXPENDITURES				
Property Taxes - TIF Shareback	-	280	279	1
County's Treasurer's Fees	-	10	6	4
Total Expenditures	-	290	285	5
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	149	154	5
OTHER FINANCING USES				
Transfers Out	-	(38,456)	(38,456)	-
Total Other Financing Uses	-	(38,456)	(38,456)	-
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (38,307)</u>	(38,302)	<u>\$ 5</u>
FUND BALANCE AT BEGINNING OF YEAR			-	
FUND BALANCE AT END OF YEAR			<u>\$ (38,302)</u>	

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Revenue Bonds	\$ 266,318	\$ -	\$ (266,318)
Total Revenues	<u>266,318</u>	<u>-</u>	<u>(266,318)</u>
EXPENDITURES			
Principal on Bonds	155,000	-	155,000
Interest on Bonds	109,818	-	109,818
Administration fee	1,500	-	1,500
Total Expenditures	<u>266,318</u>	<u>-</u>	<u>266,318</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>-</u>	
FUND BALANCE AT END OF YEAR		<u>\$ -</u>	

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 548,700	\$ -	\$ (548,700)
Charges for Services	168,000	-	(168,000)
Interest Earnings	1,200	-	(1,200)
Miscellaneous	88,500	-	(88,500)
Total Revenues	<u>806,400</u>	<u>-</u>	<u>(806,400)</u>
EXPENDITURES			
General Government	148,026	-	148,026
Public Works	1,591,073	-	1,591,073
Capital Outlay	1,287,250	-	1,287,250
Total Expenditures	<u>3,026,349</u>	<u>-</u>	<u>3,026,349</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,219,949)</u>	<u>-</u>	<u>2,219,949</u>
OTHER FINANCING USES			
Transfers In	1,203,250	-	(1,203,250)
Transfers Out	-	(873,666)	(873,666)
Total Other Financing Sources (Uses)	<u>1,203,250</u>	<u>(873,666)</u>	<u>(2,076,916)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,016,699)</u>	<u>(873,666)</u>	<u>\$ 143,033</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>873,666</u>	
FUND BALANCE AT END OF YEAR		<u>\$ -</u>	

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
PARKS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Licenses and Permits	\$ 265,000	\$ -	\$ (265,000)
Interest Earnings	150	-	(150)
Miscellaneous	800	-	(800)
Total Revenues	<u>265,950</u>	<u>-</u>	<u>(265,950)</u>
EXPENDITURES			
General Government	723,344	-	723,344
Parks and Open Space	49,816	-	49,816
Capital Outlay	90,000	-	90,000
Total Expenditures	<u>863,160</u>	<u>-</u>	<u>863,160</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(597,210)</u>	<u>-</u>	<u>597,210</u>
OTHER FINANCING USES			
Transfers In	600,000	62,938	(537,062)
Total Other Financing Sources (Uses)	<u>600,000</u>	<u>62,938</u>	<u>(537,062)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 2,790</u>	62,938	<u>\$ 60,148</u>
FUND BALANCE AT BEGINNING OF YEAR		<u>(62,938)</u>	
FUND BALANCE AT END OF YEAR		<u>\$ -</u>	

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental - Lottery proceeds	\$ 61,800	\$ -	\$ -	\$ -
Interest Earnings	700	-	-	-
Total Revenues	<u>62,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	(90,000)	(201,235)	(201,235)	-
Total Other Financing Uses	<u>(90,000)</u>	<u>(201,235)</u>	<u>(201,235)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ (27,500)</u>	<u>\$ (201,235)</u>	(201,235)	<u>\$ -</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>201,235</u>	
FUND BALANCE AT END OF YEAR			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
OPEN SPACE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental - Lottery proceeds	\$ 92,000	\$ -	\$ -	\$ -
Interest Earnings	500	-	-	-
Total Revenues	<u>92,500</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	-	(186,192)	(186,192)	-
Total Other Financing Uses	<u>-</u>	<u>(186,192)</u>	<u>(186,192)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 92,500</u>	<u>\$ (186,192)</u>	(186,192)	<u>\$ -</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>186,192</u>	
FUND BALANCE AT END OF YEAR			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Impact Fees	\$ 4,538,900	\$ -	\$ -	\$ -
Metro District Contributions	462,546	-	-	-
Interest Earnings	20,000	-	-	-
Total Revenues	<u>5,021,446</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	(3,535,224)	(5,776,858)	(5,776,858)	-
Total Other Financing Uses	<u>(3,535,224)</u>	<u>(5,776,858)</u>	<u>(5,776,858)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,486,222</u>	<u>\$ (5,776,858)</u>	(5,776,858)	<u>\$ -</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>5,776,858</u>	
FUND BALANCE AT END OF YEAR			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

**TOWN OF FIRESTONE
FIRESTONE URBAN RENEWAL AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended December 31, 2017**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes - TIF	\$ 527,052	\$ -	\$ -	\$ -
Interest Earnings	2,000	-	-	-
Total Revenues	<u>529,052</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
Administration	198,191	-	-	-
Property Taxes - TIF Shareback	242,865	-	-	-
Total Expenditures	<u>441,056</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>87,996</u>	<u>-</u>	<u>-</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	-	(695,759)	(695,759)	-
Total Other Financing Uses	<u>-</u>	<u>(695,759)</u>	<u>(695,759)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 87,996</u>	<u>\$ (695,759)</u>	<u>(695,759)</u>	<u>\$ -</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>695,759</u>	
FUND BALANCE AT END OF YEAR			<u>\$ -</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
WATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
Year Ended December 31, 2017

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
OPERATING REVENUES				
Charges for Services	\$ 6,837,200	\$ 5,738,250	\$ 5,741,998	\$ 3,748
Total Operating Revenues	<u>6,837,200</u>	<u>5,738,250</u>	<u>5,741,998</u>	<u>3,748</u>
OPERATING EXPENSES				
Operations	1,163,738	1,632,000	1,575,367	56,633
Administration	792,660	528,000	424,106	103,894
Engineering	214,270	370,000	365,156	4,844
Tap Fees	-	1,310,000	1,302,247	7,753
Capital Outlay	4,576,760	4,550,000	4,568,591	(18,591)
Total Operating Expenses	<u>6,747,428</u>	<u>8,390,000</u>	<u>8,235,467</u>	<u>154,533</u>
OPERATING INCOME (LOSS)	<u>89,772</u>	<u>(2,651,750)</u>	<u>(2,493,469)</u>	<u>158,281</u>
NONOPERATING REVENUES (EXPENSES)				
Interest Earnings	15,000	56,500	56,947	447
Grants	-	22,500	22,616	116
Loan Proceeds	-	1,580,000	1,580,000	-
Intergovernmental	282,820	4,900	4,945	45
Interest Expense	-	-	(14,190)	(14,190)
Transfers In	1,097,950	575,000	575,000	-
Total Nonoperating Revenues	<u>1,395,770</u>	<u>2,238,900</u>	<u>2,225,318</u>	<u>(13,582)</u>
Change in Net Position - Budget Basis	<u>\$ 1,485,542</u>	<u>\$ (412,850)</u>	<u>(268,151)</u>	<u>\$ 144,699</u>
RECONCILIATION TO GAAP BASIS:				
Loan Proceeds			(1,580,000)	
Developer Contributions			312,030	
Compensated Absences Payable			(20,317)	
Change in Pension Liability			297,520	
Capital Outlay			4,568,591	
Depreciation			(481,483)	
(Loss) on Disposal of Assets			<u>(132,394)</u>	
Change in Net Position - GAAP Basis			<u>2,695,796</u>	
TOTAL NET POSITION - BEGINNING			<u>63,718,801</u>	
TOTAL NET POSITION - ENDING			<u>\$ 66,414,597</u>	

See accompanying Independent Auditor's Report.

TOWN OF FIRESTONE
STORMWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
Year Ended December 31, 2017

	Budgeted Amounts Original & Final	Actual	Variance with Final Budget Positive (Negative)
OPERATING REVENUES			
Charges for Services	\$ 460,100	\$ 503,901	\$ 43,801
Total Operating Revenues	<u>460,100</u>	<u>503,901</u>	<u>43,801</u>
OPERATING EXPENSES			
Operations	101,032	81,034	19,998
Administration	144,265	4,151	140,114
Capital Outlay	114,500	-	114,500
Total Operating Expenses	<u>359,797</u>	<u>85,185</u>	<u>274,612</u>
OPERATING INCOME	<u>100,303</u>	<u>418,716</u>	<u>318,413</u>
NONOPERATING REVENUES			
Interest Earnings	350	4,608	4,258
Transfers In	125,500	-	(125,500)
Total Nonoperating Revenues	<u>125,850</u>	<u>4,608</u>	<u>(121,242)</u>
Change in Net Position - Budget Basis	<u>\$ 226,153</u>	423,324	<u>\$ 197,171</u>
RECONCILIATION TO GAAP BASIS:			
Developer Contributions		88,951	
Compensated Absences Payable		(860)	
Change in Pension Liability		45,439	
Depreciation		<u>(107,890)</u>	
Change in Net Position - GAAP Basis		448,964	
TOTAL NET POSITION - BEGINNING		<u>5,490,017</u>	
TOTAL NET POSITION - ENDING		<u>\$ 5,938,981</u>	

See accompanying Independent Auditor's Report.

STATISTICAL SECTION

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Town of Firestone

Statistical Section

Comprehensive Annual Financial Report

For the fiscal year ended December 31, 2017

This part of the Town of Firestone's Comprehensive Annual Financial Report presents detailed information spanning multiple years to provide a historical context for understanding, interpreting and analyzing the information presented in the financial statements, note disclosures, and supplementary information about the Town's overall financial condition.

The Statistical Section is organized as follows -

	<u>Pages</u>
<i>Financial Trends:</i>	
Information on the Town's financial performance and health over time.	80-91
<i>Revenue:</i>	
Information on the Town's ability to generate tax revenue over time.	92-100
<i>Debt Capacity:</i>	
Information on the Town's outstanding debt and that of overlapping governments.	101-105
<i>Demographics:</i>	
Information on demographic and economic measures that affect the Town and its provision of services to its constituents.	107-109
<i>Operating Information:</i>	
Information on the Town's operations, staffing and other data.	110-112

Town of Firestone
Net Position by Component
Last Ten Years

	2008	2009	2010	2011
Governmental activities				
Net investment in capital assets	\$ 31,129,414	\$ 32,308,457	\$ 30,754,589	\$ 29,832,385
Restricted	4,722,885	2,682,197	3,034,596	269,051
Unrestricted	1,748,080	1,723,914	1,793,769	4,807,819
Total governmental activities position	\$ 37,600,379	\$ 36,714,568	\$ 35,582,954	\$ 34,909,255
Business-type activities				
Net investment in capital assets	\$ 51,891,777	\$ 53,326,076	\$ 53,632,012	\$ 53,745,675
Restricted	-	-	-	-
Unrestricted	2,399,424	2,304,582	2,813,046	3,347,722
Total business-type activities net position	\$ 54,291,201	\$ 55,630,658	\$ 56,445,058	\$ 57,093,397
Primary government				
Net investment in capital assets	\$ 83,021,191	\$ 85,634,533	\$ 84,386,601	\$ 83,578,060
Restricted	4,722,885	2,682,197	3,034,596	269,051
Unrestricted	4,147,504	4,028,496	4,606,815	8,155,541
Total primary government net position	\$ 91,891,580	\$ 92,345,226	\$ 92,028,012	\$ 92,002,652

Source: Town of Firestone Finance Department

2012	2013	2014	2015	2016	2017	
\$ 28,453,663	\$ 27,884,672	\$ 25,318,630	\$ 29,781,019	\$ 35,226,064	\$ 34,650,364	
319,783	360,606	2,896,206	555,109	620,745	803,119	
5,216,289	5,368,759	7,080,617	10,668,886	12,805,734	13,822,992	
\$ 33,989,735	\$ 33,614,037	\$ 35,295,453	\$ 41,005,014	\$ 48,652,543	\$ 49,276,475	
\$ 53,954,280	\$ 54,207,452	\$ 54,887,599	\$ 56,976,448	\$ 61,740,243	\$ 64,408,047	
-	-	-	-	-	-	
3,979,414	4,747,092	5,700,790	6,330,768	7,468,575	7,945,531	
\$ 57,933,694	\$ 58,954,544	\$ 60,588,389	\$ 63,307,216	\$ 69,208,818	\$ 72,353,578	
\$ 82,407,943	\$ 82,092,124	\$ 80,206,229	\$ 86,757,467	\$ 96,966,307	\$ 99,058,411	
319,783	360,606	2,896,206	555,109	620,745	803,119	
9,195,703	10,115,851	12,781,407	16,999,654	20,274,309	21,768,523	
\$ 91,923,429	\$ 92,568,581	\$ 95,883,842	\$ 104,312,230	\$ 117,861,361	\$ 121,630,053	

Town of Firestone
Changes in Net Position
Last Ten Years

	2008 ⁽¹⁾	2009 ⁽¹⁾	2010 ⁽¹⁾	2011 ⁽¹⁾	2012 ⁽¹⁾
Expenses					
Governmental activities:					
General Government	\$ 1,154,780	\$ 1,410,953	\$ 1,156,785	\$ 1,106,283	\$ 1,322,245
Public Safety	2,230,778	2,350,659	2,246,700	2,169,999	2,266,759
Public Works	2,308,808	2,563,019	2,588,250	2,450,275	2,445,606
Health & Welfare	86,964	103,002	95,917	95,010	96,785
Economic Development	13,844	15,298	18,905	70,334	65,143
Parks & Recreation	635,834	700,636	699,652	668,285	774,910
Interest on long-term debt	120,026	106,860	82,409	73,349	70,203
Total governmental activities expenses	6,551,034	7,250,427	6,888,618	6,633,535	7,041,651
Business-type activities:					
Water	1,756,601	1,698,657	1,857,559	2,018,304	2,125,436
Stormwater	-	13,013	48,000	16,502	29,637
Total business-type activities expenses	1,756,601	1,711,670	1,905,559	2,034,806	2,155,073
Total primary government activities expenses	\$ 8,307,635	\$ 8,962,097	\$ 8,794,177	\$ 8,668,341	\$ 9,196,724

(1) The Town allocated depreciation per GAAP/GASB requirements.

2013 ⁽¹⁾	2014	2015	2016	2017
\$ 1,835,993	\$ 2,156,089	\$ 2,207,436	\$ 2,348,047	\$ 5,513,763
2,272,091	2,436,446	2,671,801	2,969,834	3,261,233
2,554,525	2,974,941	3,248,015	3,090,882	4,880,477
174,160	141,181	154,023	141,260	-
72,636	176,249	177,493	43,704	-
837,008	899,216	1,113,830	1,012,945	900,040
58,494	205,068	156,411	159,656	145,887
7,804,907	8,989,190	9,729,009	9,766,328	14,701,400
2,079,861	2,311,358	2,473,529	2,744,992	4,017,740
63,537	82,369	167,672	227,901	148,496
2,143,398	2,393,727	2,641,201	2,972,893	4,166,236
\$ 9,948,305	\$ 11,382,917	\$ 12,370,210	\$ 12,739,221	\$ 18,867,636

Town of Firestone
Changes in Net Position (continued)
Last Ten Years

	2008 ⁽¹⁾	2009 ⁽¹⁾	2010 ⁽¹⁾	2011 ⁽¹⁾	2012 ⁽¹⁾
Program Revenues					
Governmental activities:					
Charges for services					
General Government	\$ 22,980	\$ 30,887	\$ 43,364	\$ 77,340	\$ 137,715
Public safety	144,515	209,212	173,518	201,219	200,761
Public works	908,196	1,274,954	1,318,295	1,117,241	897,921
Parks	54,000	93,748	98,311	73,943	115,434
Operating grants and contributions	285,623	1,178,813	89,656	25,400	-
Capital grants and contributions					
General government	-	-	-	7,500	-
Public safety	-	-	-	-	-
Public works	792,282	-	-	105,660	-
Parks	744,750	-	-	-	-
Total governmental activities program revenue	2,952,346	2,787,613	1,723,144	1,608,303	1,351,831
Business-type activities:					
Charges for services					
Water	1,721,452	1,842,175	2,296,168	2,354,488	2,751,268
Stormwater	-	76,817	106,144	111,001	113,757
Operating grants and contributions	-	545,599	30,461	26,696	26,067
Capital grants and contributions	1,382,707	300,760	99,000	57,500	61,900
Total business-type activities program revenue	3,104,159	2,765,351	2,531,773	2,549,685	2,952,992
Total primary government program revenues	\$ 6,056,505	\$ 5,552,964	\$ 4,254,917	\$ 4,157,988	\$ 4,304,823
Net (expense) revenue					
Governmental activities	(3,598,688)	(4,462,813)	(5,165,474)	(5,025,232)	(5,689,820)
Business-type activities	1,347,558	1,053,681	626,214	514,879	797,919
Total primary government net expense	\$ (2,251,130)	\$ (3,409,132)	\$ (4,539,260)	\$ (4,510,353)	\$ (4,891,901)

⁽¹⁾ The Town allocated depreciation per GAAP/GASB requirements.

2013 ⁽¹⁾	2014 ⁽¹⁾	2015 ⁽¹⁾	2016 ⁽¹⁾	2017 ⁽¹⁾
\$ 437,671	\$ 629,638	\$ 1,029,753	\$ 1,003,617	\$ 1,944,779
170,871	187,039	249,393	242,676	215,919
1,055,226	1,750,915	3,368,729	2,697,973	1,451,035
-	-	-	-	557,611
238,962	397,245	1,276,205	853,006	201,916
51,500	-	-	-	-
-	-	-	-	-
105,660	462,805	1,479,388	4,785,207	1,181,103
-	-	-	-	-
2,059,890	3,427,642	7,403,468	9,582,479	5,552,363
2,452,756	2,726,634	3,208,033	3,416,947	5,741,998
114,700	118,585	278,433	449,677	503,901
6,064	29,756	5,300	1,074	22,616
595,603	1,115,070	2,301,727	3,228,775	400,981
3,169,123	3,990,045	5,793,493	7,096,473	6,669,496
\$ 5,229,013	\$ 7,417,687	\$ 13,196,961	\$ 16,678,952	\$ 12,221,859
(5,745,017)	(5,561,548)	(2,325,541)	(183,849)	(9,149,037)
1,025,725	1,596,318	3,152,292	4,123,580	2,503,260
\$ (4,719,292)	\$ (3,965,230)	\$ 826,751	\$ 3,939,731	\$ (6,645,777)

Town of Firestone
Changes in Net Position (continued)
Last Ten Years

General Revenues and Other Changes in Net Position

Governmental activities:

	2008	2009	2010
Taxes			
Property taxes - general	\$ 707,972	\$ 731,651	\$ 813,795
Property taxes - debt service	67,958	70,490	72,265
Property taxes - urban renewal	-	-	-
Specific ownership taxes	-	-	55,890
Sales & Use Tax	2,308,510	2,097,477	2,301,440
Hwy users, road & bridge, motor vehicle taxes	-	-	454,967
Other shared taxes	-	-	-
Franchise fees	338,077	339,903	343,974
Interest earnings	196,461	42,695	10,635
Other miscellaneous	655,611	701,848	158,345
Transfers	(192,958)	(269,778)	(177,451)
Total governmental activities	4,081,631	3,714,286	4,033,860
Business-type activities			
Investment earnings	65,128	15,999	6,302
Other miscellaneous	-	-	4,433
Transfers	192,958	269,778	177,451
Total business-type activities	258,086	285,777	188,186
Total primary government	\$ 4,339,717	\$ 4,000,063	\$ 4,222,046

Changes in Net Position

Governmental activities	\$ 482,943	\$ (748,528)	\$ (1,131,614)
Business-type activities	1,605,644	1,339,458	814,400
Total primary government	\$ 2,088,587	\$ 590,930	\$ (317,214)

Source: Town of Firestone Finance Department

2011	2012	2013	2014	2015	2016	2017
\$ 720,123	\$ 824,637	\$ 892,840	\$ 918,746	\$ 990,689	\$ 1,158,501	\$ 1,415,101
75,271	74,090	79,607	-	-	-	-
15,562	20,170	31,910	27,839	679,422	472,096	890,758
57,189	71,475	64,770	77,454	66,868	72,990	110,069
2,518,329	2,683,817	2,973,413	4,692,078	5,448,691	6,072,395	6,093,407
467,408	469,955	485,282	507,865	545,634	551,515	401,994
-	-	-	-	-	-	493,796
338,780	380,273	396,128	406,612	435,073	481,156	517,269
14,705	15,411	7,362	29,615	48,372	75,918	116,195
267,523	259,343	394,184	601,620	1,121,028	702,061	309,380
(123,361)	(28,871)	43,823	(18,865)	(94,741)	(1,755,254)	(575,000)
4,351,529	4,770,300	5,369,319	7,242,964	9,241,036	7,831,378	9,772,969
9,391	9,155	10,433	13,801	20,061	22,768	61,555
708	4,352	13,535	4,861	97,063	-	4,945
123,361	28,871	(28,843)	18,865	94,741	1,755,254	575,000
133,460	42,378	(4,875)	37,527	211,865	1,778,022	641,500
\$ 4,484,989	\$ 4,812,678	\$ 5,364,444	\$ 7,280,491	\$ 9,452,901	\$ 9,609,400	\$ 10,414,469
\$ (673,703)	\$ (919,520)	\$ (375,698)	\$ 1,681,416	\$ 6,915,495	\$ 7,647,529	\$ 623,932
648,339	840,297	1,020,850	1,633,845	3,364,157	5,901,602	3,144,760
\$ (25,364)	\$ (79,223)	\$ 645,152	\$ 3,315,261	\$ 10,279,652	\$ 13,549,131	\$ 3,768,692

Town of Firestone
Fund Balances of Governmental Funds
Last Ten Years

	2008	2009	2010	2011	2012	2013
General Fund						
Reserved	\$ 182,990	\$ 255,431	\$ 172,156	\$ -	\$ -	\$ -
Unreserved	933,910	676,957	849,368	-	-	-
Nonspendable	-	-	-	10,365	12,433	27,847
Restricted	-	-	-	125,132	174,175	207,290
Assigned	-	-	-	128,100	128,397	62,084
Unassigned	-	-	-	1,230,764	1,642,004	2,022,351
Total general fund	<u>\$ 1,116,900</u>	<u>\$ 932,388</u>	<u>\$ 1,021,524</u>	<u>\$ 1,494,361</u>	<u>\$ 1,957,009</u>	<u>\$ 2,319,572</u>
All other governmental funds						
Reserved	\$ 4,533,125	\$ 2,426,766	\$ 2,853,815	\$ -	\$ -	\$ -
Unreserved, reported in:						
Special revenue funds	882,638	1,003,948	1,027,279	-	-	-
Nonspendable	-	-	-	-	515	-
Restricted	-	-	-	143,919	145,608	153,316
Committed	-	-	-	2,082,265	2,236,855	1,984,022
Assigned	-	-	-	1,433,810	1,310,650	1,402,256
Total of all other governmental funds	<u>\$ 5,415,763</u>	<u>\$ 3,430,714</u>	<u>\$ 3,881,094</u>	<u>\$ 3,659,994</u>	<u>\$ 3,693,628</u>	<u>\$ 3,539,594</u>

Source: Town of Firestone Finance Department

2014	2015	2016	2017
\$ -	\$ -	\$ -	\$ -
-	-	-	-
30,524	11,265	9,928	63,850
294,883	419,510	419,510	803,119
62,084	-	-	9,403,890
2,675,982	4,174,872	6,024,085	5,881,921
<u>\$ 3,063,473</u>	<u>\$ 4,605,647</u>	<u>\$ 6,453,523</u>	<u>\$ 16,152,780</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	1,318	-
2,601,323	135,599	201,235	-
3,301,212	6,438,705	6,586,504	-
1,158,717	1,407,111	1,693,642	1,036,035
<u>\$ 7,061,252</u>	<u>\$ 7,981,415</u>	<u>\$ 8,482,699</u>	<u>\$ 1,036,035</u>

Town of Firestone
Changes in Fund Balances of Governmental Funds
Last Ten Years

	2008	2009	2010	2011	2012
Revenues					
Taxes and Impact Fees	\$ 3,576,498	\$ 4,748,305	\$ 5,030,226	\$ 5,108,891	\$ 5,287,922
Licenses, fees and charges	976,508	480,952	512,121	466,007	449,699
Intergovernmental	576,069	1,191,114	99,199	108,118	86,319
Fines	144,515	199,991	170,647	159,002	164,833
Grants	-	-	-	-	-
Investment earnings	198,904	42,695	10,635	14,705	15,411
Miscellaneous	217,409	101,144	103,989	107,848	146,815
Total revenues	5,689,903	6,764,201	5,926,817	5,964,571	6,150,999
Expenditures					
General government	1,136,935	1,430,492	1,176,268	1,059,884	1,299,466
Public safety	2,123,736	2,153,198	2,164,212	2,107,193	2,174,095
Public works	695,554	801,422	847,105	688,699	687,029
Health & Welfare	310,137	368,531	95,917	95,010	96,785
Economic Development	86,964	36,121	18,905	70,334	65,143
Parks and Open Space	13,844	82,178	366,645	317,802	408,546
Capital Outlay	1,484,456	3,496,310	291,454	671,586	657,101
Debt service					
Interest	267,399	375,959	392,391	78,720	419,743
Principal	337,526	111,070	85,083	500,245	69,827
Debt Issuance Costs					
Total expenditures	6,456,551	8,855,281	5,437,980	5,589,473	5,877,735
Excess of revenues over (under) expenditures	(766,648)	(2,091,080)	488,837	375,098	273,264
Other financing sources (uses)					
Proceeds from capital lease	-	73,788	43,176	-	251,889
Proceeds from sale of capital assets	-	13,174	18,992	-	-
Operating transfers in	686,541	2,595,513	505,906	969,108	599,577
Operating transfers out	(879,499)	(3,031,253)	(683,357)	(1,092,469)	(628,448)
Proceeds from Bond Issuance	-	-	-	-	-
Premium on Issuance of Debt	-	-	-	-	-
Total other financing sources (uses)	(192,958)	(348,778)	(115,283)	(123,361)	223,018
Net changes in fund balance	\$ (959,606)	\$ (2,439,858)	\$ 373,554	\$ 251,737	\$ 496,282
Debt service as a percentage of noncapital expenditures	12.17%	9.09%	9.28%	11.77%	9.38%

Source: Town of Firestone Finance Department

2013	2014	2015	2016	2017
\$ 6,066,305	\$ 8,691,142	\$ 11,854,063	\$ 11,638,871	\$ 8,597,266
580,715	777,802	1,183,137	1,164,279	3,752,927
238,962	397,246	1,276,205	853,006	1,096,057
170,871	187,039	249,393	242,676	212,529
-	-	-	-	5,367
7,362	29,615	48,372	75,918	116,195
178,991	143,822	648,687	409,154	1,242,364
7,243,206	10,226,666	15,259,857	14,383,904	15,022,705
1,745,644	2,013,681	2,120,898	2,241,403	4,579,269
2,190,954	2,393,303	2,699,483	2,916,172	3,224,787
725,448	1,138,594	1,168,995	931,942	1,639,613
174,160	141,181	154,023	141,260	-
72,636	176,249	177,493	43,704	-
467,477	532,995	719,125	627,552	435,065
1,375,169	2,833,046	5,234,670	2,967,231	1,905,964
61,608	131,175	163,244	159,471	150,414
250,424	344,939	264,848	250,755	260,000
	62,443	-	-	-
7,063,520	9,767,606	12,702,779	10,279,490	12,195,112
179,686	459,060	2,557,078	4,104,414	2,827,593
-	-	-	-	-
-	-	-	-	-
1,343,895	3,180,869	4,269,478	2,451,310	10,094,527
(1,315,052)	(3,199,734)	(4,364,219)	(4,206,564)	(10,669,527)
-	3,795,000	-	-	-
-	30,364	-	-	-
28,843	3,806,499	(94,741)	(1,755,254)	(575,000)
\$ 208,529	\$ 4,265,559	\$ 2,462,337	\$ 2,349,160	\$ 2,252,593
5.49%	6.93%	5.73%	5.56%	3.94%

Town of Firestone
General Governmental Tax Revenues By Source
Last Ten Years

Year	Property Tax	Franchise Tax	Specific Ownership Tax	Sales & Use Tax	Severance Tax	Cigarette Tax	Other	Total
2008	778,804	327,495	72,898	2,308,510	27,484	14,116	35,374	3,564,681
2009	802,141	339,903	64,239	2,097,477	100,311	15,512	297,052	3,716,635
2010	886,060	343,974	55,890	2,301,440	30,009	17,135	407,823	4,042,331
2011	810,956	338,780	57,189	2,518,329	119,510	16,866	331,032	4,192,662
2012	918,897	380,273	71,475	2,683,817	163,361	15,683	290,911	4,524,417
2013	1,004,357	396,128	64,770	2,973,413	157,655	15,382	542,418	5,154,123
2014	946,639	406,612	77,454	4,692,078	325,426	16,192	623,990	7,088,392
2015	1,670,111	435,073	66,868	5,448,691	354,052	17,402	646,521	8,638,718
2016	1,630,597	481,156	72,990	6,072,395	178,086	18,236	648,099	9,101,560
2017	2,305,859	517,269	110,069	6,093,407	80,794	18,187	796,809	9,922,394

Source: Town of Firestone Finance Department

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Town of Firestone
Sales Tax Trends
Last Ten Years

Sales Tax Trends by Category (based on month distributed to the Town)					
	2008	2009	2010	2011	2012
Motor Vehicle Taxes	\$ 386,064	\$ 321,078	\$ 357,742	\$ 387,137	\$ 465,971
Hotel/Motels	17,136	21,026	21,148	43,089	58,818
Restaurants	231,424	234,598	224,575	300,907	314,609
Retail - Grocery	194,180	193,522	218,648	228,005	242,623
Retail - Other	419,858	422,475	471,706	496,001	485,988
Bars/Liquor Stores	57,872	60,413	48,599	46,043	72,168
Other	27,086	29,591	50,620	33,044	38,958
Services	41,039	3,788	35,431	52,892	57,375
Banking & Financial	3,641	287,696	3,857	3,623	5,162
Utilities & Communications	296,026	23,131	282,124	317,038	321,785
Developer Reimbursement Obligation ⁽¹⁾	410,064	245,330	364,449	442,804	459,034
TOTAL	\$ 2,084,390	\$ 1,842,648	\$ 2,078,899	\$ 2,350,583	\$ 2,522,491

⁽¹⁾Pledged revenues from sales tax for PIRA and RIFA agreements starting in 2008.

Sales Tax Trends by Category (based on month distributed to the Town)						
2013	2014	2015	2016	2017	Ten Year Change	
\$ 482,771	\$ 576,613	\$ 751,155	\$ 926,406	\$ 776,835	\$ 390,771	
75,068	144,952	141,172	110,806	133,528	116,392	
337,268	599,105	638,306	674,929	774,683	543,259	
269,046	400,796	433,788	468,049	470,009	275,829	
516,102	1,117,043	1,241,644	1,339,173	1,526,329	1,106,471	
70,579	117,811	126,508	132,458	133,684	75,812	
42,593	100,965	99,141	121,590	120,886	93,800	
35,848	67,023	72,966	81,868	123,542	82,503	
23,949	70,361	72,858	86,020	102,249	98,608	
357,889	529,765	568,173	736,228	558,466	262,440	
483,325	525,090	564,623	605,824	673,326	263,262	
\$ 2,694,438	\$ 4,249,525	\$ 4,710,334	\$ 5,283,351	\$ 5,393,537	\$ 3,309,147	

Town of Firestone
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Firestone				
Year ⁽¹⁾	Residential Property	Commercial Property	Industrial Property	Agricultural Property
2008	56,691,790	28,328,410	3,279,170	473,220
2009	51,011,620	34,465,300	3,161,300	240,660
2010	52,952,710	33,976,600	3,048,150	298,360
2011	55,888,650	32,207,030	2,881,190	363,320
2012	57,283,090	34,718,800	3,627,570	466,950
2013	56,630,930	36,827,340	3,838,980	526,100
2014	58,161,240	37,162,960	3,862,400	589,250
2015	74,765,710	37,099,070	4,784,810	728,010
2016	81,440,220	38,234,500	5,168,420	956,120
2017	94,651,970	42,820,800	5,055,340	1,044,270

Year ⁽¹⁾	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Grand Total Actual Taxable Value
2008	1,888,420	118,208,020	6.805	858,575,320
2009	2,402,890	132,642,530	6.805	857,705,156
2010	4,646,970	116,860,720	6.805	865,276,097
2011	4,578,130	132,306,920	6.805	908,144,710
2012	11,135,130	142,807,170	6.805	967,639,313
2013	10,905,230	135,635,763	6.805	953,953,862
2014	12,263,170	147,288,760	6.805	1,001,239,462
2015	13,207,650	170,842,090	6.805	1,219,182,510
2016	13,207,650	208,282,680	6.805	1,346,732,610
2017	14,607,160	215,444,970	6.805	1,653,001,095

Source: Weld County Assessor's Office

⁽¹⁾Taxes for the year assessed are collected in the following year. For example: 2017 assessed will be collected in 2018 calendar year.

⁽²⁾Includes tax-exempt property

Oil & Gas Property	Vacant Land	Other
18,614,800	10,141,940	2,567,110
32,362,330	9,686,070	1,715,250
16,447,950	8,879,080	1,257,870
32,865,700	6,997,120	1,103,910
39,194,150	6,309,850	1,206,760
31,052,063	5,345,770	1,414,580
40,321,950	5,013,430	2,177,530
44,078,640	5,977,080	3,408,770
74,448,970	4,770,570	3,263,880
61,193,030	6,393,710	4,285,850
Assessed Value as a Percentage of Actual Value ⁽²⁾		
13.99%		
15.74%		
14.04%		
15.07%		
15.91%		
15.36%		
15.94%		
15.10%		
16.45%		
13.92%		

Town of Firestone
Property Tax Levy from Direct and Overlapping Governments
Last Ten Years

Weld County ⁽²⁾										
Year	Town of Firestone	Weld County	RE1J School District	Frederick Firestone Fire Protection District	Mountain View Fire Protection District	N. Colo. Water Conservation District	Hills Metro #1 District	Hills Metro #2 District	Hills Metro #3 District	The Greens Metro District
Rates (In mills)										
2008	6.805	16.804	46.285	12.526	11.747	1.000	-	-	-	40.190
2009	6.805	16.804	46.268	12.401	11.747	1.000	-	-	-	-
2010	6.805	16.804	46.268	12.401	11.747	1.000	-	-	-	-
2011	6.805	16.804	47.614	12.264	11.747	1.000	-	-	-	-
2012	6.805	16.804	53.500	12.197	11.747	1.000	-	-	-	45.000
2013	6.805	16.804	53.679	12.277	11.747	1.000	-	-	-	50.000
2014	6.805	15.800	53.673	12.250	11.747	1.000	-	-	-	50.000
2015	6.805	15.800	53.887	12.121	11.747	1.000	-	-	-	50.000
2016	6.805	15.800	56.945	12.058	11.747	1.000	-	-	-	50.000
2017	6.805	15.800	56.394	12.058	11.747	1.000	-	-	-	55.456

Levy										
2008	804,406	76,724,097	31,603,051	3,650,649	5,047,144	3,499,354	-	-	-	31,935
2009	902,632	96,972,420	36,441,473	4,025,507	6,115,352	4,203,631	-	-	-	-
2010	794,109	78,999,116	35,375,547	3,905,196	5,838,491	3,503,408	-	-	-	-
2011	900,349	91,108,983	40,102,826	4,247,291	6,544,045	3,908,165	-	-	-	-
2012	971,803	109,452,573	49,869,514	4,585,839	7,402,993	4,450,703	-	-	-	10,998
2013	923,001	119,624,895	48,706,721	4,226,871	7,291,077	4,418,338	-	-	-	10,661
2014	1,002,300	144,332,489	46,765,496	4,285,576	7,254,823	4,821,505	-	-	-	7,854
2015	1,162,584	183,013,126	62,841,498	5,118,050	11,205,605	5,983,037	-	-	-	12,385
2016	1,417,368	144,600,941	71,843,848	5,368,651	10,638,937	5,600,143	-	-	-	12,135
2017	1,466,103	148,537,875	71,880,982	6,424,297	9,957,465	6,209,066	-	-	-	32,625

Weld County ⁽²⁾										
Year	The Springs Metro District	Cottonwood Hollow Res Metro Dist	Cottonwood Hollow Com Metro Dist	Stoneridge Metro District	Neighbor's Point Metro Dist	Tri-Area Sanitation ⁽³⁾	St. Vrain Sanitation District	Tri-Area Ambulance Special District ⁽³⁾	Carbon Valley Recreation District	High Plains Library District ⁽⁵⁾
Rates (In mills)										
2008	42.000	40.000	40.000	50.000	45.000	-	0.806	-	6.657	3.260
2009	42.000	40.000	40.000	50.000	45.000	-	0.737	-	6.657	3.255
2010	42.000	40.000	40.000	50.000	45.000	-	0.737	-	6.657	3.255
2011	42.000	50.000	50.000	50.000	45.000	-	0.720	-	6.657	3.271
2012	42.000	50.000	50.000	50.000	45.000	-	0.682	-	6.657	3.261
2013	42.000	50.000	50.000	50.000	45.000	-	0.680	-	6.657	3.264
2014	42.000	50.000	46.000	50.000	45.000	-	0.685	-	6.710	3.267
2015	42.000	50.000	46.000	50.000	50.000	-	0.585	-	6.794	3.308
2016	42.000	50.000	46.000	50.000	45.000	-	0.519	-	7.055	3.271
2017	42.000	61.911	46.000	50.000	45.000	-	0.517	-	5.955	3.256

Levy										
2008	5,770	16,168	1,575	332,159	27,933	-	312,351	-	1,801,510	13,028,371
2009	52,188	20,123	2,326	334,662	20,849	-	322,948	-	1,994,957	16,628,403
2010	64,476	10,723	1,594	317,757	38,992	-	324,544	-	2,017,502	13,310,811
2011	48,718	16,046	1,764	344,959	37,829	-	346,249	-	2,489,088	15,748,036
2012	42,752	15,826	1,404	353,401	37,813	-	370,878	-	2,757,648	19,077,319
2013	45,866	14,788	1,172	334,538	14,470	-	338,142	-	2,601,313	21,087,951
2014	36,229	39,442	1,081	334,721	3,179	-	331,442	-	2,635,757	27,510,678
2015	14,706	7,131	2,382	412,867	25,873	-	361,778	-	4,501,590	35,346,692
2016	20,001	775,707	650,612	441,286	5,172	-	385,079	-	3,990,496	27,051,028
2017	12,131	569,236	720,199	444,058	8,400	-	400,339	-	4,149,351	27,474,789

⁽¹⁾One mill generates \$1 of property tax revenue per \$1,000 of assessed valuation

⁽²⁾Weld County Assessor's Office

⁽³⁾No longer collects on property within the Town's boundaries.

⁽⁴⁾Taxes for the year assessed are collected in the following year. The mills that are stated were collected in the following year. Collection year follows levy year.

⁽⁵⁾Formerly known as the Weld County Library District.

⁽⁶⁾Reflects property taxes paid in the majority of areas within the Town of Firestone - excludes

**Town of Firestone
Principal Taxpayers
Last Nine Fiscal Years**

Taxpayer	Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾		
	2017			2016			2015			2014		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers												
Crestone Peak Resources, LP	27,873,030	1	1.69%									
Extraction Oil & Gas LLC	15,033,610	2	0.91%									
Encana Oil & Gas (USA) Inc				34,356,690	1	2.55%	19,253,960	1	1.58%			
Kerr-McGee Oil & Gas Onshore LP	14,338,630	3	0.87%	30,720,110	2	2.28%	12,420,520	2	1.02%	16,110,760	2	1.69%
American Furniture Warehouse	8,035,610	4	0.49%	7,499,490	3	0.56%	11,470,150	3	0.94%	17,607,830	1	1.85%
Synergy Resources Corp				6,326,440	4	0.47%	7,528,220	4	0.62%	7,620,620	3	0.80%
Advance Forming Technology LLC				2,099,250	5	0.16%	4,019,950	5	0.33%	2,218,510	4	0.23%
Advance Forming Technology Inc	1,858,500	9	0.11%	1,994,550	6	0.15%	1,821,180	6	0.15%	1,900,190	6	0.20%
Dillon Companies Inc	1,887,230	8	0.11%	1,821,180	7	0.14%	1,782,980	7	0.15%	1,698,220	7	0.18%
High Plains Marketplace LLC				1,782,980	8	0.13%	1,710,930	8	0.14%	2,022,000	5	0.21%
Home Depot	2,115,320	7	0.13%	1,710,930	9	0.13%	1,588,260	9	0.13%	1,573,930	8	0.16%
Firestone Development LLC				1,588,260	10	0.12%	1,514,370	10	0.12%			
Sunsecured Financing LLC						0.00%				693,570	10	0.07%
Safeway Stores 45 Inc										1,211,960	9	0.13%
Noble Energy												
Sundance Energy												
SRC Energy Inc	2,142,530	5	0.13%									
Kerr McGee Gathering LLC	2,116,440	6	0.13%									
Crestone Peak Resource Holdings LLC	1,836,740	10	0.11%									
Top Operating Company												
	<u>\$ 77,237,640</u>		<u>4.68%</u>	<u>\$ 89,899,880</u>		<u>6.68%</u>	<u>\$ 63,110,520</u>		<u>5.18%</u>	<u>\$ 52,657,590</u>		<u>5.52%</u>

Source: Weld County Assessor's Office

⁽¹⁾Town of Firestone information not available from 2000 to 2008

Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾			Town of Firestone ⁽¹⁾		
2013			2012			2011			2010			2009		
Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
8,262,352	3	0.87%	11,251,750	2	1.16%	9,134,110	2	1.01%	7,550,890	2	0.87%	6,312,800	3	0.74%
13,887,490	1	1.46%	19,270,370	1	1.99%	13,634,890	1	1.50%	4,132,240	3	0.48%	18,637,120	1	2.17%
8,969,660	2	0.94%	7,139,730	3	0.74%	7,259,000	4	0.80%	8,206,440	1	0.95%	8,386,060	2	0.98%
2,218,510	7	0.23%	1,950,070	8	0.20%	1,843,930	7	0.20%	1,924,860	7	0.22%	1,924,860	6	0.22%
1,900,190	9	0.20%	2,015,450	7	0.21%	2,015,450	6	0.22%	2,114,480	5	0.24%	1,471,500	8	0.17%
			1,781,700	9	0.18%	1,781,700	8	0.20%	1,783,920	8	0.21%	1,783,920	7	0.21%
2,022,000	8	0.21%	2,069,680	6	0.21%	2,069,680	5	0.23%	2,041,380	6	0.24%			
			1,512,230	10	0.16%	1,413,050	9	0.16%	1,313,120	10	0.15%	1,160,000	10	0.14%
2,679,380	6	0.28%	3,109,300	5	0.32%									
						1,319,240	10	0.15%	1,471,500	9	0.17%	1,160,000	9	0.14%
3,121,404	4	0.33%	5,282,340	4	0.55%	7,957,760	3	0.88%	3,475,880	4	0.40%	5,389,210	4	0.63%
1,711,990	10	0.18%												
2,719,827	5	0.29%										2,114,480	5	0.25%
<u>\$ 47,492,743</u>		<u>4.99%</u>	<u>\$ 55,382,620</u>		<u>5.72%</u>	<u>\$ 48,428,810</u>		<u>5.35%</u>	<u>\$ 34,014,710</u>		<u>3.93%</u>	<u>\$ 48,339,950</u>		<u>5.65%</u>

Town of Firestone
Property Tax Levies and Collections
Last Ten Years

Levy Year	Collection Year	Total Tax Levy ⁽¹⁾⁽²⁾	Current Tax Collections	Percent of Levy Collected ⁽⁵⁾	Delinquent Tax Collections	Total Tax Collection ⁽³⁾	Collections As a Percent of Tax Levy ⁽⁵⁾
2008	2009	804,405	801,808	99.68	18	801,826	99.68
2009	2010	902,633	885,585	98.11	512	886,097	98.17
2010	2011	794,109	794,415	100.04	1,105	795,520	100.18
2011	2012	898,148	897,551	99.93	334	897,885	99.97
2012	2013	968,422	964,774	99.62	859	965,633	99.71
2013	2014	920,014	914,425	99.00	375	914,800	99.00
2014	2015	932,961	990,714	106.00	1,223	991,937	106.00
2015	2016	1,113,383	1,158,493	104.00	145	1,158,638	104.00
2016	2017	1,375,530	1,404,373	102.00	-	1,404,373	102.00
2017	2018	1,400,949	¹	-	¹	-	-

⁽¹⁾Information unavailable

Town of Firestone
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities					Business - Type Activities				Weld County		
	General	Sales Tax	Certificates	Developer	Water Loans	Capital Leases	Developer Reimbursement	Total Primary Government	Percentage of Personal Income	Per Capita		
	Obligation	Revenue	of	Reimbursement								
	Bond	Bonds	Participation	Obligation								
2008	315,000	-	1,850,000	324,260	-	-	36,041	-	2,525,301	37.25%	\$ 281	
2009	260,000	-	1,775,000	221,009	556,324	-	23,891	462,444	3,298,668	46.67%	\$ 362	
2010	200,000	-	1,700,000	147,022	417,050	-	27,892	297,266	2,789,230	40.27%	\$ 275	
2011	135,000	-	1,620,000	47,476	158,521	-	16,052	112,991	2,090,040	30.18%	\$ 188	
2012	70,000	-	1,535,000	190,966	-	-	34,740	-	1,830,706	23.61%	\$ 180	
2013	-	-	1,445,000	100,542	-	-	15,782	-	1,561,324	18.70%	\$ 148	
2014	-	3,650,364	1,355,000	20,603	-	-	-	-	5,025,967	55.79%	\$ 450	
2015	-	3,496,419	1,260,000	755	-	-	-	-	4,757,174	44.31%	\$ 413	
2016	-	3,344,113	1,160,000	-	-	-	-	-	4,504,113	36.91%	\$ 349	
2017	-	3,186,868	1,055,000	-	-	1,580,000	-	-	5,821,868	46.23%	\$ 441	

Note: Details regarding the Town's outstanding debt can be found in the notes to the financial statements.

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Town of Firestone
Ratio of General Bonded Debt Outstanding
Last Ten Years

Year	Population ⁽¹⁾	Actual Taxable Value ⁽²⁾	General Bonded Debt ⁽³⁾	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2008	9,000	858,575,320	315,000	3.67%	35
2009	9,100	857,705,156	260,000	3.03%	29
2010	10,147	865,276,097	200,000	2.31%	20
2011	11,096	908,144,710	135,000	1.49%	12
2012	10,147	967,639,313	70,000	0.72%	7
2013	10,555	953,953,862	-	0.00%	-
2014	11,175	1,001,239,462	-	0.00%	-
2015	11,524	1,219,182,510	-	0.00%	-
2016	12,917	1,346,732,610	-	0.00%	-
2017	13,187	1,653,001,095	-	0.00%	-

Source: ⁽¹⁾ Dept. of Local Affairs

⁽²⁾ Weld County Assessor's Office

⁽³⁾ General obligation bond debt equal to gross general obligation bond debt less obligations associated with proprietary funds. In this table the gross general obligation debt is equal to net general obligation bond debt.

Town of Firestone
Direct and Overlapping General Bonded Debt
December 31, 2017

	Outstanding General Obligation Bonded Debt⁽¹⁾	Percentage Applicable to the Town	Share of Debt Applicable to the Town
Direct Debt			
Town of Firestone	\$ 4,241,868	100%	\$ 4,241,868
Total Direct Debt	<u>4,241,868</u>		<u>4,241,868</u>
Overlapping General Obligation Debt			
Frederick-Firestone Fire Protection District	\$ 1,450,000	48%	\$ 701,639
Carbon Valley Recreation District	4,500,000	38%	1,714,029
St Vrain Valley School District	555,805,084	7%	41,173,113
Total Overlapping General Bonded Debt	<u>561,755,084</u>		<u>43,588,781</u>
Total Direct and Overlapping General Bonded Debt	<u>\$ 565,996,952</u>		<u>\$ 47,830,649</u>

⁽¹⁾ Provided by each government entity

Town of Firestone
Pledged Revenue - Developer Reimbursement Obligations
December 31, 2017

Fiscal Year	Sales Tax Collected		Assets Dedicated		Debt Service Payments	
	PIRA 1.25%	RIFA 0.25%	General Fund	Enterprise Fund	General Fund	Enterprise Fund
2008	190,613	-	-	235,831	94,850	95,763
2009	228,931	16,399	-	83,155	68,921	176,409
2010	303,707	60,742	-	59,997	139,274	225,175
2011	369,003	73,801	-	-	258,530	184,275
2012	382,529	76,506	-	-	158,521	112,991
2013	402,771	80,554	-	-	483,325	-
2014	437,575	87,515	-	-	525,090	-
2015	470,519	94,104	1,479,388	1,396,328	564,623	-
2016	504,853	100,971	4,801,570	3,103,643	410,226	-
2017	600,156	73,171	1,181,103	400,981	410,414	-

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**Town of Firestone
Legal Debt Margin Information
Last Ten Years**

	2008	2009	2010	2011
Debt limit - 3% of Actual Valuation	\$ 25,757,260	\$ 25,731,155	\$ 25,958,283	\$ 27,244,341
Total net debt applicable to limit	315,000	260,000	200,000	135,000
Legal debt margin	<u>\$ 25,442,260</u>	<u>\$ 25,471,155</u>	<u>\$ 25,758,283</u>	<u>\$ 27,109,341</u>
Total net debt applicable to the limit as a percentage of debt limit	1.22%	1.01%	0.77%	0.50%

Source: Town of Firestone Finance Department

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2012	2013	2014	2015	2016	2017
\$ 29,029,179	\$ 28,618,616	\$ 30,037,184	\$ 36,575,475	\$ 40,401,978	\$ 49,590,033
70,000	-	-	-	-	-
\$ 28,959,179	\$ 28,618,616	\$ 30,037,184	\$ 36,575,475	\$ 40,401,978	\$ 49,590,033
0.24%	0.00%	0.00%	0.00%	0.00%	0.00%

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Town of Firestone
Demographic and Economic Statistics
Last Ten Years

Weld County ⁽¹⁾						
Year	Town Population	Personal Income (amounts expressed in thousands)	Per Capita Income ⁽³⁾	Median Age	School Enrollment ⁽⁵⁾	Unemploy- ment Rate ⁽²⁾
2008	9,000	6,780,196 ⁽⁴⁾	27,238	31.1	24,750	6.3
2009	9,100	7,067,989 ⁽⁴⁾	25,516 ⁽⁴⁾	31.1	25,270	8.6
2010	10,147	6,926,000	27,186	31.1	26,724	10.0
2011	11,096	6,925,906	27,186	32.0	28,109	7.8
2012	10,147	7,755,562	29,986	33.6	28,109	9.3
2013	10,555	8,347,637	29,986	33.7	29,382	8.7
2014	11,175	9,008,919	31,657	33.7	30,017	5.9
2015	11,524	10,735,917	38,664	33.7	31,776	3.7
2016	12,917	12,201,617	34,335	34.0	31,776	4.5
2017	13,187	12,593,779	42,787	33.7	32,171	2.5

Source: U.S. Census Bureau

Upstate Colorado

Bureau of Economic Analysis

Department of Local Affairs

Colorado State of Labor

St. Vrain Valley School District

⁽¹⁾ This information is for the entire county

⁽²⁾ Estimate from Upstate Colorado

⁽³⁾ Estimate from Colorado Labor & Employment

⁽⁴⁾ From Bureau of Economic Analysis

⁽⁵⁾ From St Vrain Valley School District

Town of Firestone
Principal Employers
Current Year and Ten Years Ago

Employer	2017				2008		
	Employees	Rank	Type of Business	Percentage of Total Town Employment	Employees	Rank	Type of Business
American Furniture Warehouse	315	1	Retail	19.81%	120	1	Manufacturing
Advanced Forming Technologies	282	2	Manufacturing	17.74%	71	4	School
King Soopers Store - Firestone	161	3	Grocery Home	10.13%	120	1	Retail
Home Depot	148	4	Improvement	9.31%	110	2	Retail
Safeway Store - Firestone	90	5	Grocery	5.66%	90	3	Retail
Centennial Elementary	70	6	Education	4.40%	32	8	Restaurant
Advance Tooling Concepts	68	7	Manufacturing	4.28%	-	N/A	Manufacturing
Prairie Ridge Elementary	60	8	Education	3.77%	21	10	Restaurant
Behren's and Associates	57	9	Service	3.58%	-	N/A	Service
Imagine Charter School	56	10	Education	3.52%	-	N/A	Education
McDonald's	55	11	Restaurant	3.46%	-	N/A	Restaurant
Town of Firestone	53	12	Government	3.33%	53	5	School
Pepper's Firesdie Grill	50	13	Restaurant	3.14%	22	9	Restaurant
Ehrlich I-25 KIA	45	14	Automobile	2.83%	48	6	Government
Century RV	40	15	Automobile	2.52%	40	7	School
Total	1,550			97.48%	727		
Total Town Employment (estimated)	1,590				2,500		

Source: Firestone Finance Department & Planning Department

⁽¹⁾Information not available

Town of Firestone
Property Value and Construction
Last Ten Years

Year	Actual Property Value ⁽¹⁾			Commercial Construction ⁽²⁾		Residential Construction ⁽²⁾	
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
2008	97,684,172	712,208,417	809,892,589	4	6,342,700	72	18,949,677
2009	118,845,898	640,800,521	759,646,419	5	748,532	123	22,303,024
2010	117,160,690	665,235,050	782,395,740	2	1,088,501	87	19,037,912
2011	111,058,853	702,135,833	813,194,686	6	305,850	134	12,069,990
2012	119,719,877	719,652,488	839,372,365	2	869,400	71	12,922,858
2013	126,990,855	711,483,814	838,474,669	7	4,625,128	78	20,178,465
2014	128,148,022	730,710,535	858,858,557	5	2,289,245	132	37,324,080
2015	127,927,625	939,194,775	1,067,122,400	16	5,428,715	221	56,330,300
2016	131,842,824	1,023,041,946	1,154,884,770	37	15,823,875	191	56,478,538
2017	147,657,928	1,314,690,408	1,462,348,336	46	14,087,021	167	45,594,678

Source:

⁽¹⁾Weld County Assessor's Office

⁽²⁾Town of Firestone Building Department (Safebuilt)

Town of Firestone
Full-Time Equivalent Town Government Employees by Function
Last Ten Years

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Function										
General Government	9.0	9.0	8.0	9.0	12.0	12.0	15.0	8.3	9.8	11.0
Public Safety										
Police	24.0	23.0	23.0	20.0	18.0	19.0	22.0	23.0	26.0	24.5
CSO	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	3.0
Public Works	-	-	-	-	-	-	-	-	-	6.5
Parks and Recreation	-	-	-	-	-	-	-	-	-	4.0
Community Development	11.0	13.0	14.0	11.0	12.0	13.0	13.0	19.4	21.7	-
Water	1.0	1.0	1.0	1.0	1.0	2.0	2.0	2.5	2.6	5.7
StormWater	-	-	-	-	-	-	-	-	-	1.1
Total	48.0	48.0	48.0	43.0	45.0	48.0	54.0	55.2	62.1	55.8

Source: Town of Firestone Finance Department

Town of Firestone
Miscellaneous Statistics
Last Nine Years

Date of Incorporation 1908
Form of Government Trustees & Town Manager

	2008	2009	2010	2011
Number of Employees				
Non-Exempt (Hourly)	37	40	40	35
Exempt (Salary)	9	8	8	8
Planning area in square miles	20	20	26	47
Town of Firestone's facilities and services				
Miles of streets	74	74	74	74
Parks:				
Number of parks	18	18	18	18
Number of park, open space, and undeveloped acres maintained	998	998	998	998
Number of trail & sidewalk miles maintained	5	5	5	5
Police Protection:				
Number of stations	1	1	1	1
Number of police personnel and officers	26	25	23	22
Number of patrol units	12	15	15	16
Water System:				
Linear Feet of water lines maintained	124,768	124,768	124,768	308,051
Number of customer accounts	3,071	3,125	3,219	3,293
Services not included in the reporting entity:				
Fire Protection Districts - Frederick Firestone Fire Protection District	1	1	1	1
No municipal electricity services - (Xcel Energy or United Power)	-	-	-	-
No municipal gas services - (Source Gas)	-	-	-	-
No municipal sewer services - (St. Vrain Sanitation District)				
School Districts - St Vrain Valley School District & Weld County				
School District RE-1	2	2	2	2

Source: Town Various Departments

2012	2013	2014	2015	2016	2017
37	38	44	45	52	51
8	10	10	13	10	9
47	56	56	56	56	56
74	74	74	74	74	74
18	18	18	18	18	18
998	998	998	998	998	998
5	5	18	18	18	18
1	1	1	1	1	1
23	23	23	25	28	28
16	16	17	14	21	23
307,824	288,482	288,482	288,482	288,482	288,482
3,344	3,435	3,533	3,763	3,910	4,200
1	1	1	1	1	1
-	-	-	-	-	-
-	-	-	-	-	-
2	2	2	2	2	2

COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT		City or County:	Town of Firestone
		YEAR ENDING :	December 2017
This Information From The Records Of (example - City of _ or County of _) Town of Firestone		Prepared By: Phone:	Marjorie Wickham 303-531-6256

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	
3. Other local imposts (from page 2)	2,950,879
4. Miscellaneous local receipts (from page 2)	170,810
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)	3,121,689
B. Private Contributions	
C. Receipts from State government (from page 2)	457,127
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	3,578,816

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	690,937
2. Maintenance:	1,280,853
3. Road and street services:	
a. Traffic control operations	146,631
b. Snow and ice removal	24,665
c. Other	
d. Total (a. through c.)	171,296
4. General administration & miscellaneous	187,464
5. Highway law enforcement and safety	
6. Total (1 through 5)	2,330,550
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	109,819
b. Redemption	155,000
c. Total (a. + b.)	264,819
3. Total (1.c + 2.c)	264,819
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	2,595,369

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	3,320,000		155,000	3,165,000
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
	32,942	3,578,816	2,595,369	1,016,389	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2017	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	3,122
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	1,566,960	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	1,076,896	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	167,688
5. Specific Ownership &/or Other	307,023	g. Other Misc. Receipts	
6. Total (1. through 5.)	2,950,879	h. Other	
c. Total (a. + b.)	2,950,879	i. Total (a. through h.)	170,810
	(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	401,994	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	50,665	d. Federal Transit Admin	
d. Other (Specify) - Fuel tax reimb	4,468	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	55,133	g. Total (a. through f.)	
4. Total (1. + 2. + 3.f)	457,127	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		279,277	279,277
(4). System Enhancement & Operation		411,660	411,660
(5). Total Construction (1) + (2) + (3) + (4)	0	690,937	690,937
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	690,937	690,937
			(Carry forward to page 1)
Notes and Comments:			

Town of Firestone, Colorado

**Audit Wrap Up
June 13, 2018**



This presentation was prepared as part of our audit, has consequential limitations, is restricted to those charged with governance and, if appropriate, management, and is not intended and should not be used by anyone other than those specified parties.



June 13, 2018

To the Honorable Mayor and Town Board of Directors
Town of Firestone
151 Grant Street
Firestone, Colorado 80520

Professional standards require us to communicate with you regarding matters related to the audit, that are, in our professional judgment, significant and relevant to your responsibilities in overseeing the financial reporting process. We presented an overview of our plan for the audit of the financial statements of the Town of Firestone, Colorado (the "Town") as of and for the year ended December 31, 2017, including a summary of our overall objectives for the audit, and the nature, scope, and timing of the planned audit work.

This communication is intended to elaborate on the significant findings from our audit, including our views on the qualitative aspects of the Town's accounting practices and policies, management's judgments and estimates, financial statement disclosures, and other required matters.

We are pleased to be of service to the Town and look forward to meeting with you to discuss our audit findings, as well as other matters that may be of interest to you, and to answer any questions you might have.

Respectfully,

Anton Collins Mitchell LLP

Discussion Outline

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Status of Our Audit

We have substantially completed our audit of the financial statements as of and for the year ended December 31, 2017. Our audit was conducted in accordance with auditing standards generally accepted in the United States of America. This audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

- The objective of our audit was to obtain reasonable - not absolute - assurance about whether the financial statements are free from material misstatements.
- The scope of the work performed was substantially the same as that described to you in our earlier Audit Planning communications.
- We expect to issue an unmodified opinion on the financial statements.
- Our responsibility for other information in documents containing the Town's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform procedures to corroborate such other information. However, in accordance with professional standards, we have read the information included by the Town and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements. Our responsibility also includes calling to management's attention any information that we believe is a material misstatement of fact. We have not identified any material inconsistencies or concluded there are any material misstatements of facts in the other information that management has chosen not to correct.
- All records and information requested by Anton Collins Mitchell ("ACM") were freely available for our inspection.
- Management's cooperation was excellent. We received full access to all information that we requested while performing our audit, and we acknowledge the full cooperation extended to us by all levels of Town personnel throughout the course of our work.

Results of Our Audit

ACCOUNTING PRACTICES, POLICIES, AND ESTIMATES

The following summarizes the more significant required communications related to our audit concerning the Town's accounting practices, policies, and estimates:

The Town's significant accounting practices and policies are those included in Note 1 to the financial statements. These accounting practices and policies are appropriate, comply with generally accepted accounting principles and industry practice, were consistently applied, and are adequately described within Note 1 to the financial statements.

- There were no changes in significant accounting policies and practices during 2017.

Significant estimates are those that require management's most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Town's significant accounting estimates, including a description of management's processes and significant assumptions used in development of the estimates, are disclosed in Note 1 of the financial statements.

- Management did not make any significant changes to the processes or significant assumptions used to develop the significant accounting estimates in 2017.

Primary Areas of Focus and Considerations and Findings

Revenue Recognition: The Town receives revenues from numerous sources, the more significant of which are property taxes, sales taxes, intergovernmental grants and contributions, other grants and contributions, and charges for services. We have evaluated the accounting and financial reporting for these transactions to ensure proper recognition and measurement.

Accounts Receivable and Allowances: Accounts receivable are required to be evaluated for collectability in order to determine they are properly valued in the Town's financial statements. We have evaluated management's estimate of the collectability of balances due from other governments, and customers, and found them to be reasonable and appropriate for the circumstances.

Capital Assets and Depreciation: Capital assets of the Town, and related capital outlay expenditures, continue to be a significant area of the financial statements. Accordingly, as part of the audit, we paid particular attention to the costs of newly acquired assets, repairs and maintenance expenditures on existing capital assets, and depreciation expense of these assets.

Bonds Payable and Capital Lease Obligations: The Town currently has one sales tax revenue bond totaling approximately \$3.2 million and one certificate of participation totaling \$1.1 million as of December 31, 2017. In addition, the Town drew down \$1.6 million of the approved \$10 million Colorado Water Conservation Board loan. Accordingly, we have applied certain procedures over balances, future maturities, accrued interest, amortized premiums and deferred charges and costs associated with the applicable bond, along with compliance with individual agreements. It appears that the Town is properly accounting for these obligations.

Results of Our Audit

Pension Reporting: The Town has a defined benefit plan for the Town's police officers administered by the Fire and Police Pension Association of Colorado ("FPPA") and for the Town's non-police staff administered by the Public Employees' Retirement Association of Colorado ("PERA"). The FPPA and PERA plans are cost-sharing, multiple-employer defined benefit plans. As such, the Town has reported their proportionate share of the collective amounts for the plans as a whole. In addition, changes in net pension liability were recognized as pension expense or reported as deferred outflows/inflows of resources depending on the nature of change.

Evaluation of Going Concern: No going concern issues were noted during our audit.

Evaluation of Estimates: Estimates were determined to be reasonable and free of bias.

CORRECTED AND UNCORRECTED MISSTATEMENTS

There were no corrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we brought to the attention of management.

There were no uncorrected misstatements, other than those that were clearly trivial, related to accounts and/or disclosures that we brought to the attention of management.

QUALITY OF THE TOWN'S FINANCIAL REPORTING

A discussion was held regarding the quality of the Town's financial reporting, which included the following:

- Qualitative aspects of significant accounting policies and practices
- Our assessment of critical accounting policies and practices
- Our conclusions regarding significant accounting estimates
- Significant unusual transactions
- Financial statement presentation
- New accounting pronouncements
- Alternative accounting treatments

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

Our consideration of internal control was for the limited purpose described above and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses.

We are required to communicate, in writing, to those charged with governance all material weaknesses and significant deficiencies that have been identified in the Town's internal controls over financial reporting. The definitions of control deficiency, significant deficiency and material weakness follow:

Category	Definition
Deficiency in Internal Control	A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis.
Significant Deficiency	A deficiency or combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.
Material Weakness	A deficiency or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Town's financial statements will not be prevented, or detected and corrected on a timely basis.

In conjunction with our audit of the financial statements, we noted no material weaknesses. However, material weaknesses may exist that have not been identified.

Other Required Communications

Following is a summary of those required items, along with specific discussion points as they pertain to the Town:

Requirement	Discussion Points
Significant changes to planned audit strategy or significant risks initially identified	There were no significant changes to the planned audit strategy or significant risks initially identified and previously communicated to those charged with governance as part of our Audit Planning communications.
Obtain information from those charged with governance relevant to the audit	There were no matters noted relevant to the audit, including, but not limited to: violations or possible violations of laws or regulations; risk of material misstatements, including fraud risks; or tips or complaints regarding the Town's financial reporting that we were made aware of as a result of our inquiry of those charged with governance.
If applicable, nature and extent of specialized skills or knowledge needed related to significant risks	There were no specialized skills or knowledge needed, outside of the core engagement team, to perform the planned audit procedures or evaluate audit results related to significant risks.
Consultations with other accountants	We are not aware of any consultations about significant accounting or auditing matters between management and other accountants where we have identified a concern regarding such matters.
Our evaluation of the Town's relationships and transactions with related parties and their impact on the financial statements	We have evaluated the Town's process to identify, authorize and approve, account for, and disclose its relationships and transactions with related parties and noted no significant issues.
Disagreements with management	There were no disagreements with management about matters, whether or not satisfactorily resolved, that individually or in aggregate could be significant to the Town's financial statements or to our auditor's report.
Significant difficulties encountered during the audit	There were no significant difficulties encountered during the audit.
If applicable, other matters significant to the oversight of the Town's financial reporting process, including complaints or concerns regarding accounting or auditing matters	There are no other matters that we consider significant to the oversight of the Town's financial reporting process that have not been previously communicated.
Representations requested from management	Please refer to the management representation letter.

Independence Communication

Our engagement letter to you dated January 24, 2018 describes our responsibilities in accordance with professional standards and certain regulatory authorities with regard to independence and the performance of our services. This letter also stipulates the responsibilities of the Town with respect to independence as agreed to by the Town. Please refer to that letter for further information.

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GASB Standards Effective in 2017

GASB STATEMENT NO. 74, ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFIT PLANS (OPEB) OTHER THAN PENSION PLANS

- Provides reporting requirements for OPEB plans and applies to both defined benefit and defined contribution plans administered through trusts that meet certain criteria:
 1. Contributions are irrevocable,
 2. Plan assets are dedicated to providing benefits according to the plan terms,
 3. Plan assets are legally protected from creditors.
- Guidance is also provided for plans not held in trust.
- The requirements follow GASB 67, requiring the statement of net position and statement of changes in fiduciary net position as well as the same RSI schedules.
- The pronouncement will be effective starting with years ending June 30, 2017.

GASB STATEMENT NO. 80, BLENDING REQUIREMENTS FOR CERTAIN COMPONENT UNITS, AN AMENDMENT OF GASB 14

- Specifies that a component unit incorporated as a nonprofit when the primary government is the sole member would be reported by the primary government as a blended component unit.
- The pronouncement will be effective starting with years ending June 30, 2017.

GASB STATEMENT NO. 82, PENSION ISSUES

- Addresses three issues that arose during implementation of GASB 67 and 68.
 1. The first relates to the definition of covered payroll included in Required Supplementary Information. Covered payroll is compensation paid to employees on which contributions are based.
 2. The pronouncement also clarifies that a *deviation* from actuarial standards is not considered to be in conformity with the requirements of GASB 67 or 68 for selection of assumptions in determining the total pension liability.
 3. The last issue relates to employer-paid member contributions, commonly referred to as employer "pick-up". When an employer pays contributions on behalf of members they should be classified as member contributions for GASB 67 plan statements and as employee contributions for GASB 68 reporting and included in salary expense.
- The pronouncement will be effective starting with years ending June 30, 2017.

GASB STATEMENT NO. 81, IRREVOCABLE SPLIT-INTEREST AGREEMENTS

- Will require governments to recognize assets, liabilities and deferred inflows at fair value when the government is a beneficiary of an irrevocable split-interest agreement.
- Examples include charitable lead trusts, charitable remainder trusts and life-interest in real estate.
- The pronouncement will be effective starting with years ending December 31, 2017.

GASB Standards Effective in 2018 -2020

GASB STATEMENT NO. 75, ACCOUNTING AND FINANCIAL REPORTING FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

- Establishes measurement criteria for the Other Postemployment Benefits (OPEB) liability of state and local governments and mirrors the requirements of GASB 68.
- For plans administered through trust governments must recognize the net OPEB liability.
- For plans not administered through trust the government must recognize the total OPEB liability.
- The pronouncement will be effective starting with years ending June 30, 2018.

GASB STATEMENT NO. 83, CERTAIN ASSET RETIREMENT OBLIGATIONS

- Establishes measurement criteria for recording a liability for the retirement or removal of certain assets such as:
 - ✓ Nuclear power plants
 - ✓ Sewage treatment facilities
 - ✓ Coal-fired power plant
 - ✓ Wind turbines
 - ✓ X-ray machines
- Governments with legal obligations to perform future asset retirement activities related to its tangible capital assets would be required to recognize a liability.
- A liability and corresponding deferred outflow is recorded when the liability is both incurred and reasonable estimable.
- The liability is based on best estimate of current value of outlays expected to be incurred.
- Must be both an external obligating event, such as a court judgment or federal, state or local law; and an internal obligating event, such as contamination or retirement.
- The pronouncement will be effective starting with years ending June 30, 2019.

GASB STATEMENT NO. 84, FIDUCIARY ACTIVITIES

- Establishes criteria for reporting fiduciary activities that focuses on whether the government controls the assets and the fiduciary relationship with the beneficiaries.
- The statement describes four fiduciary funds:
 1. Pension and OPEB funds
 2. Investment trust funds
 3. Private-purpose trust funds
 4. Custodial funds
- Custodial funds replace agency funds for activities that are not held in trust.
- For activities for which a trust agreement exists, an investment trust fund or private purpose trust fund will be used.
- Pension funds not held in trust would be classified as custodial funds.
- The pronouncement will be effective starting with years ending December 31, 2019.

GASB Standards Effective in 2018 -2020

GASB STATEMENT NO. 85, *OMNIBUS 2017*

- Addresses several practice issues that have been identified during implementation of certain GASB Statements:
 1. Blending a component unit when the primary government is a business-type activity that reports in a single column.
 2. Reporting amounts previously reported as goodwill and negative goodwill.
 3. Classifying real estate held by insurance entities.
 4. Measuring certain money market instruments at amortized cost.
 5. Timing of the measurement of pension or OPEB liabilities and expenditures in governmental fund financial statements.
 6. Recognizing on-behalf payments for pensions or OPEB in employer financial statements.
 7. Presenting payroll-related measures in RSI for OPEB plans and employers that provide OPEB.
 8. Classifying employer-paid member contributions for OPEB.
 9. Simplifying certain aspects of the alternative measurement method for OPEB.
 10. Accounting and reporting for OPEB provided through certain multiple-employer defined benefit OPEB plans.
- The pronouncement will be effective starting with years ending June 30, 2018.

GASB STATEMENT NO. 86, *CERTAIN DEBT EXTINGUISHMENT ISSUES*

- Resolves issue of how to record in-substance defeasance of debt when solely existing resources are used.
- Current standards only address reporting requirements when debt is extinguished using bond proceeds.
- When cash or other existing resources are placed in an irrevocable trust to extinguish debt it is considered to be in-substance defeasance, assuming all criteria are met.
- The difference between the reacquisition price and the net carrying amount of the debt will be recognized as a separately identified gain or loss in the period of defeasance. This differs from current practice when debt is extinguished using bond proceeds, whereby the difference is deferred.
- Payments to the escrow agent from existing resources should be reported as debt service expenditures in governmental fund types.
- The pronouncement will be effective starting with years ending June 30, 2018.

GASB Standards Effective in 2018 -2020

GASB STATEMENT NO. 87, *LEASES*

- This standard will require recognition of certain lease assets and liabilities for leases that are currently classified as operating leases.
- Eliminates the distinction between operating and capital leases - all leases will be recorded on the statement of net position/balance sheet.
- New definition of a lease - a contract that conveys the right to use another entity's nonfinancial asset for a period of time in an exchange or exchange-like transaction.
- Excludes leases that transfer ownership under a bargain purchase option or service concession arrangements that are covered by GASB Statement No. 60.
- Lessees would recognize a lease liability and an intangible right-to-use lease asset which would be amortized in a systematic and reasonable manner over the shorter of the lease term or the useful life of the underlying asset. Short-term leases are excluded.
- Lessor would recognize lease receivable and deferred inflow of resources which would be recognized as revenue in a systematic and rational manner over the term of the lease.
- The pronouncement will be effective starting with years ending December 31, 2020.

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2018 Firestone Design-a-Flag Contest

What Kind of Flag Should I Design?

There is no defined contest theme. Entries can reflect any subject matter, vision or concept you want to communicate. Just be sure to use your imagination and create the best flag you can!

What are the Contest Rules?

- Entrants must be Town of Firestone residents or students enrolled at a Firestone school. They must also be between the ages of 8 and 11 by the submission deadline of Friday, May 4, 2018.
- Each submission must be the original work of the entrant and cannot be a design created by someone else, copyrighted or otherwise.
- Only one submission is allowed per entrant.
- Entries can be hand-drawn and must fit within a 6" x 10" rectangle, or they can be created electronically and must be 1800 x 3000 pixels, 300 dpi, and in a JPEG or PDF format.
- Each entry must be accompanied by a signed submission and release form.

Are there Guidelines to Follow?

There are only a few guidelines to keep in mind while creating your flag design.

- Keep it simple.
- Feel free to use up to six colors.
- Use meaningful symbolism.
- No lettering or seals.
- Be original, and have fun.

What's Your Story?

Be sure to include a short description with your design. For example, tell us what the colors represent, the meanings of the symbols you've included and anything else you want to share.

How Do I Submit My Entry?

You can mail or hand-deliver your entry to Firestone Town Hall, 151 Grant Avenue, P.O. Box 100, Firestone, Colorado, 80520. Or, please email it to communications@firestoneco.gov. All entries must be received by 5 p.m. on Friday, May 4, 2018.

How is the Winning Flag Selected?

The Firestone Cultural Committee will review the entries and choose the top three submissions. The Firestone Board of Trustees will choose the 2018 Design-a-Flag winner from one of the top three.

The winning flag and designer will be announced at the 16th annual 4th at Firestone celebration!



2018 Firestone Design-a-Flag Contest Entry Form

Entrant's Name: _____ **Entrant's School:** _____

Entrant's Address: _____

City: _____ **State:** _____ **Zip:** _____

Entrant's Email: _____ **Entrant's Phone #:** _____

I represent that the design submitted is an original work created solely by me and does not copy, include, or infringe upon the designs of other individuals or companies. I agree to the terms, conditions, and disclaimers set forth below.

Entrant's Signature: _____ **Date:** _____

***Parent's/Guardian's Signature:** _____ **Date:** _____

*Required because entrant is under 18

Terms, Conditions, and Disclaimers:

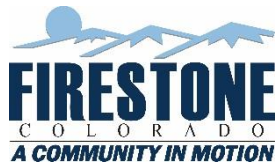
By submitting a flag design to this contest, the entrant agrees to the following: All submissions become the property of the Town of Firestone ('Town') and by making a submission, entrants irrevocably transfer to the Town all rights, title, and interest in the design submitted, including but not limited to the right to modify the design as needed and the right to any potential profits derived from the sale of products based on the design. By submitting an entry, the entrant grants the Town and its representatives the exclusive right to use, publish or display the design and the entrant's name in any and all media channels (print, online, event, and otherwise), in whole or in part, without prior notification. The Town reserves the right to modify or terminate this contest at any time without notice. Each entry must be an original unpublished work that the entrant has created that does not include material in which a third party has intellectual property rights. Artwork must not be clearly identifiable as imitative of any existing art or artist. Entrants agree to indemnify and hold harmless the Town, its employees and representatives from any liability arising as a result of the style, content, subject or theme of the design.



2018 Firestone Design-a-Flag Contest



Please write a description of your flag design:



Town of Firestone 2018 Design-a-Flag Contest Timeline

- **Week of Feb. 26** – Contest information and entry forms go to the schools and are posted on our website
- **Friday, May 4** – Deadline for entries to be received (by 5 p.m.) at the Town of Firestone via email, mail or in-person delivery
- **Monday, June 4** – The Firestone Cultural Committee selects the top 3 entries for final review by the Firestone Board of Trustees
- **Wednesday, June 13** – The Firestone Board of Trustees chooses a winning flag design from among the top 3 entries
- **Wednesday, July 4** – Announcement of the winning designer and flag during the 4th at Firestone
- **Wednesday, July 11** – Official flag hanging and Mayor's award presentation at the Firestone Board of Trustees meeting

AGENDA INFORMATION MEMORANDUM

FIRESTONE TOWN BOARD OF TRUSTEES



AIM#: 7.b.

Discussion/Action

Meeting Date: June 13, 2018

Initiated By: Leah Vanarsdall, Town Clerk

Dept: Police

AGENDA TITLE

PHASE 1 - CIVIL & SITE PACKAGE GMP AMENDMENT FOR THE POLICE STATION

SUMMARY

Staff, the design team, and the CMGC contractor have determined that there is an advantage to breaking the construction of the project into two phases. The first phase is the site grading, public utility extensions, installation of Park Avenue, and installation of the parking lot. By accelerating this part of the work it will be possible to install the asphalt paving while the weather is ideal and then have a solid work area ready for the installation of the building, which will be the second phase of construction.

The CMGC Contract with FCI Constructors, Inc. includes a sample Guaranteed Maximum Price (GMP) Amendment that anticipated the entire project to be completed under a single GMP. That document has been modified to account for the planned two stage construction effort. The attached GMP Amendment is for Phase 1 of the project. The CMGC contract includes a provision that allows the Town to opt out of construction with FCI. That provision remains in effect for the Phase 2 work even if the Town chooses have FCI complete Phase 1.

If approved, the Phase 1 work would commence in mid-June. The final design of the building is expected to be completed in July and the Phase 2 GMP Amendment would be brought up for Board consideration and construction is expected to start on the building in September. The Phase 1 and Phase 2 work will overlap so they have the same Substantial Completion date.

HISTORY AND PREVIOUS BOARD ACTION

The Board approved the CMGC contract with FCI Constructors, Inc. at the regular meeting on March 14, 2018. The CMGC contract is structured in two parts. The initial effort is for pre-construction services for a fixed fee of \$25,000.00. The second part of the agreement is triggered only if the Town chooses to proceed to construction with FCI at which time the Town and FCI will execute an amendment to the agreement that provides for a guaranteed maximum price for the work and their GC fee which will be 3% of the construction cost.

RECOMMENDATION

Staff recommends the Board of Trustees approves the Phase 1 - Civil and Site GMP Amendment for an amount not to exceed \$2,127,879.00 with FCI Constructors, Inc. and authorize the Mayor to execute the amendment on behalf of the Town.

ALTERNATIVES

The Board could choose to direct staff to renegotiate terms of the amendment. The Board could also choose to not proceed to construction with FCI and direct staff to put the work out for bids.

ATTACHMENTS

1. Phase 1 - Civil and Site GMP Amendment (executable)

FINANCIAL CONSIDERATIONS

The Town has established a budget for the project, inclusive of all costs, of approximately \$15.9 Million. The funding

sources for the project are the 2017 0.60% Sales Tax Initiative and an \$800,000.00 DOLA grant the Town received. The Town has completed a lease-purchase agreement for the facility that established Certificates of Participation from which all the project costs, including those associated with the CMGC Agreement, are paid.

AIA[®] Document A133[™] – 2009 Exhibit A

Guaranteed Maximum Price Amendment

for the following PROJECT:

(Name and address or location)

Firestone Police Department & Municipal Court, Phase 1 - Civil & Site Package
2 Park Avenue
Firestone, CO 80504

THE OWNER:

(Name, legal status and address)

Town of Firestone, Colorado a Colorado municipal corporation
PO Box 100
151 Grant Avenue
Firestone, CO 80520

THE CONSTRUCTION MANAGER:

(Name, legal status and address)

FCI Constructors, Inc.
4015 Coriolis Way
Frederick, CO 80504

ARTICLE A.1

§ A.1.1 Civil & Site Package Guaranteed Maximum Price

Pursuant to Section 2.2.6 of the Agreement, the Owner and Construction Manager hereby amend the Agreement to establish a Guaranteed Maximum Price for the project Phase 1 Civil & Site Package. As agreed by the Owner and Construction Manager, the Civil & Site Package Guaranteed Maximum Price is an amount that the Civil & Site Package Contract Sum shall not exceed. The Civil & Site Package Contract Sum consists of the Construction Manager's Fee plus the Cost of the Work, as that term is defined in Article 6 of this Agreement specific to the Phase 1 - Civil & Site Package construction. The Phase 1 – Civil & Site Package is the first planned stage of construction for the Project. The scope of Phase 1 Work includes, but is not limited to, grading and drainage improvements, installation of Park Avenue, extension of potable water and sanitary sewer mains and services, installation of part of the parking lot and site accesses, and installation of utility sleeves as further detailed in the Project Manual, Specifications and Drawings referenced in §§ A.1.1.7 and A.1.1.8. The improvements are intended to provide an all-weather access and staging area for the Phase 2 improvements that will include the building and final site improvements. This is the first GMP Amendment for the Project. Subsequent amendment(s) to the Agreement may be issued to establish a GMP for the remainder of the Work.

§ A.1.1.1 The Civil & Site Package Contract Sum is guaranteed by the Construction Manager not to exceed Two Million One Hundred Twenty Seven Thousand Eight Hundred Seventy Nine and Zero Cents (\$ 2,127,879.00), subject to additions and deductions by Change Order as provided in the Contract Documents.

§ A.1.1.2 Itemized Statement of the Civil & Site Package Guaranteed Maximum Price.

Provided below is an itemized statement of the Civil & Site Package Guaranteed

ADDITIONS AND DELETIONS:

The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An *Additions and Deletions Report* that notes added information as well as revisions to the standard form text is available from the author and should be reviewed. A vertical line in the left margin of this document indicates where the author has added necessary information and where the author has added to or deleted from the original AIA text.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

AIA Document A201[™]–2007, General Conditions of the Contract for Construction, is adopted in this document by reference. Do not use with other general conditions unless this document is modified.

Maximum Price organized by trade categories, allowances, contingencies, alternates, the Construction Manager's Fee, and other items that comprise the Guaranteed Maximum Price.

(Paragraph Deleted)

(see attached Exhibit A)

§ A.1.1.3 The Civil & Site Package Guaranteed Maximum Price is based on the following alternates, if any, which are described in the Civil & Site Package Contract Documents and are hereby accepted by the Owner:

(Paragraph Deleted)

(not applicable.)

§ A.1.1.4 Allowances included in the Civil & Site Package Guaranteed Maximum Price, if any:

(Identify allowance and state exclusions, if any, from the allowance price.)

Item	Price (\$0.00)
none	

§ A.1.1.5 Assumptions, if any, on which the Civil & Site Package Guaranteed Maximum Price is based:

The Phase 1 – Civil & Site Package is the first planned stage of construction for the project. The scope of Phase 1 Work includes, but is not limited to, grading and drainage improvements, installation of Park Avenue, extension of potable water and sanitary sewer mains and services, installation of part of the parking lot and site accesses, and installation of utility sleeves. The improvements are intended to provide an all-weather access and staging area for the Phase 2 improvements that will include the building and final site improvements.

See attached Exhibit B.

§ A.1.1.6 The Civil & Site Package Guaranteed Maximum Price is based upon the following Supplementary and other Conditions of the Contract:

Document	Title	Date	Pages
none			

§ A.1.1.7 The Guaranteed Maximum Price is based upon the following Specifications:

(Either list the Specifications here, or refer to an exhibit attached to this Agreement.)

Project Manual for Firestone Police Department & Municipal Court Phase 1 – Civil & Site Package

See attached Exhibit C.

Section	Title	Date	Pages
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§ A.1.1.8 The Guaranteed Maximum Price is based upon the following Drawings:

(Either list the Drawings here, or refer to an exhibit attached to this Agreement.)

See attached Exhibit C.

Number	Title	Date
--------	-------	------

§ A.1.1.9 The Guaranteed Maximum Price is based upon the following other documents and information:

(List any other documents or information here, or refer to an exhibit attached to this Agreement.)

Init.

none

ARTICLE A.2

§ A.2.1 The anticipated date of Substantial Completion established by this Amendment:

August 16,
2019

OWNER *(Signature)*
Bobbi Sindelar Mayor

(Printed name and title)

CONSTRUCTION MANAGER *(Signature)*

(Printed name and title)

Init.

EXHIBIT A

Phase 1 Civil & Site Package



Firestone Police & Municipal Courts

Project Location: 7 Park Avenue Firestone, CO 80504
 Estimate Type: 50% CD
 Project Duration: 12.5
 Project SF: 29,080
 Estimator: Chris McNamara

Revision: 4

Date: June 8th, 2018



Description			Total Cost	\$ per SF	PH 1 Civil Package	PH 2 Building
Division 01	GENERAL REQUIREMENTS		\$ 764,373	\$ 26.29	\$ 43,780	\$ 720,593
Division 02	EXISTING CONDITIONS		\$ 39,856	\$ 1.37	\$ 38,866	\$ 990
Division 03	CONCRETE		\$ 460,885	\$ 15.85	\$ -	\$ 460,885
Division 04	MASONRY		\$ 487,684	\$ 16.77	\$ -	\$ 487,684
Division 05	METALS		\$ 569,579	\$ 19.59	\$ -	\$ 569,579
Division 06	WOOD & PLASTIC		\$ 265,106	\$ 9.12	\$ -	\$ 265,106
Division 07	THERMAL & MOISTURE PROTECTION		\$ 1,264,126	\$ 43.47	\$ 2,060	\$ 1,262,066
Division 08	DOORS & WINDOWS		\$ 682,825	\$ 23.48	\$ 2,400	\$ 680,425
Division 09	FINISHES		\$ 1,482,614	\$ 50.98	\$ -	\$ 1,482,614
Division 10	SPECIALTIES		\$ 282,052	\$ 9.70	\$ 19,820	\$ 262,232
Division 11	EQUIPMENT		\$ 235,021	\$ 8.08	\$ -	\$ 235,021
Division 12	FURNISHINGS		\$ 51,544	\$ 1.77	\$ -	\$ 51,544
Division 13	SPECIAL SYSTEMS		\$ -	\$ -	\$ -	\$ -
Division 14	CONVEYING SYSTEMS		\$ -	\$ -	\$ -	\$ -
Division 21	FIRE SUPPRESSION		\$ 94,400	\$ 3.25	\$ -	\$ 94,400
Division 22	PLUMBING		\$ 1,564,897	\$ 53.81	\$ -	\$ 1,564,897
Division 23	HVAC		\$ 12,000	\$ 0.41	\$ -	\$ 12,000
Division 26	ELECTRICAL		\$ 1,113,501	\$ 38.29	\$ 137,230	\$ 976,271
Division 27	COMMUNICATIONS		\$ 234,988	\$ 8.08	\$ -	\$ 234,988
Division 28	ELECTRONIC SAFETY & SECURITY		\$ 149,735	\$ 5.15	\$ -	\$ 149,735
Division 31	CIVIL		\$ 300,746	\$ 10.34	\$ 279,399	\$ 21,347
Division 32	LANDSCAPE		\$ 1,350,059	\$ 46.43	\$ 1,073,378	\$ 276,681
Division 33	UTILITIES		\$ 351,249	\$ 12.08	\$ 351,249	\$ -
SUBTOTAL			\$ 11,757,240		\$ 1,948,182	\$ 9,809,058
BUILDING PERMIT & PLAN CHECK FEE	BY OTHERS	\$ -			\$ -	\$ -
USE TAX	0.00%	\$ -			\$ -	\$ -
BID CONTINGENCY	0.00%	\$ -			\$ -	\$ -
ANTICIPATED ESCALATION	0.00%	\$ -			\$ -	\$ -
CONTRACTOR'S CONTINGENCY	3.00%	\$ 352,714			\$ 58,445	\$ 294,269
SUBCONTRACTOR DEFAULT INSURANCE	BY FCI	\$ 173,363			\$ 28,726	\$ 144,637
GENERAL LIABILITY INSURANCE	BY FCI	\$ 89,892			\$ 14,895	\$ 74,997
BUILDER'S RISK INSURANCE	BY FCI	\$ 5,650			\$ 936	\$ 4,714
PERFORMANCE AND PAYMENT BOND	BY FCI	\$ 63,818			\$ 10,575	\$ 53,243
PRECONSTRUCTION FEE	LUMP SUM	\$ 25,000			\$ 4,143	\$ 20,858
FCI OVERHEAD AND FEE	3.00%	\$ 374,030			\$ 61,977	\$ 312,053
ESTIMATE TOTAL:			\$ 12,841,707	\$ 441.60	\$ 2,127,879	\$ 10,713,829

\$ per SF



\$368.43
\$ per SF

PROJECT NAME: Firestone Police & Municipal Courts

ESTIMATOR: Chris McNamara

PROJECT SQFT: 29080

PROJECT DURATION: 12.5

Phase 1 GMP Detail

Description	Quantity	Unit	\$	Total \$
Division 01 GENERAL REQUIREMENTS				
GENERAL CONDITIONS				
EARLY SITE GRADING, UTILITIES AND PAVING			0.00	0
SUPERINTENDENT #1	360	HOURS	100.55	36,198
FIELD ENGINEER (1/2 TIME)	180	HOURS	68.04	12,247
PROJECT MANAGER (1/5th TIME)	72	HOURS	111.13	8,001
FUEL BUDGET - GC STAFF	2	MONTHS	582.00	1,164
MOBILE MINI CONEX OFFICE	2	MONTHS	450.00	900
STORAGE VAN / CONNEX	2	MONTHS	225.00	450
GENERATOR & FUEL - 5000W	2	MONTHS	1,850.00	3,700
SMART PHONE	2	MONTHS	160.00	320
TECHNOLOGY PER IT USER	2	MONTHS	490.00	980
SKIDSTEER, W/ ATTACHMENTS AND FUEL	2	MTHS	2,650.00	5,300
PICKUP RENTAL - GC STAFF	2	MONTHS	1,230.00	2,460
TEMPORARY TOILET	2	MONTHS	480.00	960
JOBSITE CCTV AND MONITORING	2	MNTH	645.00	1,290
			0.00	0
CREDIT - 2 WEEKS OF FULL GC'S SAVED AT THE END OF PROJECT	(2) WKS		15,095.00	-30,190
			0.00	0
TOTAL GENERAL CONDITIONS				43,780
Total Division 01 GENERAL REQUIREMENTS				\$43,780
Division 02 EXISTING CONDITIONS				
SURVEYING				
VERIFY & MAINTAIN CONTROL	1	LSUM	2,639.00	2,639
OVERLOT GRADING -50' GRID	1	LSUM	2,325.00	2,325
FINE GRADING	1	LSUM	1,350.00	1,350
RETAINING WALL	1	LSUM	885.00	885
LIGHT POLES	37	EACH	90.00	3,330
SANITARY			0.00	0
STAKE & GRADE AT 25'/50' INTERVALS	458	LF	1.18	540
STAKE & GRADE SERVICE	400	LF	1.36	544
WATERLINE			0.00	0
STAKE & GRADE AT 50' INTERVALS INCL FIRE AND SERVICE	2,220	LF	0.70	1,554
STORM SEWER			0.00	0
STAKE & GRADE AT 25' INTERVALS	1,925	LF	0.89	1,713
STAKE & GRADE INLETS	2	EACH	193.75	388
CONCRETE			0.00	0
TRICKLE PAN STAKE & GRADE AT 25' INTERVALS	410	LF	0.95	390
CURB & GUTTER STAKE & GRADE AT 25' INTERVALS	6,991	LF	0.95	6,641
SIDEWALK STAKE & GRADE AT 50' INTERVALS	682	LF	1.02	696
CROSS PANS STAKE & GRADE PIS	2	EACH	550.00	1,100
STAKE & GRADE RETAINING WALLS	195	LF	1.99	388
STAKE & GRADE TRASH ENCLOSURE	1	EACH	465.00	465
PAVING			0.00	0
EDGE OF ASPHALT STAKES AT 50' INTERVALS	780	LF	1.00	780
BLUETOP PARKING LOT SUBGRADE AT 25' INTERVALS	1	LSUM	780.00	780
BLUETOP PARKING LOT TOP/BASE AT 25' INTERVALS	1	LSUM	780.00	780

BUILDING			0.00	0
SET SITE BENCH MARKS	2 EACH		77.50	155
STAKE BUILDING GRIDLINES W/OFFSETS (48 PTS MAX.)	1 LSUM		2,170.00	2,170
STAKE SPREAD FOOTERS W/2 OFFSETS EACH	22 EACH		42.27	930
STAKE & GRADE CIRCULAR FOUNDATION	1 LSUM		465.00	465
CERTIFICATIONS AND SURVEYS			0.00	0
FOUNDATION ELEVATION & SETBACK CERTIFICATION	1 LSUM		775.00	775
GRADING & UTILITY AS-BUILT SURVEY	1 LSUM		775.00	775
FENCING	1,143 LNFT		1.50	1,715
MISC. STAKING	60 MHRS		55.72	3,343
RESTAKING	1 LSUM		1,250.00	1,250
TOTAL SURVEYING				38,866
Division 03 CONCRETE				
FOUNDATIONS				
TOTAL FOUNDATIONS				0
POLISHED OR SEALED CONCRETE				
TOTAL POLISHED OR SEALED CONCRETE				0
INTERIOR FLATWORK				
TOTAL INTERIOR FLATWORK				0
CONCRETE MISCELLANEOUS				
TOTAL CONCRETE MISCELLANEOUS				0
Division 04 MASONRY				
UNIT MASONRY				
TOTAL UNIT MASONRY				0
MASONRY MISCELLANEOUS				
TOTAL MASONRY MISCELLANEOUS				0
Division 05 METALS				
STRUCTURAL STEEL				
TOTAL STRUCTURAL STEEL				0
STEEL FABRICATIONS				
TOTAL STEEL FABRICATIONS				0
Division 06 WOOD & PLASTIC				
ROUGH CARPENTRY AND FRAMING				
TOTAL ROUGH CARPENTRY AND FRAMING				0
ARCHITECTURAL MILLWORK				
TOTAL ARCHITECTURAL MILLWORK				0
Division 07 THERMAL & MOISTURE PROTECTION				
DAMPPROOFING AND WATERPROOFING				
TOTAL DAMPPROOFING AND WATERPROOFING				0
THERMAL AND SOUND INSULATION				
TOTAL THERMAL AND SOUND INSULATION				0
FIRE STOPPING				
TOTAL FIRE STOPPING				0
SLATE SHINGLE CLADDING				
TOTAL SLATE SHINGLE CLADDING				0
METAL ROOFING & WALL PANELS				
TOTAL METAL ROOFING & WALL PANELS				0
LOW SLOPE EPDM ROOFING (WHITE)				
TOTAL LOW SLOPE EPDM ROOFING (WHITE)				0
ROOF ACCESSORIES				
TOTAL ROOF ACCESSORIES				0
JOINT SEALANTS				
MISC. CAULKING	40 MHRS		51.51	2,060
TOTAL JOINT SEALANTS				2,060
Division 08 DOORS & WINDOWS				
DOORS, FRAMES AND HARDWARE				
TOTAL DOORS, FRAMES AND HARDWARE				0
ACCESS DOORS				
TOTAL ACCESS DOORS				0

OVERHEAD DOORS				
GROUND LOOP TO ACTIVATE OVERHEAD DOORS	2 EACH		1,200.00	2,400
TOTAL OVERHEAD DOORS				2,400
STRUCTURED POLYCARBONATE PANELS				
TOTAL STRUCTURED POLYCARBONATE PANELS				0
ALUMINUM STOREFRONT, GLAZING AND WINDOWS				
TOTAL ALUMINUM STOREFRONT, GLAZING AND WINDOWS				0
Division 09 FINISHES				
DRYWALL				
TOTAL DRYWALL				0
FLOORING				
TOTAL FLOORING				0
ACOUSTICAL CEILINGS				
TOTAL ACOUSTICAL CEILINGS				0
PAINTING				
TOTAL PAINTING				0
FINISHES MISCELLANEOUS				
TOTAL FINISHES MISCELLANEOUS				0
Division 10 SPECIALTIES				
GENERAL SPECIALTY ITEMS				
TOTAL GENERAL SPECIALTY ITEMS				0
FLAGPOLES				
35' FLAGPOLE- CUSTOM FLAG ECX35IH	1 SUB		19,820.00	19,820
40' FLAGPOLE- CUSTOM FLAG ECV40IH	INCLUDED		0.00	0
INSTALL	INCLUDED		0.00	0
INTERNAL HALYARD	INCLUDED		0.00	0
ACCOMMODATE (1) FLAG PER POLE	INCLUDED		0.00	0
BRONZE ANODIZED ALUMINUM BALL ORNAMENT	INCLUDED		0.00	0
FINISH- BLACK ANODIZED	INCLUDED		0.00	0
TOTAL FLAGPOLES				19,820
SIGNAGE				
TOTAL SIGNAGE				0
Division 11 EQUIPMENT				
SECURITY AND DETENTION EQUIPMENT				
TOTAL SECURITY AND DETENTION EQUIPMENT				0
RESIDENTIAL APPLIANCES				
TOTAL RESIDENTIAL APPLIANCES				0
Division 12 FURNISHINGS				
WINDOW TREATMENTS				
TOTAL WINDOW TREATMENTS				0
LABORATORY WORK SURFACES				
TOTAL LABORATORY WORK SURFACES				0
Division 13 SPECIAL CONSTRUCTION				
SPECIAL CONSTRUCTION				
TOTAL SPECIAL CONSTRUCTION				0
Division 14 CONVEYING SYSTEMS				
ELEVATOR				
TOTAL ELEVATOR				0
Division 21 FIRE SUPPRESSION				
FIRE SPRINKLER SYSTEM				
TOTAL FIRE SPRINKLER SYSTEM				0
Division 22 PLUMBING				
PLUMBING SYSTEM				
TOTAL PLUMBING SYSTEM				0
Division 23 HVAC				
HVAC SYSTEM				
TOTAL HVAC SYSTEM				0
Division 26 ELECTRICAL				
ELECTRICAL				

PHASE 1 CONDUIT AND SLEEVING	1 SUB	137,230.00	137,230
TOTAL ELECTRICAL			137,230
Division 27 COMMUNICATIONS			
COMMUNICATIONS			
OSP CABLING	BY OWNER	0.00	0
TOTAL COMMUNICATIONS			0
Division 28 ELECTRONIC SAFETY & SECURITY			
SECURITY SYSTEMS			
TOTAL SECURITY SYSTEMS			0
FIRE DETECTION AND ALARM SYSTEM			
TOTAL FIRE DETECTION AND ALARM SYSTEM			0
Division 31 EARTHWORK			
EROSION CONTROL			
31 25 00 EROSION AND SEDIMENT CONTROLS		0.00	0
MOBILIZE X3	1 INCLUDED	2,500.00	2,500
VTC	1 INCLUDED	27,333.00	27,333
WASH RACK	1 EACH	3,202.88	3,203
STABILIZED STAGING AREA	1 INCLUDED	7,995.00	7,995
SEDIMENT BASIN	3 EACH	800.00	2,400
TEMPORARY STORM DRAIN - 12" PVC	86 LNFT	15.00	1,290
DIVERSION DITCH	1,692 LF	2.00	3,384
STRAW LINING	630 SQYD	2.90	1,827
ROAD BASE - STAGING / LAYDOWN	8,000 SF	1.00	8,000
SILT FENCING	4,324 LNFT	2.15	9,297
SLOPE PROTECTION	8,400 SF	0.22	1,848
SEEDING	1 INCLUDED	6,250.00	6,250
EARTHERN BERMS	1 INCLUDED	590.00	590
SURFACE ROUGHEN	1 INCLUDED	840.00	840
CONCRETE WASHOUT	1 LSUM	2,850.00	2,850
REFRESH CONCRETE WASH OUT PIT	8 EACH	292.05	2,336
INLET PROTECTION - 4 EACH	1 INCLUDED	1,280.00	1,280
TOTAL EROSION CONTROL			83,223
EARTHWORK			
31 10 00 SITE PREPERATION		0.00	0
31 20 00 EARTHWORK		0.00	0
SITE DEMOLITION	1 LSUM	3,336.00	3,336
TRAFFIC CONTROL	2 DAYS	0.00	0
REMOVE ASPHALT	190 SF	0.00	0
REMOVE CONCRETE TRAIL	950 SQFT	0.00	0
GRADING OS SITE GRADING (+/- .1') PARK AVE OFFISTE	1 LSUM	20,980.50	20,981
MOBILIZE	1 LSUM	4,500.00	4,500
STRIP AND STOCKPILE- 3"	805 CUYD	0.00	0
EXCAVATE CUT TO FILL	1,025 CUYD	0.00	0
GRADE CURB AND GUTTER	810 LF	0.00	0
BACKFILL CURB AND GUTTER	810 LF	0.00	0
GRADE ASPHALT PAVING AREAS	23,285 SQFT	0.00	0
GRADE CONCRETE PANS	1,200 SQFT	0.00	0
GRADE CONCRETE TRAIL COMPACT 95%	7,105 SQFT	0.00	0
GRADE COMMON AREAS	33,355 SQFT	0.00	0
RESPREAD TOPSOIL IN LANDSCAPE AREA	850 CUYD	0.00	0
SHORING	EXCLUDED	0.00	0
FOUNDATION DRAIN	- EXCLUDED	28.00	0
DEWATERING	- EXCLUDED	0.00	0
EARTHWORK ONSITE	1 LSUM	82,980.00	82,980
CREDIT TO BORROW ONSITE	(1) LSUM	5,000.00	-5,000
STRIP AND STOCKPILE- 3"	3,725 CUYD	0.00	0
EXCAVATE CUT TO FILL	13,980 CUYD	0.00	0
ROUGH GRADE SITE	297,135 SQFT	0.00	0

RESPREAD TOPSOIL BERM LANDSCAPE AREA	3,725	CUYD	0.00	0
PLACE PIPE SOILS	1,180	CUYD	0.00	0
SITE GRADING ONSITE (+/- .1')	1	LSUM	54,584.50	54,585
GRADE BUILDING PAD	31,295	SQFT	0.00	0
GRADE CURB AND GUTTER	6,165	LF	0.00	0
BACKFILL CURB AND GUTTER	6,165	LF	0.00	0
GRADE ASPHALT PAVING AREAS	128,800	SQFT	0.00	0
GRADE CONCRETE PANS	1,025	SQFT	0.00	0
GRADE SIDEWALKS	14,225	SQFT	0.00	0
GRADE TRASH ENCLOSURE	355	SQFT	0.00	0
GRADE COMMON AREAS	116,065	SQFT	0.00	0
FOUNDATION EXCAVATION & BACKFILL	1	LSUM	34,794.00	34,794
EXCAVATE FOOTINGS AND PADS (BUILDING)	1,165	CUYD	0.00	0
BACKFILL WALLS	1,440	LF	0.00	0
GRADE BUILDING PAD	31,295	SQFT	0.00	0
BACKFILL INTERIOR BUILDING PADS	17	EACH	0.00	0
BACKFILL EXTERIOR BUILDING PADS	1	EACH	0.00	0
ROUGH EXCAVATE RETAINING WALL	250	LF	0.00	0

TOTAL EARTHWORK

196,176

Total Division 31 EARTHWORK

\$279,399

0

Division 32 EXTERIOR IMPROVEMENTS

ASPHALT PAVING

32 12 16 ASPHALT PAVING			0.00	0
58-28 BINDER			0.00	0
PRIME COAT	NOT INCLUDED		0.00	0
ASPHALT PAVING			0.00	0
RIP AND RECOMPACT -8"	INCLUDED	1.85		0
2' PATCHBACK AT NEW DRIVEPAN AT SABLE	21	SQYD	45.00	945
DRIVE LANES PARK AVENUE 4.5" HMA OVER 6" ABC	2,515	SQYD	27.65	69,540
DRIVE LANES 4.5" HMA OVER 6" ABC	9,926	SQYD	25.25	250,632
PARKING- 3.5" HMA OVER 6" ABC	4,482	SQYD	21.85	97,932
SOIL STERILANT	16,923	SQYD	0.19	3,215
CLEAN PAVING PRIOR TO SECOND LIFT	14,408	SQYD	0.05	720
STRIPING AND SIGNAGE	1	SUB	24,639.00	24,639
4" WHITE STRIPING	INCLUDED	0.00		0
4" DOUBLE YELLOW STRIPING	INCLUDED	0.00		0
CROSSWALKS	INCLUDED	0.00		0
SITE SIGN & POST	INCLUDED	0.00		0
STANDARD STALL STRIPING	INCLUDED	0.00		0
HC STALL STRIPING	INCLUDED	0.00		0
HC/VAN STALL STRIPING	INCLUDED	0.00		0
TYPE III BARRICADE	1	EACH	650.00	650
EPOXY STRIPING AND REMOVAL	INCLUDED	0.00		0

TOTAL ASPHALT PAVING

448,273

SITE CONCRETE

32 13 13 CONCRETE PAVING	1	SUB	305,750.00	305,750
SITE CONCRETE PLACE AND FINISH LABOR - PARK AVE.			0.00	0
VE #36 REDUCTION IN SIZE AND COMPLEXITY OF ENTRY SIGNAGE WA	(1)	LSUM	10,000.00	-10,000
VE #37 ELIMINATE CONCRETE MOW BAND AND REPLACE W ROCK/ ED	(1)	LSUM	4,550.00	-4,550
24" C&G	621	LNFT	0.00	0
10" ENTRY PANS	1,476	SQFT	0.00	0
HC RAMPS	6	EACH	0.00	0
TACTILE WARNING PAVERS AT HC RAMPS	6	EACH	0.00	0
4" GREY SIDEWALK	7,608	SQFT	0.00	0
SITE CONCRETE MATERIALS - PARK AVE.			0.00	0
MISC. CURE, EXPANSION AND ACCESSORIES	10,920	SQFT	0.00	0
REINFORCING MATERIALS	1	TONS	0.00	0

CONCRETE MATERIALS	187	CUYD	0.00	0
CONCRETE ACCELERATOR & ESCALATION	187	CUYD	0.00	0
FIBERMESH	187	CUYD	0.00	0
SITE CONCRETE PLACE AND FINISH LABOR - ONSITE			0.00	0
SANDBLAST LETTERS INTO CONCRETE WALKS	63	EACH	72.57	4,572
SIDEWALK - 4"	9,550	SQFT	0.00	0
SIDEWALK - 4" SANDSCAPE FINISH	3,808	SQFT	0.00	0
CONCRETE PAVING - 6"	1,456	SQFT	0.00	0
ADD CONCRETE AT SALLY PORT PER 100% BLDG COMMENTS	1	LS	2,086.00	2,086
TRASH PAD	235	SQFT	0.00	0
TRANSFORMER ENCLOSURE	199	SQFT	0.00	0
TRICKLE CHANNELS	1,912	SQFT	0.00	0
24" C&G	451	LNFT	0.00	0
18" C&G	5,823	LNFT	0.00	0
MOW CURBS / BANDS	1,075	LNFT	0.00	0
HC RAMPS	5	EACH	0.00	0
TACTILE WARNING PAVERS AT HC RAMPS	5	EACH	0.00	0
ADD ADA RAMP AT TRASH ENCLOSURE PER 100% BLDG COMMENTS	1	LS	1,250.00	1,250
PLACE BOLLARDS	6	EACH	15.00	90
PLACE LIGHTED BOLLARDS	10	EACH	15.00	150
LIGHT POLE BASES - 24" DIA. X 8' TALL	36	EACH	700.00	25,200
SITE CONCRETE MATERIALS			0.00	0
MISC. CURE, EXPANSION AND ACCESSORIES	28,421	SQFT	0.00	0
REINFORCING MATERIALS	1	TONS	0.00	0
CONCRETE MATERIALS	480	CUYD	0.00	0
CONCRETE ACCELERATOR & ESCALATION	480	CUYD	22.00	10,560
FIBERMESH	480	CUYD	0.00	0
COLORED CONCRETE (BASED ON 2LBS PER SACK)	21	CUYD	0.00	0
CONCRETE PUMPING FOR SITE CONCRETE - 30%	144	CUYD	0.00	0
GROUND HEATER AND FUEL	1	MNTH	5,750.00	5,750
LAYOUT	80	MHRS	50.72	4,058
TOTAL SITE CONCRETE				344,916
LANDSCAPING AND IRRIGATION				
SLEEVING FOR PHASE 1	1	SUB	8,143.00	8,143
TOTAL LANDSCAPING AND IRRIGATION				8,143
CONCRETE PAVERS				
CONCRETE PAVERS - PAVESTONE 8CM HOLLAND - DARK GREY	291	SQFT	25.10	7,304
SAND BED		INCLUDED	0.00	0
GRAVEL BASE		INCLUDED	0.00	0
TOTAL CONCRETE PAVERS				7,304
SECURITY FENCING				
AMERISTAR IMPASSE ANTI-SCALE FENCE	441	LF	179.00	78,939
AMERISTAR IMPASSE STANDARD FENCE	634	LF	150.00	95,100
SECURE ENTRANCE	2	EACH	32,000.00	64,000
VE #32 REPLACE ANTISCALE W IMPASSE II AND IMPASSE II W MONTAC	(1)	LSUM	37,014.00	-37,014
WWF-1 AT THE EVIDENCE STORAGE LOCKERS	1	SUB	11,242.00	11,242
MAXIFORCE MCSP-SS1-S COLLAPSIBLE BOLLARD	3	EACH	948.00	2,844
VE #34 REPLACE ANTI-RAM BOLLARDS W PLANTERS	(1)	LSUM	6,086.00	-6,086
AMERISTAR SFB-M30 SHALLOW MOUNT NONREMOVABLE BOLLARDS	10	EACH	2,581.10	25,811
EXCAVATE/ BACKFILL FOR BOLLARDS	15	CY	30.00	450
FORM AND PLACE CONCRETE FOR FOOTING	15	CY	400.00	6,000
INSTALL BOLLARD	13	EACH	50.72	659
DURA ART SECURITY BOLLARD/ANTI RAM PLANTER LSB-S-2 36X36	8	EACH	1,425.00	11,400
EXCAVATE/ BACKFILL FOR FOUNDATION	15	CY	30.00	450
FORM AND PLACE CONCRETE FOR FOOTING	15	CY	400.00	6,000
INSTALL PLANTER	8	EACH	300.00	2,400
TOTAL SECURITY FENCING				262,195
SITE AMENITIES				

BIKE RACKS- LANDSCAPE FORMS LOOP POWDER CT BLACK	6 EACH	424.54	2,547
TOTAL SITE AMENITIES			2,547
Total Division 32 EXTERIOR IMPROVEMENTS			\$1,073,378
			0

Division 33 UTILITIES

WATER SERVICES

33 11 00 WATER DISTRIBUTION	1 LSUM	122,017.00	122,017
8" WATER MAIN	1,702 LF	0.00	0
2" WATER SERVICE	101 LF	0.00	0
2.5" WATER SERVICE AFTER METER	11 LF	0.00	0
FIRE HYDRANT ASSEMBLY	2 EACH	0.00	0
4" DUCTILE IRON PIPE TO FH	38 LF	0.00	0
6" FIRE SERVICE	112 LF	0.00	0
CONNECT TO EXISTING WATER LINE STUB	1 EACH	0.00	0
2" METER PIT	1 EACH	0.00	0
POTHOLING	2 DAYS	1,600.00	3,200
WATER OFFSITE CHANGES PER 100% CIVIL BLDG COMMENTS	1 LSUM	468.00	468
WATER METER	- BY OWNER	0.00	0

TOTAL WATER SERVICES

125,685

SANITARY SEWER SERVICES

33 31 00 SANITARY SEWER SYSTEM	1 LS	49,084.00	49,084
8" SEWER MAIN	458 LF	0.00	0
SEWER MAN HOLE	6 EACH	0.00	0
6" SEWER MAIN	396 LF	0.00	0
CONNECT TO EXISTING MANHOLE	1 EACH	0.00	0
SEWER OFFSITE CHANGES PER 100% CIVIL BLDG COMMENTS	1 LSUM	8,846.00	8,846
GREASE INTERCEPTOR:	W PLUMBING	0.00	0

TOTAL SANITARY SEWER SERVICES

57,930

STORM SEWER SERVICES

33 41 00 STORM DRAINAGE	1 LSUM	163,259.00	163,259
18" RCP STORM SEWER	1,222 LF	0.00	0
STORM SEWER MANHOLE	10 EACH	0.00	0
12" RCP STORM SEWER	108 LF	0.00	0
8" PVC STORM ROOF DRAIN LEADERS	552 LF	0.00	0
6" PVC STORM ROOF DRAIN LEADERS	147 LF	0.00	0
PERIMETER DRAIN AT MONUMENT WALL	EXCLUDED	0.00	0
4" PERFORATED UNDERDRAIN AT (3) TREE WELLS	181 LF	0.00	0
10' TYPE R INLET	3 EACH	0.00	0
ROOF DRAIN PLAN CHANGES FROM 100% CIVIL BLDG COMMENTS	1 LSUM	1,540.00	1,540
DRAIN AND GRAVEL AT ONE SIDE OF MONUMENT/RETAINING WALL	81 LF	35.00	2,835

TOTAL STORM SEWER SERVICES

167,634

Total Division 33 UTILITIES

\$351,249

EXHIBIT B
Phase 1
Firestone Police Department & Municipal Courts

CONSTRUCTION CLARIFICATIONS AND ASSUMPTIONS

Our 100% Phase 1 Construction Design Documents Estimate dated June 8, 2018 is based on plans and specifications provided by Roth Sheppard Architects LLP per Attachment C of the Contract.

This document is intended to complement the information provided in the detailed estimate and alternate summary.

- Alternate summary costs are provided as a pricing guideline, pricing will fluctuate with final design revision. All items are pending review of the owner and design team.
- To the extent possible, products by specified basis-of-design manufacturers have been included. Use of comparable products or acceptable manufacturers as identified in the project specifications is considered to be in conformance with the project requirements.
- Our proposal is based on a construction start of June 18th 2018.
- FCI will endeavor to complete the project in the allotted time frame, however we have not included any compression or acceleration costs in our current estimate, based on a delay to the permitting and design approval process.
- Weather days are not included in the base schedule, nor are they anticipated. Substantial completion date is 8/16/2019.

PART 1: Summary of Allowances Included in the 100% CD Budget:

Allowances include costs for materials, tools, equipment, and labor as required for a complete and finished product.

- Not Applicable for Phase 1

PART 2: Summary of Contractor Provided Voluntary Alternates:

- Not Applicable.

PART 3: Scope Inclusions and Clarifications

- Sheet E1.1 Note #7- Street Light fixtures are assumed to be supplied and installed, including the light pole bases, by others.
- We have included a drainage course with pipe on one side of the Retaining wall/ Monument wall.
- We have included a 4" gravel layer (CDOT Class 6) underneath the slab on grade even though it is not recommended by Terracon.

- Concealed, hidden or unforeseen conditions have been excluded. No assumption of conditions shall apply.
- Trash removal is included only for the scope of work defined within this proposal.
- FCI Constructors, Inc. assumes no liability for others not under our prime contract.
- If delays are incurred due to circumstances uncontrollable by FCI Constructors, Inc. or imposed by others, general condition charges may be submitted as a change order.

PART 4: Summary of Items Not Included in FCI's Proposal which are Anticipated to be By Others:

- Fees or requirements associated with LEED or any other building certification
- Materials testing & inspections
- Exterior Furniture

PART 5: Summary of Items Specifically Excluded from FCI's Proposal:

- Permit fees, plan check fees, use taxes, taxes, water district fees, fire district fees and dry utility fees.
- Recycling dumpsters
- Design or engineering fees
- Hazardous material abatement
- Mock-ups with the exception of a Colored Concrete mock up 8' x 8' to be done at the time of project.
- Galvanized steel
- Water meter (permanent)
- Dewatering
- Engineered drawings for fencing
- Engineered drawings for Light Pole Bases

Exhibit C:
Firestone Police Department and Municipal Courts
Civil and Site Package
Enumeration of Construction Documents

Document:	DWG #	Description:	# of Pages
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Project Manual dated 5/4/2018 as follows:

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Project Directory

Professional Seals

Final Drainage Report 4/30/18

DIVISION 00 – PROCUREMENT AND CONTRACTING REQUIREMENTS

Available Project Information	00 31 00 – 1
E-File Transfer Disclaimer	1
Geotechnical Data	00 31 32 - 1

DIVISION 1 – GENERAL REQUIREMENTS

Summary – Civil and Site Package	01 11 00 – 5
Substitution Procedures	01 25 00 – 4
Substitution Request Form	1
Contract Modification Procedures	01 26 00 – 3
Payment Procedures	01 29 00 – 5
Project Management and Coordination	01 31 00 – 9
Request for Information (RFI) Form	1
Construction Progress Documentation	01 32 00 – 6
Photographic Documentation	01 32 33 – 2
Submittal Procedures	01 33 00 – 10
Quality Requirements	01 40 00 – 10
References	01 42 00 – 1
Definitions and Conventions	01 42 16 – 4
Temp Facilities and Controls	01 50 00 – 7
Product Requirements	01 60 00 – 5
Execution	01 73 00 – 7
Construction Waste Management and Disposal	01 74 19 – 4
Closeout Procedures	01 77 00 – 4
Operation and Maintenance Data	01 78 23 – 7
Warranties and Bond	01 78 35 – 3
Project Record Documents	01 78 39 – 4
Demonstration and Training	01 79 00 – 4

DIVISIONS 2 – 14 (Not Used)

DIVISIONS 15 – 19 (Reserved)

DIVISIONS 20 – 23 (Not Used)

DIVISIONS 24 – 25 (Reserved)

Exhibit C:
Firestone Police Department and Municipal Courts
Civil and Site Package
Enumeration of Construction Documents

Document:	DWG #	Description:	# of Pages
DIVISION 26 - ELECTRICAL			
		Grounding and Bonding for Electrical Systems	26 05 06 – 6
		Exterior Lighting	26 56 00 – 4
DIVISION 27 – COMMUNICATIONS			
		Common Work Results for Communication Systems	27 05 00 – 10
		Grounding and Bonding for Communications Systems	27 05 26 – 4
		Copper Inter-Building Backbone Cable	27 17 10 – 5
		Inter-Building Fiber Optic Cable	27 17 20 – 10
DIVISION 28 – ELECTRONIC SAFETY AND SECURITY (Not Used)			
DIVISION 31 – CIVIL			
		Site Preparation	31 00 00 – 5
		Earthwork	31 20 00 – 4
		Erosion and Sediment Controls	31 25 00 – 2
DIVISION 32 – LANDSCAPE			
		Asphalt Paving	32 12 16 – 4
		Concrete Paving	32 13 13 – 7
		Irrigation	32 84 00 – 20
DIVISION 33 – UTILITIES			
		Water Distribution	33 11 00 – 4
		Sanitary Sewer System	33 31 00 – 3
		Storm Drainage	33 41 00 – 4
DIVISIONS 34 – 49 (Not Used)			
APPENDICIES			
		Appendix A – Geotechnical Engineering Study (Soils Report)	77

Exhibit C:
Firestone Police Department and Municipal Courts
Civil and Site Package
Enumeration of Construction Documents

Document:	DWG #	Description:	# of Pages
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Phase 1 Project Drawings dated 5/4/18:

G0.00	COVER SHEET		
G0.01	PROJECT INFORMATION & SHEET INDEX		

CIVIL

C1.01	COVER SHEET	(revision 6/1/18)
C1.02	NOTES, ABBREVIATIONS, & LEGEND	(revision 6/1/18)
C1.03	GEOMETRIC CONTROL PLAN	(revision 6/1/18)
C1.04	INITIAL SWMP	(revision 6/1/18)
C1.05	INTERIM SWMP	(revision 6/1/18)
C1.06	FINAL SWMP	(revision 6/1/18)
C1.07	SWMP DETAILS	(revision 6/1/18)
C1.08	SWMP DETAILS	(revision 6/1/18)
C1.09	SWMP DETAILS	(revision 6/1/18)
C2.01	PARK AVENUE PLAN & PROFILE	(revision 6/1/18)
C2.02	GRADING PLAN	(revision 6/1/18)
C2.03	GRADING PLAN	(revision 6/1/18)
C2.04	GRADING PLAN	(revision 6/1/18)
C2.05	GRADING PLAN	(revision 6/1/18)
C2.06	ROADWAY DETAILS	(revision 6/1/18)
C2.07	SITE DETAILS	(revision 6/1/18)
C3.01	OVERALL UTILITY PLAN	(revision 6/1/18)
C3.02	STORM SEWER PLAN AND PROFILE	(revision 6/1/18)
C3.03	STORM SEWER PLAN AND PROFILE	(revision 6/1/18)
C3.04	STORM SEWER PLAN AND PROFILE	(revision 6/1/18)
C3.05	UTILITY PLAN	(revision 6/1/18)
C3.06	UTILITY PLAN	(revision 6/1/18)
C3.07	UTILITY DETAILS	(revision 6/1/18)
C3.08	UTILITY DETAILS	(revision 6/1/18)
C4.01	PAVEMENT PLAN	(revision 6/1/18)
C5.01	ROADWAY SIGNAGE AND STRIPING PLAN	(revision 6/1/18)
C5.02	SIGNAGE AND STRIPING PLAN	(revision 6/1/18)
C6.01	OFFSITE SANITARY SEWER COVER SHEET	(revision 6/1/18)
C6.02	PARK AVENUE SANITARY SEWER PLAN AND PROFILE	(revision 6/1/18)
C6.03	SANITARY SEWER DETAILS	(revision 6/1/18)

IRRIGATION

I1.00	NOTES AND SCHEDULE	(revision 6/1/18)
I2.00	IRRIGATION PLAN	(revision 6/1/18)
I3.00	IRRIGATION PLAN	(revision 6/1/18)
I4.00	IRRIGATION PLAN	(revision 6/1/18)
I5.00	IRRIGATION PLAN	(revision 6/1/18)

Exhibit C:
Firestone Police Department and Municipal Courts
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I6.00	IRRIGATION DETAILS	(revision 6/1/18)	
I7.00	IRRIGATION DETAILS	(revision 6/1/18)	
I8.00	IRRIGATION DETAILS	(revision 6/1/18)	

ELECTRICAL

E1.0 ELECTRICAL SITE PLAN (revision 6/1/18) Titled 2018-06.01_FirestonePD=Phase1_ELECT-PROGRESS

E1.1 ELECTRICAL SITE PHOTMETRIC PLAN (revision 6/1/18) Titled 2018-06.01_FirestonePD=Phase1_ELECT-PROGRESS

E.1.2 POLE BASE DETAILS (revision 6/1/18) Titled 2018-06.01_FirestonePD=Phase1_ELECT-PROGRESS

AV

T-005 TECHNOLOGY SITE PLAN LEGEND

T-100 TECHNOLOGY SITE PLAN

AGENDA INFORMATION MEMORANDUM

FIRESTONE TOWN BOARD OF TRUSTEES



AIM#: 7.c.

Discussion/Action

Meeting Date: June 13, 2018

Initiated By: Jennifer Weinberger, Asst Town Mgr

Dept: Administration

AGENDA TITLE

COMMUNITY GRANT AND CONTRIBUTIONS APPLICATIONS DISCUSSION

SUMMARY

At the May 16, 2018 Work Session the Carbon Valley Help Center presented to the Board a desire to renovate the garage on Buchanan. After the donations received by the Help Center for this project, CVHC asked for the Town to contribute \$3,000. At this time our Community Resources Director supplied the Board with information received from roofing contractors. If the space use was going to change, there would be an additional approximately \$3,000 to vent and redo the roof of the garage. If this is approved, the funding from the contributions area may be used.

If the Board is considering a temporary solution to the needs of the Help Center, a Conex Box can be placed behind the building, which can either be rented or purchased and sold once the need is no longer there. These containers come in multiple sizes and colors. They are airtight and will meet the needs of dry goods storage.

At the May 23, 2018 Board meeting there were two presentations made, and both parties asked for contributions.

The First was Frederick High School's (Future Business Leaders of America, (FBLA) and also from student Katlyn Lucas for participation funding to go to the National Speech and Debate Tournament. Ms. Lucas has filled out a Community Grant Application and is requesting for your consideration \$500.

The FBLA group is requesting \$1000.00.

HISTORY AND PREVIOUS BOARD ACTION

The Board asked Staff to bring back this information from the May 23, 2018 Presentations.

RECOMMENDATION

To use the line item for Contributions for these particular applications.

ALTERNATIVES

Board can provide Staff other direction.

ATTACHMENTS

None

FINANCIAL CONSIDERATIONS

The Town Board approved a total of \$13,000 for Community Grants and Contributions. There are four items that were determined as Board contributions during the Budget Process and the historical Board support. These are the Easter Egg Hunt - \$1,000, Carbon Valley Half Marathon - \$1,000, Relay for Life - \$1,000 and the after prom activities for Mead and Frederick High Schools for \$500 each.

There is \$9,000 remaining in this budget area.

CVHC request with the Roof costs included - \$6,000

Katlyn Lucas for National Speech and Debate Tournament - \$500

FBLA, Frederick High School - \$1000

ORDINANCE NO. 933

AN ORDINANCE APPROVING A LEASE-PURCHASE AGREEMENT FOR SIX NEW PUBLIC WORKS VEHICLES

WHEREAS, the Town is authorized by applicable law, including but not limited to C.R.S. § 31-15-801 et seq., to acquire equipment and to enter into leases for the same, which leases may include an option to purchase and acquire title to the leased property; and

WHEREAS, the Board of Trustees deems it necessary and desirable for the efficient and proper functioning of the Town and for the health and safety of the Town's inhabitants to acquire six new public works vehicles; and

WHEREAS, the Board of Trustees has determined it is in the best interest of the Town and its inhabitants to enter into the lease contemplated herein for the lease with option to purchase of 2018 Ford F-250 vehicles to be used by the Town public works department;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

Section 1. The Master Equipment Lease-Purchase Agreement between the Town and Ford Motor Credit Company LLC (the "Lease") for lease and acquisition of six 2018 Ford F-250 vehicles, which Lease includes an option to purchase and acquire title to the vehicles, is hereby approved in essentially the same form as the copy of such Lease accompanying this ordinance.

Section 2. The Mayor and Town Clerk are authorized to execute the Lease on behalf of the Town, except that the Mayor is further hereby granted the authority to negotiate and approve such revisions to said Lease as determined necessary or desirable for the protection of the Town, so long as the essential terms and conditions of the Lease are not altered. The Lease shall be in a principal amount not to exceed \$166,559.00, will bear interest at a rate not to exceed 6.20% per annum and the aggregate of the initial term and all renewal terms shall not exceed five years. The Lease shall contain an option to purchase by the Town as therein set forth.

Section 3. The Mayor and Town Clerk are authorized to execute the Lease on behalf of the Town. The Mayor, Town Clerk, Town Attorney, and Town staff are further authorized to execute such other documents as are necessary to implement the Lease, and Town staff is authorized and directed to make payments under the Lease for which funds are legally available.

Section 4. All financial obligations of the Town under the Lease shall be subject to annual budgeting and appropriation, and nothing herein shall be deemed to authorize, or construed to authorize, any multiple-fiscal year direct or indirect obligation whatsoever.

Section 5. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The Board of

Trustees hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 6. All actions heretofore taken by Town employees, officers and members of the Town Board of Trustees, not inconsistent with the provisions of this ordinance, are hereby ratified, approved and confirmed.

Section 7. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this ____ day of _____, 2018.

TOWN OF FIRESTONE, COLORADO

Bobbi Sindelar, Mayor

ATTEST:

Leah Vanarsdall, Town Clerk



FORD CREDIT

**REVISED Lease/Purchase Financing Proposal
Town of Firestone, Schedule: 9230101**

May 16, 2018

Quantity	Description	Price
6	2018 Ford F-250	\$27,669.00

Total Amount Financed*	of Payments	Payment Timing	APR	Payment Factor	Payment Amount
\$166,559.00	5	Annual in Advance	6.20%	0.224755	\$37,434.97

*\$545.00 underwriting fee included

EXPIRATION DATE: 07/13/2018**All vehicles must be delivered, executed contract and payment to Ford Credit prior to this date.**

This proposal, until credit approved, is not a commitment by Ford Credit Municipal Finance. It has been prepared assuming that the lease qualifies for Federal Income Tax Exempt Status for Ford Credit Company LLC under Section 103 of the IRS Code. Financing is subject to credit review and approval of acceptable documentation by Ford Credit Municipal Finance.

MUNICIPALITY REQUIREMENTS

In order for us to proceed with the approval process, please fax to (313) 390-3783 or email jdoty@ford.com the following items:

- Most recent audited financial statements.
- Copy of Board Resolution or Meeting Minutes showing proof of appropriation.
- Completed Municipal Finance Application (attached).

Note: Please forward the **signed original** Municipal Finance Application by mail to Ford Credit Municipal Finance, 1 American Road-MD 7500, Dearborn, MI 48126.

DEALERSHIP REQUIREMENTS

In order for Ford Credit Municipal Finance to prepare the Lease/Purchase Financing documentation for the municipality, the following items are required from Spradley Barr Ford:

- Vehicle vin number(s) and/or equipment serial number(s).
- Itemized list of equipment, if applicable.
- On dealership letterhead, provide the following wire instructions, if not already on file in the following format:
 - dealership's bank name,
 - dealership's bank 9-digit ABA routing number,
 - dealership's bank account number,
 - signature and title of person providing the information.

Note: You should not deliver any of the vehicle(s) and/or equipment to the municipality until credit has been approved and we receive our fully executed contract and first payment, if applicable.

Ford Motor Credit Company ("FMCC") is providing the information contained in this document for discussion purposes only in connection with a proposed arm's length commercial leasing transaction between you and FMCC. FMCC is acting for its own interest and has financial and other interests that differ from yours. FMCC is not acting as a municipal advisor or financial advisor to you, and has no fiduciary duty to you. The information provided in this document is not intended to be and should not be construed as "advice" within the meaning of Section 15B of the Securities Exchange Act of 1934 and the municipal advisor rules of the SEC. FMCC is not recommending that you take an action and you should discuss any actions with your own advisors as you deem appropriate.



FORD MOTOR CREDIT COMPANY LLC
MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT

Lease No. «LeaseNo»

Lessee: «Municipality»
«LesAddr2»
«LesCity», «LesState» «LesZip»

Lessor: **Ford Motor Credit Company LLC**
1 American Road
Dearborn, MI 48126

The terms of this Master Equipment Lease Purchase Agreement (the "Master Agreement") are terms which will be incorporated into, and constitute a part of, one or more lease schedules executed from time to time by Lessor and Lessee (together with all attachments thereto, a "Schedule," or "Lease" or collectively, the "Schedules" or "Leases"), pursuant to which Lessee agrees to lease from Lessor, the equipment, including all additions, attachments, accessions, and substitutions thereto (the "Equipment"), described in each such Schedule. Each executed and delivered Schedule will constitute a separate, assignable obligation.

1. TERM AND TERMINATION. The lease term (the "Lease Term") for the Equipment listed in each Schedule will commence on the earlier of (i) the date on which the Equipment listed on the Schedule is accepted by Lessee by the execution of a Delivery and Acceptance Certificate as required under Section 3 below, or (ii) the date on which sufficient moneys to purchase such Equipment are deposited for that purpose with an escrow agent (the "Commencement Date"), and, unless earlier terminated as expressly provided for in Sections 6, 19 or 20 of this Master Agreement, will continue until the expiration date (the "Expiration Date") set forth in the applicable Schedule.

2. LEASE PAYMENTS. For the lease of the Equipment listed in each Schedule, Lessee shall pay to Lessor the lease payments and other charges (the "Lease Payments") set forth in the applicable Schedule. As set forth in the applicable Schedule, each Lease Payment includes a principal portion and an interest portion. The Lease Payments will be payable without notice or demand at the office of Lessor (or such other place as Lessor or its assignee may from time to time designate in writing) on the first Lease Payment Date and thereafter as set forth in the applicable Schedule. If any Lease Payment is received later than 10 days after the due date, Lessee will pay a late payment charge equal to 1.8% of the amount of the Lease Payment or the maximum amount permitted by law, whichever is less. Except as specifically provided in Section 6 hereof, the obligation of Lessee to make the Lease Payments hereunder and perform all of its other obligations hereunder will be absolute and unconditional in all events and will not be subject to any abatement, setoff, defense, counterclaim, or recoupment for any reason whatsoever including, without limitation, any failure of the Equipment to be delivered or installed, any defects, malfunctions, breakdowns or infirmities in the Equipment or any accident, condemnation or unforeseen circumstances. Lessee reasonably believes that sufficient funds can be obtained to make all Lease Payments during the applicable Lease Term and hereby covenants that the official of Lessee responsible for budget preparation will do all things lawfully within his or her power to obtain, maintain and properly request and pursue funds from which the Lease Payments may be made, including making provisions for Lease Payments to the extent necessary in each budget submitted for the purpose of obtaining funding, using his or her best efforts to have such portion of the budget approved and exhausting all available administrative reviews and appeals in the event such portion of the budget is not approved. It is Lessee's intent to make Lease Payments for the full Lease Term if funds are legally available therefor and in that regard Lessee represents that the use of the Equipment is essential to its proper, efficient and economic operation. The foregoing provisions shall not be construed to require Lessee's governing body or other governmental body charged with budgeted or appropriating funds for Lessee to budget or appropriate funds to make Lease Payments. Lessor and Lessee understand and intend that the obligation of Lessee to pay Lease Payments hereunder and each Schedule hereto shall constitute a current expense of Lessee and shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general tax revenues, funds or monies of Lessee.

3. CONDITIONS TO LESSOR'S PERFORMANCE UNDER SCHEDULES; DELIVERY AND ACCEPTANCE OF EQUIPMENT. (a) As a prerequisite to the performance by Lessor of any of its obligations pursuant to the execution and delivery of any Schedule, Lessee shall deliver to Lessor the following: (i) if requested by Lessor, a certification satisfactory to Lessor of the Clerk or Secretary or other comparable officer of Lessee as to due authorization and approval, incumbency of officers and such other matters as Lessor may require; (ii) if requested by Lessor, an opinion of counsel to Lessee respecting such Schedule in substantially the form attached hereto as **Exhibit A** and otherwise satisfactory to Lessor; (iii) all documents, including an application for certificate of title with lien notice, as applicable, and other financing statements, affidavits, notices and similar instruments, in form satisfactory to Lessor, which Lessor deems necessary or appropriate at that time pursuant to Sections 8 and 15; (iv) board minutes in a form acceptable to Lessor; (v) a copy of the executed Internal Revenue Services ("IRS") form 8038-G or 8038-GC, as appropriate, as filed, or to be filed, with the IRS, (vi) satisfactory proof of property and liability insurance coverage and (vii) such other items, if any, as are set forth in such Schedule or are reasonably required by Lessor. This Master Agreement is not a commitment by Lessor to enter into any Schedule not currently in existence, and nothing in this Master Agreement shall be construed to impose any obligation upon Lessor to enter into any proposed Schedule, it being understood that whether Lessor enters into any proposed Schedule shall be a decision solely within Lessor's discretion, and no Lease will be binding or commence until accepted by Lessor. Without limiting the foregoing, Lessee will provide Lessor with any documentation or information Lessor may request in connection with Lessor's review of any proposed Schedule. Such documentation may include, without limitation, documentation concerning the Equipment and its contemplated use and location and documentation or information concerning the financial status of Lessee and other matters related to Lessee.

(b) Lessee will cause the Equipment to be delivered to Lessee at the location specified in the applicable Schedule ("Equipment Location"). Lessee will pay all transportation and other costs, if any, incurred in connection with the delivery and installation of the Equipment. Lessee will accept the Equipment as soon as it has been delivered and is operational. Lessee will evidence its acceptance of the Equipment by executing and delivering to Lessor a Delivery and Acceptance Certificate in the form provided by Lessor within three days of delivery of the Equipment.

4. WARRANTIES. (a) Assignment of Warranties. So long as no Event of Default has occurred and is continuing, Lessor assigns to Lessee during the Lease Term of the Equipment all manufacturer's warranties, if any, expressed or implied with respect to the

Equipment, and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's expense. Lessee will resolve any claims under such warranties directly with the appropriate manufacturer or supplier of the Equipment. Lessee's sole remedy for the breach of any warranty shall be against the party providing the warranty, and not against Lessor. Lessee expressly acknowledges that Lessor makes, and has made, no representations or warranties whatsoever as to the existence or the availability of such warranties of the manufacturer or supplier of the Equipment.

(b) **DISCLAIMER OF WARRANTIES.** LESSEE ACKNOWLEDGES AND AGREES THAT (1) THE EQUIPMENT IS OF A SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE, (2) LESSOR IS NOT A MANUFACTURER, DISTRIBUTOR, VENDOR OR SUPPLIER OF THE EQUIPMENT, (3) LESSOR LEASES AND LESSEE TAKES THE EQUIPMENT AND EACH PART THEREOF "AS-IS" AND (4) LESSOR HAS NOT MADE, AND DOES NOT MAKE, ANY REPRESENTATION, WARRANTY, OR COVENANT, EXPRESS OR IMPLIED, WITH RESPECT TO THE MERCHANTABILITY, CONDITION, QUALITY, DURABILITY, DESIGN, OPERATION, FITNESS FOR USE, OR SUITABILITY OF THE EQUIPMENT IN ANY RESPECT WHATSOEVER OR IN CONNECTION WITH OR FOR THE PURPOSES AND USES OF LESSEE, OR AS TO THE ABSENCE OF LATENT OR OTHER DEFECTS, WHETHER OR NOT DISCOVERABLE, OR AS TO THE ABSENCE OF ANY INFRINGEMENT OF ANY PATENT, TRADEMARK OR COPYRIGHT, OR AS TO ANY OBLIGATION BASED ON STRICT LIABILITY IN TORT OR ANY OTHER REPRESENTATION, WARRANTY, OR COVENANT OF ANY KIND OR CHARACTER, EXPRESS OR IMPLIED, WITH RESPECT THERETO, IT BEING AGREED THAT ALL RISKS INCIDENT THERETO ARE TO BE BORNE BY LESSEE AND LESSOR SHALL NOT BE OBLIGATED OR LIABLE FOR ACTUAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES OF OR TO LESSEE OR ANY OTHER PERSON OR ENTITY ARISING OUT OF OR IN CONNECTION WITH THE USE OR PERFORMANCE OF THE EQUIPMENT AND THE MAINTENANCE THEREOF.

5. RETURN OF EQUIPMENT. Unless Lessee shall have exercised its purchase option as provided in Section 20 hereof, upon the expiration or earlier termination of the Lease Term of the Equipment pursuant to the terms hereof, Lessee shall, at its sole expense but at Lessor's option, return the Equipment to Lessor in good working condition, packed for shipment in accordance with manufacturer's specifications and freight prepaid and insured to any location designated by Lessor.

6. NON-APPROPRIATION OF FUNDS. Notwithstanding anything contained in this Master Agreement or any Schedule to the contrary, in the event no funds or insufficient funds are appropriated and budgeted and sufficient funds are not otherwise made available in any fiscal period for all Lease Payments under a Lease, Lessee will immediately notify Lessor in writing of such occurrence and provide documentation evidencing such non-appropriation satisfactory to Lessor, and the Lease Term for the Equipment under that Lease shall terminate on the last day of the fiscal period for which sufficient appropriations have been received or made without penalty or expense to Lessee, except as to Lessee's obligations and liabilities under any Lease relating to, or accruing or arising prior to, such termination. In the event of such termination, Lessee agrees to peaceably surrender possession of the Equipment under that Lease to Lessor on the date of such termination in the manner set forth in Section 5 hereof and Lessor will have all legal and equitable rights and remedies to take possession of the Equipment.

7. REPRESENTATIONS AND WARRANTIES. Lessee represents and warrants as of the date hereof, and as of the date of each Schedule, that: (a) Lessee is a State or a fully constituted political subdivision of a State, and has a substantial amount of one or more of the following sovereign powers: (1) power to tax, (2) power of eminent domain, or (3) police power, and will do or cause to be done all things necessary to preserve and keep in full force and effect its existence; (b) Lessee is authorized under the constitution and laws of the State to enter into and agree to the terms of this Master Agreement and, as of the date of each Schedule, that Schedule and the transactions contemplated thereby and to perform all of its obligations thereunder; (c) the execution, delivery and performance by the Lessee of this Master Agreement, and each Schedule incorporating the terms of this Master Agreement has been duly authorized by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval, and will not result in contravention of any state, county, district, city or town statute, charter, ordinance, resolution, rule, regulation or other governmental provision or requirement, including, without limitation any applicable debt limitations; (d) each Schedule incorporating the terms of this Master Agreement constitutes a legal, valid and binding obligation of the Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (e) all required public bidding procedures, and the purchase of the Equipment covered by each Schedule have been followed by Lessee, and, as of the date of each Schedule, no governmental orders, permissions, consents, approvals or authorizations are required to be obtained and no registrations or declarations are required to be filed in connection with the execution and delivery of that Schedule; (f) Lessee has made sufficient appropriations or other funds available to pay all Lease Payments and other amounts due hereunder for the current fiscal period; (g) the use of the Equipment by Lessee is essential to and will be limited to the performance by Lessee of one or more governmental functions of Lessee consistent with the permissible scope of Lessee's authority; (h) no event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default hereunder or a default under any debt, revenue or purchase obligation which it has issued or to which it is a party exists, nor has it been in default under any such obligation at any time during the past five years; (i) no lease, rental agreement or contract for purchase to which Lessee has been a party at any time during the past five years has been terminated by Lessee as a result of insufficient funds being appropriated in any fiscal period; and (j) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best knowledge of Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Master Agreement or any Schedule incorporating the terms of this Master Agreement, or any other document, agreement or certificate that is used or contemplated for use in the consummation of the transactions contemplated by this Master Agreement or any Schedule.

8. TITLE TO EQUIPMENT; SECURITY INTEREST. Upon acceptance of the Equipment by Lessee, title to the Equipment will vest in Lessee subject to Lessor's rights under the Schedule and the terms of this Master Agreement; provided, however, that title will immediately vest in Lessor without any action by Lessee and Lessee shall immediately surrender possession of the Equipment to Lessor in accordance with Section 5 hereof, if Lessee terminates the Lease Term of the Equipment pursuant to Section 6, or upon the occurrence of an Event of Default, or if Lessee does not exercise the purchase option prior to the Expiration Date. It is the intent of the parties that any transfer of title to Lessor pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessee shall, nevertheless, execute and deliver any such instruments as Lessor may request to evidence such transfer. In order to secure all of its obligations under each Lease, Lessee hereby (a) grants to Lessor a first and prior security interest in any and all right, title and interest of Lessee in the Equipment covered by that Lease including but not limited to computer programs and computer

documentation, if any, relating to the Equipment and in all additions, attachments, accessions, and substitutions thereto whether now owned or hereafter acquired, and on any proceeds therefrom, (b) agrees that the applicable Lease may be filed as a financing statement evidencing such security interest, (c) agrees to execute and deliver all financing statements, certificates of title and other instruments in form satisfactory to Lessor necessary or appropriate to evidence such security interest, and (d) authorizes Lessor acting on behalf of Lessee to file any financing statements and to take any other action required to perfect and maintain Lessor's security interest in the Equipment.

9. USE; REPAIRS. Lessee will use the Equipment in a careful manner for the use contemplated by the manufacturer of the Equipment. Lessee shall comply with all laws, ordinances, insurance policies and regulations relating to the possession, use, operation or maintenance of the Equipment. Lessee, at its expense, will keep the Equipment in good working order and repair and furnish all parts, mechanisms and devices required therefor.

10. ALTERATIONS. Lessee will not make any modifications, alterations, additions or improvements to the Equipment without Lessor's prior written consent unless such modifications, alterations, additions or improvements may be readily removed without damage to the Equipment.

11. LOCATION; INSPECTION. The Equipment will not be removed from or, if the Equipment consists of rolling stock, its permanent base will not be changed from the Equipment Location without Lessor's prior written consent which will not be unreasonably withheld. Lessor will be entitled to enter upon the Equipment Location or elsewhere during reasonable business hours to inspect the Equipment or observe its use and operation.

12. LIENS AND TAXES. Lessee shall keep the Equipment free and clear of all levies, liens and encumbrances except those created under any Schedule incorporating the terms of this Master Agreement. Lessee shall pay, when due, to the extent required by law, all charges and taxes (local, state and federal) which may now or hereafter be imposed upon the ownership, leasing, rental, sale, purchase, possession or use of the Equipment, excluding however, all taxes on or measured by Lessor's income. If Lessee fails to pay said charges, or taxes when due, Lessor may, but need not, pay said charges or taxes and, in such event, Lessee shall reimburse Lessor therefor on demand, with interest at the maximum rate permitted by law from the date of such payment by Lessor to the date of reimbursement by Lessee.

13. RISK OF LOSS; DAMAGE; DESTRUCTION. Lessee assumes all risk of loss of or damage to the Equipment from any cause whatsoever, and no such loss of or damage to the Equipment nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make Lease Payments or to perform any other obligation under any Lease. In the event of damage to any item of Equipment, Lessee will immediately place the same in good repair, with the proceeds of any insurance recovery applied to the cost of such repair. If Lessor determines that any item of Equipment is lost, stolen, destroyed or damaged beyond repair, within 30 days of such determination, Lessee, at the option of Lessor, will either (a) replace the same with like equipment in good repair (with its own funds to the extent that sufficient insurance proceeds are not available for that purpose) and convey, to the extent permitted by law, a security interest in such replacement equipment to Lessor (at which time such equipment will become Equipment subject to the Lease), or (b) pay Lessor an amount equal to (1) the Concluding Payment for the immediately preceding Lease Payment Date as set forth in the applicable Schedule, (2) the accrued interest portion of the next Lease Payment through the date such amount is paid, and (3) all other amounts then due under any Schedule with respect to such Equipment. In the event that Lessee is obligated to make such payment pursuant to clause (b) above with respect to less than all of the Equipment under a Schedule, Lessor will provide Lessee with the pro rata amount of the Concluding Payment to be made by Lessee with respect to the Equipment which has suffered the event of loss. The pro rata amount will be calculated on the basis of the Cash Price shown on the Schedule for the particular item of Equipment that has been lost, stolen, destroyed or damaged and the aggregate Cash Price of all items of Equipment under the same Schedule. Upon receipt of the Concluding Payment, Lessee shall be entitled to whatever interest Lessor has in such Equipment, in its then condition and location, without warranties of any kind.

14. PERSONAL PROPERTY. The Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon. If requested by Lessor, Lessee will, at Lessee's expense, furnish a waiver of any interest in the Equipment from any party having an interest in any such real estate or building.

15. INSURANCE. Lessee, will, at its expense, maintain at all times during the Lease Term, fire and extended coverage, public liability and property damage insurance with respect to the Equipment in such amounts, covering such risks, and with such insurers satisfactory to Lessor, or may self-insure against any or all such risks under a self-insurance program satisfactory to Lessor. In no event will the insurance limits be less than the amount of the then applicable Concluding Payment with respect to such Equipment, as shown on the applicable Schedule. Each insurance policy will name Lessee as an insured and Lessor as an additional insured, and will contain a clause requiring the insurer to give Lessor at least 30 days prior written notice of any alteration in the terms of such policy or the cancellation thereof. The proceeds of any such policies or self-insurance will be payable to Lessee and Lessor as their interests may appear. Upon acceptance of the Equipment, on or before each insurance renewal date, and otherwise at Lessor's request, Lessee will deliver to Lessor a certificate evidencing such insurance. In the event that Lessee has been permitted to self-insure, Lessee will furnish Lessor with a letter or certificate to such effect. In the event of any loss, damage, injury or accident involving the Equipment, Lessee will promptly provide Lessor with written notice thereof and make available to Lessor all information and documentation relating thereto and shall permit Lessor to participate and cooperate with Lessee in making any claim for insurance in respect thereof. Should Lessee fail to obtain such insurance or to provide evidence thereof to Lessor, Lessor may, but shall not be obligated to, obtain such insurance on Lessee's behalf and charge Lessee for all costs and expenses associated therewith. Without limiting the generality of the foregoing, Lessee specifically acknowledges and agrees that if Lessor obtains such insurance on Lessee's behalf, Lessee will be required to pay a monthly insurance charge. The insurance charge will include reimbursement for premiums advanced to the insurer, finance charges (which will typically be at a rate higher than the rate used to determine the Lease Payment amount payable by Lessee), billing and tracking fees, administrative expenses and other related fees.

16. INDEMNIFICATION. Since Lessor's sole responsibility in connection with this transaction is to provide an amount equal to the principal portion of the Lease Payments to pay costs of the acquisition and lease of the Equipment, the parties intend that Lessor incur no liability, cost or expense with respect to Lessee's possession, use, condition, storage, operation or return of the Equipment, or the loss of federal tax exemption of the interest on any Lease. Accordingly, Lessee agrees, to the extent permitted by law, to indemnify Lessor against, and hold Lessor harmless from, any and all claims, actions, proceedings, expenses, penalties, interest, damages or liabilities, including attorney's fees and court costs, arising in connection with the Equipment, including, but not limited to, its selection, purchase, delivery,

installation, ownership, possession, use, operation, rejection, or return and the recovery of claims under insurance policies thereon. The indemnification provided under this Section shall survive the full payment of all obligations under all Schedules or the termination of the Lease Term for a Schedule for any reason.

17. ASSIGNMENT. Without Lessor's prior written consent, Lessee will not either (a) assign, transfer, pledge, hypothecate, grant any security interest in or otherwise dispose of any Schedule, or the Equipment or any interest in this Master Agreement, any Schedule or the Equipment or (b) sublet or lend the Equipment or permit it to be used by anyone other than Lessee or Lessee's employees. Lessor may, without the Lessee's consent, assign all or any portion or portions of its rights, title and interest in and to this Master Agreement, any Schedule, the Equipment or any documents executed with respect to this Master Agreement or any Schedule, and/or grant or assign a security interest in this Master Agreement, any Schedule and the Equipment, in whole or in part, and Lessee's rights will be subordinated thereto. Lessee consents and specifically authorizes Lessor to forward any documentation and information that Lessor now has or may hereafter acquire in connection with any transaction between Lessor and Lessee, to any potential investor, rating agency and any other party involved in the sale, transfer, assignment, securitization or participation transaction involving this Master Agreement, any Schedule or the Equipment or any interest in this Master Agreement, any Schedule or the Equipment. Lessor's assignees shall have all of the rights of Lessor under any Lease with respect to the rights and interest assigned. Any such assignment to an assignee may provide that Lessor or the assignee shall act as a collection and paying agent for any assignee, or may provide that a third-party trustee or agent shall act as collection and paying agent for any assignee. Subject to the foregoing, the rights and obligations under any Lease inure to the benefit of and are binding upon the successors and assigns of the parties hereto. Lessee covenants and agrees not to assert against the assignee any claims or defenses by way of abatement, setoff, counterclaim, recoupment or the like which Lessee may have against Lessor. Upon any assignment by Lessor, unless Lessor provides Lessee written notice to the contrary, all Lease Payments shall continue to be directed to Ford Motor Credit Company LLC ("Ford Credit"), who agrees to accept such payments for the benefit of the assignee. Lessee hereby appoints Ford Credit, or its designee, to act as its registration agent, and Ford Credit shall maintain, or cause to be maintained, a book-entry record identifying the name, address and taxpayer identification number of the owner of payments due under each Schedule, and to keep or cause to be kept a complete and accurate record of all assignments, in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Lessee agrees to acknowledge in writing, any assignment(s) if so requested, and to make payments directly to the new owner (assignee) if and when so directed.

18. EVENT OF DEFAULT; WAIVERS. Any of the following events shall constitute an "Event of Default" under any Lease: (a) Lessee fails to make any Lease Payment (or any other payment) as it becomes due in accordance with the terms of that Lease, and any such failure continues for 10 days after the due date thereof; (b) Lessee fails to perform or observe any other covenant, condition, or agreement to be performed or observed by it under that Lease, other than as referred to in clause (a) above; (c) the discovery by Lessor that any statement, representation, or warranty made by Lessee in that Lease or in any writing ever delivered by Lessee pursuant thereto or in connection herewith was false, misleading, or erroneous in any material respect; (d) any provision of that Lease shall at any time for any reason cease to be valid and binding on Lessee, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee shall deny that it has any further liability or obligation under that Lease; (e) Lessee becomes insolvent, or is unable to pay its debts as they become due, or makes an assignment for the benefit of creditors, applies or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of any of its assets, or a petition for relief is filed by Lessee under any bankruptcy, insolvency, reorganization or similar laws, or a petition in, or a proceeding under, any bankruptcy, insolvency, reorganization or similar laws is filed or instituted against Lessee; (f) Lessee fails to make any payment when due or fails to perform or observe any covenant, condition, or agreement to be performed by it under any other agreement or obligation with Lessor or an affiliate of Lessor and any applicable grace period or notice with respect thereto shall have elapsed or been given; or (g) an attachment, levy or execution is threatened or levied upon or against the Equipment under that Lease. **The waiver by Lessor of any breach by Lessee of any term, covenant or condition of a Lease shall not operate as a waiver of any subsequent breach thereof or of any other Lease.**

19. REMEDIES. Upon the occurrence of an Event of Default under any Lease, and as long as such Event of Default under any Lease is continuing, Lessor may, at its option, exercise any one or more of the following remedies: (a) by written notice to Lessee, declare an amount equal to all amounts then due under that Lease or all Leases, and all remaining Lease Payments due under that Lease or all Leases during the fiscal year of Lessee in which the default occurs to be immediately due and payable, whereupon the same shall become immediately due and payable; (b) Lessor may enter the premises where the Equipment is located and retake possession of the Equipment or require Lessee, at Lessee's expense, to promptly return any or all of the Equipment to the possession of Lessor at a place specified by Lessor, and sell or lease the Equipment or, for the account of Lessee, sublease the Equipment, holding Lessee liable for the difference between (i) the Lease Payments and other amounts payable by Lessee hereunder plus the then applicable Concluding Payment, and (ii) the net proceeds of any such sale, lease or sublease (after deducting all expenses of Lessor in exercising its remedies under the Lease, including without limitation, all expenses of taking possession, storing, reconditioning and selling or leasing the Equipment and all brokerage, auctioneers' and attorneys' fees); provided that the amount of Lessee's liability under this paragraph shall not exceed the Lease Payments and other amounts otherwise due hereunder, plus the remaining Lease Payments and other amounts payable by Lessee hereunder to the end of the then current fiscal year of Lessee; (c) terminate unfunded commitments under any escrow agreement; and (d) exercise any other right, remedy or privilege which may be available to it under applicable laws of the state where the Equipment is then located or any other applicable law or proceed by appropriate court action to enforce the terms of such Lease(s) or to recover damages for the breach of such Lease(s) or to rescind that Lease as to any or all of the Equipment under such Lease(s). In addition, Lessee will remain liable for all covenants and indemnities under the terms of this Master Agreement and any Schedule and, to the extent permitted by law, for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor. Lessor may be a purchaser at any sale of the Equipment pursuant to this Section 19. The proceeds of any sale, lease or sublease of the Equipment pursuant to this Section shall be applied as described in clause (b) above, with the balance, if any, being paid to Lessee.

20. PURCHASE OPTION. On the last day of the Lease Term, as well as at any time upon at least 30 days prior written notice from Lessee to Lessor, and provided that no Event of Default has occurred and is continuing, Lessee will have the right to purchase all (but not less than all) of Lessor's interest in the Equipment under any Schedule, at a purchase price equal to the sum of (a) the Concluding Payment for the immediately preceding Lease Payment Date, as set forth in the applicable Schedule, (b) the accrued interest portion of the next Lease Payment through the date the purchase price is paid, and (c) any other amounts then due under the Lease with respect to such Equipment (including the Lease Payment otherwise due, if the purchase date occurs on a Lease Payment Date). Upon satisfaction by Lessee of such

purchase conditions, Lessor will transfer any and all of its right, title and interest in the Equipment to Lessee as is, without warranty, express or implied.

21. TAX COVENANTS; INDEMNITY. (a) Tax Assumptions and Covenants. The parties assume that, and Lessor is entering into this Master Agreement and each Schedule with the expectation that, Lessor can exclude from Federal gross income the interest portion of each Lease Payment set forth in each Schedule under the column captioned "Interest Portion." Lessee covenants that (a) Lessee will execute and file, or cause to be filed, with the Internal Revenue Service, the appropriate Form 8038-G or 8038-GC for each Schedule; (b) Lessee shall be the only entity or person (other than its employees within the scope of their employment) to own, use, manage or operate the Equipment during the Lease Term; (c) Lessee will not take any action which results, directly or indirectly, in any Lease being a "private activity bond" within the meaning of Section 141(a) of the Code; (d) Lessee will not take any action which results, directly or indirectly, in the interest portion of any Lease Payment not being excludable from Federal gross income pursuant to section 103 of the Code and will take any reasonable action necessary to prevent such result; and (e) not take any action which results in any Lease becoming, and will take any reasonable action to prevent any Lease from becoming an arbitrage obligation within the meaning of section 148 of the Code or federally guaranteed within the meaning of section 149 of the Code. In the event that a question arises as to Lessee's qualification as a political subdivision, Lessee agrees to cooperate with Lessor to make application to the Internal Revenue Service for a letter ruling with respect to the issue.

(b) Tax Indemnity. In the event that Lessor either (a) receives notice from the Internal Revenue Service, or (b) reasonably determines, based on an opinion of independent tax counsel selected by Lessor and not reasonably objected to by Lessee within 10 days after notice from Lessor of the selection, that the interest portion of any of the Lease Payments set forth in a Schedule is includable in Lessor's gross income for Federal income tax purposes, then Lessee will pay Lessor within 30 days after receiving notice from Lessor of such determination, the amount which, with respect to such Lease Payments previously paid, will restore the after-tax yield (after taking into account all taxes, interest and penalties) on the transactions evidenced by that Schedule to that which would have been had such interest portion not been includable in Lessor's gross income for Federal income tax purposes, and pay as an additional Lease Payment on succeeding Lease Payment due dates such amount as will maintain such after-tax yield. Notwithstanding the earlier termination or expiration of the Lease Term of the Equipment, the obligations provided for in this Section 21 shall survive such earlier termination or expiration.

22. MISCELLANEOUS. (a) Notices. All notices to be given under this Master Agreement or any Schedule shall be made in writing and mailed by certified mail, return receipt requested, to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notice shall be deemed to have been received five days subsequent to mailing.

(b) Section Headings. All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this Master Agreement or any Lease.

(c) Governing Law. This Master Agreement and any Schedule incorporating the terms of this Master Agreement, shall be construed in accordance with, and governed by, the laws of the state in which Lessee is located.

(d) Delivery of Related Documents. Lessee will execute or provide, as requested by Lessor, such other documents and information as are reasonably necessary with respect to the transaction contemplated by a Lease.

(e) Entire Agreement; Severability. This Master Agreement, any Schedule incorporating the terms of this Master Agreement, and the other documents or instruments executed by Lessee and Lessor in connection herewith, including, without limitation, the Delivery and Acceptance Certificates referred to in Section 3, constitutes the entire agreement between the parties with respect to the lease of the Equipment, and neither this Master Agreement nor any Schedule shall be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of this Master Agreement or any Schedule found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of this Master Agreement or the applicable Schedule. Notwithstanding the foregoing, Lessee authorizes Lessor to insert or correct missing information in this Master Agreement and on each Schedule and related documents, including Lessee's legal name, Equipment identifying information (e.g. VIN), Equipment location, and any other information describing the Equipment.

(f) Interest Rate Limitations. It is the intention of the parties hereto to comply with any applicable usury and other interest rate limitation laws; accordingly, notwithstanding any provisions to the contrary in this Master Agreement or any Schedule, in no event shall this Master Agreement or any Schedule require the payment or permit the collection of interest or any amount in the nature of interest or fees in excess of the maximum permitted by applicable law.

(g) Financial Statements. Lessee shall annually provide Lessor with current financial statements, budgets, proof of appropriation for the ensuing budget year and other financial information relating to the ability of Lessee to continue this Master Agreement and each Schedule incorporating the terms of this Master Agreement, as may be requested by Lessor.

(h) Counterparts; Chattel Paper; Electronic Transaction. This Master Agreement or any Schedule may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument and either of the parties hereto may execute this Master Agreement or any Schedule by signing any counterpart, except that, to the extent that any Schedule constitutes chattel paper, no security interest therein may be perfected through possession except by possession of Counterpart No. 1 of a Schedule, with respect to that Schedule. The parties agree that any Lease and related documents may be stored by electronic means.

IN WITNESS WHEREOF, the parties have executed this Master Agreement as of «MasterLseDt».

Lessee: **«Municipality»**

Lessor: **Ford Motor Credit Company LLC**

By: _____
«LesFirstName» «LesLastName»

By: _____
Frank Mastrella

Title: **«LesTitle»**

Title: **Operations Manager, Municipal Finance**

SCHEDULE «CMSLeaseNo» - MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT

AMENDMENT

That certain Master Equipment Lease-Purchase Agreement, by and between Ford Motor Credit Company ("Lessor") and «Municipality» ("Lessee"), dated as of «MasterLseDt» (the "Lease") is hereby amended as follows:

Bank Qualified Tax-Exempt Obligation

☐ (Check box for Bank Qualified designation)

Lessee hereby designates this Schedule as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. Lessee reasonably anticipates issuing tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds and including all tax-exempt obligations of subordinate entities of the Lessee) during the calendar year in which the commencement date of this Schedule falls, in an amount not exceeding \$10,000,000.00.

Non-Bank Qualified Tax-Exempt Obligation

☐ (Check box for Non-Bank Qualified designation)

Lessee reasonably anticipates issuing more than \$10,000,000.00 in tax-exempt obligations in the calendar year of the Commencement Date as defined in the Property Schedule.

Except as amended hereby, the Lease shall otherwise remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the «ContrDay»«DaySuffix» day of «Month», «ContrYr».

Lessee: **«Municipality»**

Lessor: **Ford Motor Credit Company LLC**

By: _____
«LesFirstName» «LesLastName»

By: _____
Frank Mastrella

Title: **«LesTitle»**

Title: **Operations Manager, Municipal Finance**

SAMPLE

SCHEDULE NO. «CMSLeaseNo» - MASTER EQUIPMENT LEASE-PURCHASE AGREEMENT

Master Agreement No. «LeaseNo» dated as of «MasterLseDt»

This Equipment Schedule dated as of «ContrMon»/«ContrDay»/«ContrYr», is being executed by Ford Motor Credit Company LLC ("Lessor"), and «Municipality» ("Lessee"). The terms and provisions of the Master Agreement between Lessor and Lessee referenced above (other than to the extent that they relate solely to other Schedules or Equipment under other Schedules) are hereby incorporated by reference and made a part hereof. All terms used herein have the meanings ascribed to them in the Master Agreement.

Lessor hereby leases to Lessee pursuant to this Schedule, and Lessee hereby accepts and leases from Lessor, subject to and upon the terms and conditions set forth herein (including any attachments hereto), the following items of Equipment:

QUANTITY	DESCRIPTION (MANUFACTURER, MODEL AND SERIAL NO.)	CASH PRICE	SUPPLIER NAME
«TotalNoAs sets»	«EquipDesc1», «SerialNo1», «Qty2» «EquipDesc2», «SerialNo2», «EquipDesc3», «SerialNo3», «EquipDesc4», «SerialNo4», «EquipDesc5», «SerialNo5», «EquipDesc6», «SerialNo6», «EquipDesc7», «SerialNo7», «EquipDesc8», «SerialNo8», «EquipDesc9», «SerialNo9»	«EqCost»	«DirName»
EQUIPMENT LOCATION: «LesAddr1», «LesAddr2», «LesCity», «LesState», «LesZip»			
COMMENCEMENT DATE (the date on which the Equipment is accepted by Lessee by the execution of a Delivery and Acceptance Certificate): «ContrMon»/«ContrDay»/«ContrYr»		INITIAL TERM: «Term» months	
		LEASE PAYMENTS: 3 Consecutive «PymtTiming» Payments \$«Pymt» each (including interest), due under this Schedule. See Attachment I hereto.	

Representations, Warranties and Covenants. Lessee hereby represents warrants and covenants as follows:

- The representations, warranties and covenants of Lessee set forth in the Master Agreement are true and correct on the Commencement Date for this Schedule as though made on that Date.
- The execution, delivery and performance by Lessee of this Schedule has been duly authorized by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

EXECUTED as of the date first herein set forth.

Lessee: «Municipality»

Lessor: **Ford Motor Credit Company LLC**

By: _____
«LesFirstName» «LesLastName»
Title: «LesTitle»

By: _____
Frank Mastrella
Title: **Operations Manager, Municipal Finance**

Counterpart No. 1 of 1 manually executed and serially numbered counterparts. To the extent this Schedule constitutes chattel paper; no security interest herein may be perfected through the possession of any counterpart other than Counterpart No. 1.

SAMPLE



Ford Motor Credit Company LLC
1 American Road, MD 7500
Dearborn, MI 48126

DELIVERY AND ACCEPTANCE CERTIFICATE

Master Lease Date	Master Lease No.	Date of Schedule «CMSLeaseNo»	Delivery Number
«MasterLseDt»	«LeaseNo»	«ContrMon»/«ContrDay»/«ContrYr»	1

In accordance with Section 3 of the Master Equipment Lease-Purchase Agreement (the "Master Agreement") executed by Lessee and Lessor, the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

(1) All of the Equipment (as such term is defined in the Master Agreement) described below has been delivered, installed and accepted on the date hereof.

EQUIPMENT INFORMATION

Quantity	Description (Manufacturer, Model, Serial Number)	Supplier Name
«TotalNoAssets»	«EquipDesc1», «SerialNo1», «Qty2» «EquipDesc2», «SerialNo2», «EquipDesc3», «SerialNo3», «EquipDesc4», «SerialNo4», «EquipDesc5», «SerialNo5», «EquipDesc6», «SerialNo6», «EquipDesc7», «SerialNo7», «EquipDesc8», «SerialNo8», «EquipDesc9», «SerialNo9»	«DirName»

(2) Lessee has conducted such inspection and/or testing of the Equipment listed in the Schedule as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.

(3) Lessee is currently maintaining the insurance coverage required by Section 15 of the Master Agreement.

(4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default under any Lease (as those terms are defined in the Master Agreement) exists at the date hereof.

(5) We acknowledge that Lessor is neither the vendor (supplier) nor manufacturer or distributor of the Equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the Equipment. Nothing in this acknowledgement affects any rights Lessee may have against a manufacturer or supplier of the Equipment.

(6) The serial number for each item of Equipment that is set forth on the Equipment Description contained in the Schedule is correct.

LESSEE: «Municipality»

BY: _____

(Title)

DATE ACCEPTED: _____
(the "Commencement Date")

INSURANCE FACT SHEET

Lessee Name: «Municipality»
«CMSLeaseNo»

Lessee Schedule No.:

Address: «LesAddr1», «LesAddr2», «LesCity», «LesState» «LesZip»

Telephone No.: «LesContactPh»

Equipment: «Qty1» «Desc1», «Qty2» «Desc2», «Qty3» «Desc3», «Qty4» «Desc4», «Qty5»
«Desc5», «Qty6» «Desc6», «Qty7» «Desc7», «Qty8» «Desc8», «Qty9» «Desc9», «Qty10»
«Desc10», «Qty11» «Desc11», «Qty12» «Desc12», «Qty13» «Desc13», «Qty14» «Desc14»

Complete at least one of the following steps:

Step 1. Provide an insurance binder with the following required coverage.

- Certificate of Insurance or Declaration Page shown in the name of the Lessee listed above
- Liability and Physical Damage on all vehicles and equipment, Liability and Property Damage on all other Equipment
- Ford Motor Credit Company LLC named as Loss Payee and Additional Insured.
- Minimum of \$1,000,000 public liability coverage or the State maximum (if lower) is required.
- Year, Make, Model and VIN#

Step 2. If no binder is provided, complete the following insurance company information and sign form.

Insurance Company: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Telephone: _____ Agent Name: _____

Policy No.: _____ Expiration Date: _____

Liability: \$ _____ Property Damage: \$ _____ Physical Damage: \$ _____

Step 3. If you are self-insured for any coverage, please provide the following information and sign.

Name of insurance pool/fund: _____

Self-insured Liability \$ _____ Self-Insured Property: \$ _____

Self-Insured Physical: \$ _____ Expiration Date: _____

Sign to acknowledge the provided insurance information is correct:

Signature:

«LesFirstName» «LesLastName»,

«LesTitle»

The following is information you will need to complete the attached IRS form 8038-G. Instructions can be found at www.irs.gov/pub/irs-pdf/i8038g.pdf. Please see your tax professional if you have any questions regarding the completion of this form.

Issue Date:	«ContrMon»/«ContrDay»/«ContrYr»
Final Maturity date:	
Issue Price:	\$
Weighted Average Maturity:	3
Tax Exempt Rate (Yield):	«DirRate»

Please complete the form, sign and return a copy to Ford Credit with your other loan documents.

Once completed, you must file the original with the IRS at the address listed in the Instructions.

SAMPLE

Form **8038-G**(Rev. September
2011)
Department of the
Treasury Internal Revenue
Service**Information Return for Tax-Exempt Governmental
Obligations**

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.OMB No. 1545-
0720**Part I Reporting Authority**If Amended Return, check here ► ☐

1 Issuer's name		2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return(see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only) 3	
6 City, town, or post office, state, and ZIP code		7 Date of issue	
8 Name of issue		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see Instructions)		10b Telephone number of officer or other employee shown on 10a	

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11
12 Health and hospital	12
13 Transportation	13
14 Public Safety	14
15 Environment (including sewage bonds)	15
16 Housing	16
17 Utilities	17
18 Other. Describe ►	18
19 If obligations are TANs or RANs, check only box 19a ► ☐	
20 If obligations are in the form of a lease or installment sale, check box ► ☐	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21					

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22
23 Issue price of entire issue (enter amount from line 21, column (b))	23
24 Proceeds used for bond issuance costs (including underwriters' discount)	24
25 Proceeds used for credit enhancement	25
26 Proceeds allocated to reasonably required reserve or replacement	26
27 Proceeds used to currently refund prior issues	27
28 Proceeds used to advance refund prior issues	28
29 Total (add lines 24 through 28)	29
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here).	30

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	►	_____ years
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- 32 Enter the remaining weighted average maturity of the bonds to be advance refunded ▶ _____ years
- 33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY) ▶ _____
- 34 Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY) _____

For Paperwork Reduction Act Notice, see separate instructions.
Form **8038-G** (Rev. 9-2011)

Cat. No. 63773S

SAMPLE

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35		
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36		
b	Enter the final maturity date of the GIC ► _____			
c	Enter the name of the GIC provider ► _____			
37	Pooled financings: Enter the amount of proceeds of this issue that are to be used to make loans to other governmental units	37		
38a	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:			
b	Enter the date of the master pool obligation ► _____			
c	Enter the EIN of the issuer of the master pool obligation ► _____			
d	Enter the name of the issuer of the master pool obligation ► _____			
39	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ☐			
40	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ☐			
41a	If the issuer has identified a hedge, check here ☐ and enter the following information:			
b	Name of hedge provider ► _____			
c	Type of hedge ► _____			
d	Term of hedge ► _____			
42	If the issuer has superintegrated the hedge, check box ☐			
43	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ☐			
44	If the issuer has established written procedures to monitor the requirements of section 148, check box ☐			
45a	If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement ► _____			
b	Enter the date the official intent was adopted ► _____			

Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.				
	Signature of issuer's authorized representative		Date		Type or print name and title
Paid Preparer Use Only	Print/Type preparer's name	Preparer's Signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ► _____			Firm's EIN ► _____	
	Firm's address ► _____			Phone no. _____	



Town of Firestone
151 Grant Ave.
Firestone, CO 80520

RE: Governmental Lease-Purchase Agreement Number

Dear Sir or Madam:

Thank you for choosing TCF Equipment Finance, a division of TCF National Bank for your capital equipment financing needs! Enclosed are the lease documents necessary to close the above mentioned transaction. The purpose of this letter is to provide you with step-by-step instructions as to what is required with respect to each document. At any time, if you have any questions, please don't hesitate to contact **Ben Stedman at (319) 226-1727** for assistance.

<u>Document</u>	<u>Action Required</u>
• Governmental Lease-Purchase Agreement	Authorized Signature of Lessee and Clerk or Secretary of Lessee; <u>Clerk or Secretary signature must be someone other than the person providing Authorized Signature of Lessee</u>
• Attachment 1 - Lease Payment Schedule	Authorized Signature of Lessee
• Attachment 2 - Equipment Description	Authorized Signature of Lessee
• Attachment 3 - Acceptance Certificate	Authorized Signature of Lessee and Date <u>upon Equipment Acceptance</u>
• Attachment 4 - Insurance Coverage Requirements	Authorized Signature of Lessee; please also provide the name and contact information for your property and liability insurance carrier(s)
• Opinion of Counsel	Opinion Letter must be reproduced in its entirety (with Lessee's legal name replacing the blank space in paragraph one) on Lessee's legal counsel's letterhead and signed by Lessee's legal counsel
• Resolution	Resolution must be certified by an Authorized Signature of Lessee as a copy of resolution adopted by Lessee
• Lessee Fact Sheet	Please provide the requested information
• IRS Form 8038	Please consult Lessee's tax or financial professional regarding completion and provide a copy of the filed form
• Escrow Agreement and/or State Rider (if applicable)	Authorized Signature of Lessee, if applicable
➤ <u>Other Items Needed From Lessee:</u>	- Lessee's Sales Tax Exemption Certificate - Initial Payment (if applicable) as Indicated on Invoice



**GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0737576-300 DATED AS OF June 7, 2018
(TAX-EXEMPT)**

LESSOR	Name TCF Equipment Finance, a division of TCF National Bank	Email: customerservice@financediv.com	
	Address 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926	Fax Number: 319-833-4577	
LESSEE	Full Legal Name Town of Firestone	Email: Fax:	
	Primary Address 151 Grant Ave., Firestone, CO 80520	Fiscal Year End: December	FEIN: 84-0736777

LEASE PAYMENT INFORMATION	Principal Portion: \$64,832.00	Lease Payments: <i>See Attachment 1: Lease Payment Schedule</i>	BANK QUALIFIED	This Governmental Lease-Purchase Agreement is hereby NOT designated as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Internal Revenue Code.
	Interest Rate: 4.91%			
	Maximum Lease Term: 36 Months	Payment Frequency: Annual		

TERMS AND CONDITIONS

Please read this Governmental Lease-Purchase Agreement No. 008-0737576-300 (including all attachments and schedules hereto, and any related escrow agreement, "Lease") carefully and feel free to ask US any questions YOU may have about it. Words "YOU" and "YOUR" refer to the "Lessee," and the words "WE," "US" and "OUR" refer to the "Lessor," its successors and assigns.

1. LEASE: WE agree to lease to YOU and YOU agree to lease from US, the equipment listed on Attachment 2: Equipment Description, including all replacement parts, repairs, additions and accessories ("Equipment") on the terms and conditions of this Lease and on any attached schedule.

2. TERM: This Lease is effective on the earlier of the date on which WE disburse funds to the vendor of the Equipment or the date on which WE deposit funds for the purchase of the Equipment with an escrow agent (the "Commencement Date"), which date YOU hereby authorize US to fill in on the executed Lease Payment Schedule following OUR receipt from YOU of the executed Acceptance Certificate in the form set forth as Attachment 3 hereto, and continues thereafter for an Initial Term ("Initial Term") ending at the end of YOUR budget year in effect on the Commencement Date and may be continued by YOU for additional one-year renewal terms ("Renewal Terms"), coinciding with YOUR budget year, up to the total number of months indicated above as the Maximum Lease Term; provided, however, that at the end of the Initial Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, YOU will be deemed to have continued this Lease for the next Renewal Term unless YOU have terminated this Lease pursuant to Section 5 or Section 17. Lease Payments will be due as set forth on Attachment 1 until the balance of the Lease Payments and any additional Lease Payments or expenses chargeable to YOU under this Lease are paid in full. As set forth in the Lease Payment Schedule, a portion of each Lease Payment is paid as, and represents payment of, interest. YOUR obligation to pay Lease Payments and YOUR other Lease obligations are absolute and unconditional and are not subject to cancellation, reduction, setoff or counterclaim except as provided in Section 5. **THIS LEASE IS NON-CANCELABLE, EXCEPT AS PROVIDED IN SECTION 5.**

3. LATE CHARGES. If a Lease Payment is not made on the date when due, YOU will pay US a late charge at the rate of 10% per annum or the maximum amount permitted by law, whichever is less, from the due date.

4. CONTINUATION OF LEASE TERM. YOU currently intend, subject to Section 5, to continue this Lease, and to pay Lease Payments hereunder, through the Maximum Lease Term. YOU reasonably believe that legally available funds in an amount sufficient to make all Lease Payments during the Maximum Lease Term can be obtained. YOUR responsible financial officer will do all things lawfully within his or her power to obtain and maintain funds from which Lease Payments may be made, including making provision for Lease Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with YOUR applicable procedures and to exhaust all available reviews and appeals if that portion of the budget is not approved. Notwithstanding the foregoing, the decision whether to budget or appropriate funds and to extend this Lease for any Renewal Term is solely within the discretion of YOUR governing body.

5. NONAPPROPRIATION. YOU are obligated only to pay such Lease Payments under this Lease as may lawfully be made from funds budgeted and appropriated for that purpose during YOUR then current budget year. If YOU fail to appropriate or otherwise make available funds to pay the Lease Payments required to be paid in the next occurring Renewal Term, this Lease will be deemed terminated at the end of the then current Initial Term or Renewal Term. YOU agree to deliver written notice to US of such termination at least 90 days prior to the end of the then current Initial Term or Renewal Term, but failure to give such notice will not extend the term of this Lease beyond the then current Initial Term or Renewal Term. If this Lease is terminated in accordance with this Section, YOU agree, at YOUR cost and expense, to peaceably deliver the Equipment to US at the location or locations specified by US.

6. WARRANTIES. WE are leasing the Equipment to YOU "AS-IS" and WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. To the extent such warranties are transferrable, WE transfer to YOU, without recourse, for the term of this Lease all warranties, if any, made by the manufacturer. YOU ALSO ACKNOWLEDGE THAT NO ONE IS AUTHORIZED TO WAIVE OR CHANGE ANY TERM, PROVISION OR CONDITION OF THIS LEASE EXCEPT IN WRITING AND SIGNED BY THE PARTIES HERETO, AND, EXCEPT FOR THE MANUFACTURER WARRANTIES, MAKE ANY REPRESENTATION OR WARRANTY ABOUT THIS LEASE OR THE EQUIPMENT. WE WILL NOT BE LIABLE FOR SPECIAL, RESULTING OR CONSEQUENTIAL DAMAGES OR LOSS OF PROFIT OCCASIONED BY ANY BREACH OF WARRANTY OR REPRESENTATION OR RESULTING FROM THE USE OR PERFORMANCE OF THE EQUIPMENT. YOUR OBLIGATION TO PAY IN FULL ANY AMOUNT DUE UNDER THE LEASE WILL NOT BE AFFECTED BY ANY DISPUTE, CLAIM, COUNTERCLAIM, DEFENSE OR OTHER RIGHT WHICH YOU MAY HAVE OR ASSERT AGAINST THE SUPPLIER OR THE EQUIPMENT MANUFACTURER.

7. DELIVERY AND ACCEPTANCE. YOU ARE RESPONSIBLE, AT YOUR OWN COST, TO ARRANGE FOR THE DELIVERY AND INSTALLATION OF THE EQUIPMENT (UNLESS THOSE COSTS ARE INCLUDED IN THE COSTS OF THE EQUIPMENT TO US). WHEN THE EQUIPMENT HAS BEEN DELIVERED AND INSTALLED, YOU WILL IMMEDIATELY SIGN AND DELIVER TO US A SEPARATE ACCEPTANCE CERTIFICATE IN THE FORM SET FORTH AS ATTACHMENT 3 HERETO. WE MAY, AT OUR DISCRETION, CONFIRM BY TELEPHONE THAT YOU HAVE ACCEPTED THE EQUIPMENT, AND THAT TELEPHONE VERIFICATION OF YOUR ACCEPTANCE OF THE EQUIPMENT WILL HAVE THE SAME EFFECT AS A SIGNED ACCEPTANCE CERTIFICATE.

(Terms and Conditions continued on the next page of this Lease.)

LESSEE SIGNATURE	YOU agree to all of the Terms and Conditions contained in both sides of this Lease, and in any attachments to this Lease (all of which are included by reference) and become part of this Lease. YOU acknowledge that YOU have read and agreed to all the Terms and Conditions.	LESSOR SIGNATURE	Name of Lessor TCF Equipment Finance, a division of TCF National Bank
	Town of Firestone Legal Name of Lessee		By _____ Signature
	By _____ Signature		Print Name and Title _____
	Print Name and Title _____		008-0737576-300 Lease Number

CERTIFICATE OF CLERK OR SECRETARY	I, the undersigned, do hereby certify that the officer of Lessee who executed the foregoing Lease on behalf of Lessee and whose genuine signature appears thereon, (1) is the duly qualified and acting officer of Lessee as stated beneath his or her signature and (2) is duly authorized to execute and deliver the foregoing Agreement on behalf of Lessee.	
	Signature: _____	Title: _____

THE ABOVE CERTIFICATION MUST BE SIGNED BY THE CLERK OR SECRETARY OF LESSEE, AND THE CLERK OR SECRETARY MUST BE A DIFFERENT INDIVIDUAL THAN THE OFFICER SIGNING IN THE "LESSEE SIGNATURE" BOX.

8. TITLE, PERSONAL PROPERTY, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. YOU have title to the Equipment; provided that title to the Equipment will immediately and without any action by YOU vest in US, and YOU will immediately surrender possession of the Equipment to US, (a) upon any termination of this Lease other than termination pursuant to Section 17 (including but not limited to any termination pursuant to Section 5) or (b) if YOU are in default of this Lease. It is the intent of the parties hereto that any transfer of title to US pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. YOU will, nevertheless, execute and deliver any such instruments as WE may request to evidence such transfer. As security for YOUR obligations hereunder, to the extent permitted by law, YOU grant to US a first and prior security interest in the Equipment, all cash and negotiable instruments comprising the escrow fund held under any related escrow agreement, and all proceeds of the foregoing. YOU have the right to use the Equipment during the term of this Lease, except as otherwise expressly set forth in this Lease. Although the Equipment may become attached to real estate, it remains personal property. YOU agree not to alter or modify the Equipment or permit a lien to be placed upon the Equipment or to remove the Equipment without OUR prior written consent. YOU agree to provide US with waivers of interest or liens from anyone claiming any interest in the real estate on which any items of Equipment is located. WE also have the right, at reasonable times, to inspect the Equipment.

9. MAINTENANCE. YOU are required, at YOUR own cost and expense, to keep the Equipment in good repair, condition and working order, except for ordinary wear and tear, and to supply all parts and servicing required. All replacement parts used or installed and repairs made to the Equipment will become OUR property. YOU acknowledge that WE are not responsible for providing any required maintenance and/or service for the Equipment. YOU will make all claims for service and/or maintenance solely to the supplier and/or manufacturer and such claims will not affect YOUR obligation to make Lease Payments.

10. ASSIGNMENT. YOU agree not to transfer, sell, sublease, assign, pledge or encumber either the Equipment or any rights under this Lease without OUR prior written consent. YOU agree that WE may sell, assign or transfer this Lease and, if WE do, the new owner will have the same rights and benefits, but not the obligations, that WE now have. The rights of the new owner will not be subject to any claims, counterclaims, defenses or set-offs that YOU may have against US. No assignment will be effective until YOU have received written notice from the assignor of the name and address of the assignee. YOU or YOUR agent will maintain a written record of each assignment in form necessary to comply with Section 149(a) of the Internal Revenue Code of 1986, as amended.

11. LOSS OR DAMAGE. YOU are responsible for the risk of loss or destruction of, or damage to, the Equipment. No such loss or damage relieves YOU from any obligation under this Lease. If any of the Equipment is damaged by fire or other casualty or if title to, or the temporary use of, any of the Equipment is taken under the exercise of the power of eminent domain, the net proceeds ("Net Proceeds") of any insurance claim or condemnation award will be applied to the prompt replacement, repair, restoration, modification or improvement of that Equipment, unless YOU have exercised YOUR option to purchase the Equipment pursuant to Section 17. Any balance of the Net Proceeds remaining after such work has been completed will be paid to YOU.

12. INDEMNITY. WE are not responsible for any losses or injuries caused by the manufacture, acquisition, delivery, installation, ownership, use, lease, possession, maintenance, operation or rejection of the Equipment or defects in the Equipment. To the extent permitted by law, YOU agree to reimburse US for and to defend US against any claim for losses or injuries (including attorneys' fees and other expenses for the defense of such claim), regardless of nature, relating to the Equipment, including, without limitation, its manufacture, acquisition, delivery, installation, ownership, use, lease, possession, maintenance or operation. This indemnity will continue even after the termination of this Lease.

13. TAXES. YOU agree to pay any applicable license and registration fees, sale and use taxes, personal property taxes and all other taxes and charges, relating to the ownership, leasing, rental, sale, purchase, possession or use of the Equipment (except those based on OUR net income). YOU agree that if WE pay any taxes or charges, YOU will reimburse US for all such payments and will pay US interest and a late charge (as calculated in Section 3) on such payments with the next Lease Payment, plus a fee for OUR collecting and administering any taxes, assessments or fees and remitting them to the appropriate authorities.

14. INSURANCE. During the term of this Lease, YOU will keep the Equipment insured against all risks of loss or damage in an amount not less than the replacement cost of the Equipment. YOU will also obtain and maintain for the term of this Lease, liability insurance insuring against liability for bodily injury and property damage with a minimum limit of \$1,000,000.00 combined single limit or such greater amount as may be prescribed by any applicable state law. WE will be the sole named loss payee on the property insurance and named as an additional insured on the liability insurance, and such insurance shall provide US at least thirty days written notice of cancellation. YOU will pay all premiums for such insurance and must deliver proof of insurance coverage satisfactory to US. If YOU do not provide such insurance, YOU agree that WE have the right, but not the obligation, to obtain such insurance and add an insurance fee to the amount due from you.

15. DEFAULT. Subject to Section 5, YOU are in default of this Lease if any of the following occurs: (a) YOU fail to pay any Lease Payment or other sum when due; (b) YOU breach any warranty or other obligation under this Lease, or any other agreement with US, (c) YOU become insolvent or unable to pay YOUR debts when due, YOU make an assignment for the benefit of creditors or YOU undergo a substantial deterioration in YOUR financial condition, or (d) YOU file or have filed against YOU a petition for liquidation, reorganization, adjustment of debt or similar relief under the Federal Bankruptcy Code or any other present or future federal or state bankruptcy or insolvency law, or a trustee, receiver or liquidator is appointed for YOU or a substantial part of YOUR assets.

16. REMEDIES. WE have the following remedies if YOU are in default of this Lease: WE may declare the entire balance of the unpaid Lease Payments for the then current Initial Term or Renewal Term immediately due and payable; sue for and receive all Lease Payments and any other payments then accrued or accelerated under this Lease; take whatever action at law or in equity may appear necessary or desirable to enforce OUR rights as owner of the Equipment; charge YOU interest on all monies due US at the rate of eighteen percent (18%) per year from the date of default until paid, but in no event more than the maximum rate permitted by law; charge YOU a return-check or non-sufficient funds charge ("NSF Charge") of \$25.00 for a check that is returned for any reason; and require that YOU return the Equipment to US and, if YOU fail to return the Equipment, enter upon the premises peaceably with or without legal process where the Equipment is located and repossess the Equipment. Such return or repossession of the Equipment will not constitute a termination of this Lease unless WE expressly notify YOU in writing. If the Equipment is returned or repossessed by US and unless WE have terminated this Lease, WE will sell or re-rent the Equipment to any persons with any terms WE determine, at one or more public or private sales, with or without notice to YOU, and apply the net proceeds after deducting the costs and expenses of such sale or re-rent, to YOUR obligations with YOU remaining liable for any deficiency and with any excess over the amounts described in this Section plus the then applicable Purchase Price to be paid to YOU. YOU are also required to pay (i) all expenses incurred by US in connection with the enforcement of any remedies, including all expenses of repossessing, storing, shipping, repairing and selling the Equipment, and (ii) reasonable attorneys' fees.

17. PURCHASE OPTION. Provided YOU are not in default, YOU will have the option to purchase all, but not less than all, of the Equipment (a) on the date the last Lease Payment is due (assuming this Lease is renewed at the end of the Initial Term and each Renewal Term), if this Lease is still in effect on that day, upon payment in full of Lease Payments and all other amounts then due and the payment of One Dollar to US; (b) on the last day of the Initial Term or any Renewal Term then in effect, upon at least 30 days' prior written notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule; or (c) if substantial damage to or destruction or condemnation of substantially all of the Equipment has occurred, on the day specified in YOUR written notice to US of YOUR exercise of the purchase option upon at least 30 days' prior notice to US and payment in full to US of the Lease Payments and all other amounts then due plus the then applicable Purchase Price set forth on the Lease Payment Schedule.

18. REPRESENTATIONS AND WARRANTIES. YOU warrant and represent as follows: (a) YOU are a public body corporate and politic duly organized and existing under the constitution and laws of YOUR State with full power and authority to enter into this Lease and to perform all of YOUR obligations hereunder; (b) YOU have duly authorized the execution and delivery of this Lease by proper action by YOUR governing body, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Lease; (c) YOU have complied with such public bidding requirements as are applicable to this Lease and the acquisition by YOU of the Equipment; (d) all authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by YOU of this Lease or in connection with the carrying out of YOUR obligations hereunder have been obtained; (e) this Lease constitutes the legal, valid and binding obligation of YOU enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally; (f) YOU have, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Lease Payments scheduled to come due during the current budget year and to meet YOUR other obligations under this Lease during the current budget year, and those funds have not been expended for other purposes; (g) there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by this Lease or our interest in the Equipment; (h) the Equipment is essential to YOUR functions or to the services YOU provide to YOUR citizens, YOU have an immediate need for the Equipment and expect to make immediate use of the Equipment, YOUR need for the Equipment is not temporary and YOU do not expect the need for any item of the Equipment to diminish in the foreseeable future, including the Maximum Lease Term, and the Equipment will be used by YOU only for the purpose of performing one or more of YOUR governmental or proprietary functions consistent with the permissible scope of YOUR authority and will not be used in the trade or business of any other entity or person; and (i) YOU have never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement.

19. UCC FILINGS AND FINANCIAL STATEMENTS. YOU authorize US to file a financing statement with respect to the Equipment. If WE feel it is necessary, YOU agree to submit financial statements (audited if available) on an annual basis.

20. UCC – ARTICLE 2A PROVISIONS. YOU agree that this Lease is a Finance Lease as that term is defined in Article 2A of the Uniform Commercial Code ("UCC"). YOU acknowledge that WE have given YOU the name of the Supplier of the Equipment. WE hereby notify YOU that YOU may have rights under the contract with the Supplier and YOU may contact the Supplier for a description of any rights or warranties that YOU may have under this supply contract. YOU also waive any and all rights and remedies granted YOU under Sections 2A-508 through 2A-522 of the UCC.

21. TAX EXEMPTION. YOU will comply with all applicable provisions of the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder to maintain the exclusion of the interest portion of the Lease Payments from gross income for purposes of federal income taxation. YOU will file all necessary informational returns with the IRS, on a timely basis, and provide US with copies of such filed returns relating to this Lease. If YOU fail to file the necessary informational returns on a timely basis, YOU authorize US, in OUR sole discretion, to engage a tax professional to complete the required returns on YOUR behalf and expense, which YOU will promptly execute and file. If it is determined that any of the interest may not be excluded from gross income, YOU agree to pay to US an additional amount determined by US for the loss of such excludability.

22. BANK QUALIFICATION. If this Lease has been designated a "qualified tax-exempt obligation" on the front page of this Lease, YOU and all YOUR subordinate entities will not issue in excess of \$10,000,000 of qualified tax-exempt obligations (including this Lease, but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year in which WE fund this Lease without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt municipal obligations acceptable to US that the designation of this Lease as a "qualified tax-exempt obligation" will not be adversely affected.

23. CHOICE OF LAW; JURY TRIAL WAIVER. This Lease will be governed and construed in accordance with federal law and, to the extent not preempted by federal law, the laws of the state where YOU are located. To the extent permitted by law, YOU agree to waive YOUR rights to a trial by jury.

24. ENTIRE AGREEMENT; SEVERABILITY; WAIVERS. This Lease contains the entire agreement and understanding. No agreements or understandings are binding on the parties unless set forth in writing and signed by the parties. Any provision of this Lease which for any reason may be held unenforceable in any jurisdiction will, as to such jurisdiction, be ineffective without invalidating the remaining provisions of this Lease.

25. COUNTERPARTS; NOTICES; ELECTRONIC TRANSACTION. This Lease may be simultaneously executed in counterparts, each of which will be an original and all of which will constitute but one and the same instrument. Notices hereunder shall be deemed given when delivered personally, sent via overnight courier, facsimile or e-mail (with confirmation of transmission), or certified U.S. Mail, addressed as set forth above. Copies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic counterparts for all purposes, including the filing of any claim, action or suit in the appropriate court of law. There shall be only one original counterpart of this Lease and it shall bear OUR original signature and be marked "Original." To the extent that this Lease constitutes chattel paper (as that term is defined by the UCC), a security or ownership interest intended to be created through the transfer and possession of this Lease can be done only by the transfer of such original bearing OUR original signature.

26. ROLE OF LESSOR. WE have not acted and will not act as a fiduciary for YOU or as YOUR agent or municipal advisor. WE have not and will not provide financial, legal, tax, accounting or other advice to YOU or to any financial advisor or placement agent engaged by YOU with respect to this Lease. YOU, YOUR financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain YOUR own financial, legal, tax, accounting and other advice with respect to this Lease from YOUR own advisors (including as it relates to structure, timing, terms and similar matters).

**ATTACHMENT 1 TO
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0737576-300 DATED AS OF June 7, 2018**

LEASE PAYMENT SCHEDULE

LESSOR: TCF Equipment Finance, a division of TCF National Bank

LESSEE: Town of Firestone

COMMENCEMENT DATE*: _____

INTEREST RATE: 4.91%

PAYMENT FREQUENCY: Annual

The first Lease Payment shall be due in advance on the Commencement Date, and subsequent Lease Payments shall be due annually on the same day of each year thereafter until paid in full.

Payment Number	Rental Payment	Interest Portion	Principal Portion	Purchase Option
				64,832.00
1	22,653.60	0.00	22,653.60	42,178.40
2	22,653.60	2,069.35	20,584.25	21,594.15
3	22,653.60	1,059.45	21,594.15	0.00
Grand Totals	67,960.80	3,128.80	64,832.00	

Lessee: Town of Firestone

By: _____

Bobbi Sindelar, Mayor

*YOU hereby authorize US to fill in the Commencement Date based on the earlier of the date that WE disburse funds to the Vendor of the Equipment following receipt of YOUR executed Acceptance Certificate, or the date on which WE deposit funds for the purchase of the Equipment with an escrow agent.

EQUIPMENT DESCRIPTION

Description/Serial No./Model No.	Location	Total Cost
(1) Toro Groundsmaster 4000-D together with all attachments and accessories thereto	7500 County Road 20, Firestone, CO 80520	\$64,832.00

Bobbi Sindelar, Mayor

**ATTACHMENT 3 TO
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0737576-300 DATED AS OF June 7, 2018**

ACCEPTANCE CERTIFICATE

TCF Equipment Finance, a division of TCF National Bank
1111 West San Marnan Dr, Suite A2 West
Waterloo, IA 50701-8926

Re: Governmental Lease-Purchase Agreement No. 008-0737576-300 between TCF Equipment Finance, a division of TCF National Bank, as Lessor (the "Lessor"), and Town of Firestone, as Lessee (the "Lessee").

Ladies and Gentlemen:

In accordance with the above-referenced Governmental Lease-Purchase Agreement No. 008-0737576-300 (the "Lease"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

1. All of the Equipment (as such term is defined in the Lease) listed in the Lease has been delivered, installed and accepted on the date hereof.
2. Lessee has conducted such inspection and/or testing of the Equipment listed in the Lease as it deems necessary and appropriate and hereby acknowledges that it accepts the Equipment for all purposes.
3. Lessee is currently maintaining the insurance coverage required by Section 14 of the Lease.
4. No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, a default as set forth in Section 15 of the Lease exists at the date hereof.
5. We acknowledge that Lessor is neither the vendor nor manufacturer or distributor of the Equipment and has no control, knowledge or familiarity with the condition, capacity, functioning or other characteristics of the Equipment.
6. The serial number for each item of Equipment that is set forth in the Lease is correct.
7. Lessee hereby acknowledges and agrees to the Lease Payment Schedule attached to the Lease as Attachment 1.

Date: _____, 20__

Lessee: Town of Firestone

By: _____

Bobbi Sindelar, Mayor

INSURANCE COVERAGE REQUIREMENTS

RE: INSURANCE COVERAGE REQUIREMENTS

1. In accordance with the Governmental Lease-Purchase Agreement, Lessee certifies that it has instructed the insurance agent named below (please fill in name, address, and telephone number):

Insurance Company Liability:	Agent Name:	Business Phone # Fax Phone #
Insurance Company Property:	Agent Name:	Business Phone # Fax Phone #

to issue: (check to indicate coverage)

☒ a. All Risk Physical Damage Insurance on the following leased Property evidenced by a Certificate of Insurance and Long Form Loss Payable Clause naming TCF Equipment Finance, a division of TCF National Bank and/or its assigns as Loss Payee.

Leased Property: (1) Toro Groundsmaster 4000-D together with all attachments and accessories thereto

Coverage Required: \$64,832.00

☐ b. Public Liability Insurance evidenced by a Certificate of Insurance naming TCF Equipment Finance, a division of TCF National Bank and/or its assigns as an Additional Insured.

Minimum Coverage Required:

\$1,000,000.00	per person
\$1,000,000.00	aggregate bodily injury liability
\$1,000,000.00	property damage liability

Proof of insurance coverage will be provided to TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926, prior to the time that the property is delivered to Lessee.

Please fax a copy of the Certificate of Insurance or binder to Marisa Meyers at (866) 465-3149.

Lessee: Town of Firestone

By: _____

Bobbi Sindelar, Mayor



COLORADO ADDENDUM
TO GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0737576-300 DATED AS OF June 7, 2018

LESSOR: TCF Equipment Finance, a division of TCF National Bank

LESSEE: Town of Firestone

This Addendum is hereby incorporated in and is hereby made a part of the above-referenced Governmental Lease-Purchase Agreement No. 008-0737576-300 (together with all Exhibits and Attachments and this Addendum, the "Lease"). Words "YOU" and "YOUR" refer to the "Lessee" and the words "WE," "US" and "OUR" refer to the "Lessor," its successors and assigns. Lessor and Lessee hereby agree that capitalized terms used herein and not otherwise defined herein shall have the terms assigned to such terms in the Lease and that the following changes and additions shall be made to the Lease:

1. Section 8 of the Lease is hereby deleted and the following Section 8 is hereby inserted in lieu thereof:

8. TITLE, PERSONAL PROPERTY, LOCATION, INSPECTION, NO MODIFICATIONS OR ALTERATIONS. During the term of this Lease, title to the Equipment shall be retained by US, except for those modifications that YOU add to the Equipment that can be removed without damaging the Equipment. YOU will not have any right, title or interest in the Equipment except as expressly set forth in this Lease. If YOU are in default of this Lease, or this Lease is terminated for any reason other than pursuant to Section 17 (including but not limited to any termination pursuant to Section 5), YOU will, at your cost and expense, peaceably deliver the Equipment to US at the location or locations specified by US. Upon YOUR exercise of the purchase option pursuant to Section 17 or payment in full of all Lease Payments under this Lease, title to the Equipment will immediately and without further action by US vest in YOU, AS IS, WHERE IS, without warranty, express or implied, free and clear of any claim by or through US. It is the intent of both parties that any transfer of title to YOU pursuant to this Section will occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. WE will, nevertheless, execute and deliver any such instruments as YOU may request to evidence such transfer. YOU will, nevertheless, execute and deliver any such instruments as WE may request to evidence such transfer. YOU have the right to use the Equipment during the term of this Lease, except as otherwise expressly set forth in this Lease. Although the Equipment may become attached to real estate, it remains personal property. YOU agree not to alter or modify the Equipment or permit a lien to be placed upon the Equipment or to remove the Equipment without OUR prior written consent. If WE feel it is necessary, YOU agree to provide US with waivers of interest or liens from anyone claiming any interest in the real estate on which any items of Equipment is located. WE also have the right, at reasonable times, to inspect the Equipment.

Except as specifically set forth in this Addendum, all terms and conditions contained in the Lease will remain in full force and effect and are hereby ratified and confirmed.

Lessor: TCF Equipment Finance, a division of TCF
National Bank

By: _____

Operations - T.C.

Lessee: Town of Firestone

By: _____

Bobbi Sindelar, Mayor

OPINION OF COUNSEL

(To be on Attorney's Letterhead)

Date: June 7, 2018

Lessee: Town of Firestone
151 Grant Ave.
Firestone, CO 80520

Lessor: TCF Equipment Finance, a division of TCF National Bank
1111 West San Marnan Dr, Suite A2 West
Waterloo, IA 50701-8926

Re: Governmental Lease-Purchase Agreement No. 008-0737576-300, dated as of June 7, 2018, by and between Town of Firestone and TCF Equipment Finance, a division of TCF National Bank.

Ladies and Gentlemen:

I have acted as counsel to Lessee with respect to the Governmental Lease-Purchase Agreement described above and the related escrow agreement, if any (together, the "Lease") and various related matters, and in this capacity have reviewed a duplicate original or certified copy of the Lease and all exhibits and attachments thereto. Based upon the examination of these and such other documents as I deem relevant, it is my opinion that:

1. Lessee is a public corporation and political subdivision of the State of Colorado (the "State") within the meaning of Section 103 of the Internal Revenue Code of 1986, as amended, is duly organized, existing and operating under the Constitution and laws of the State, and has a substantial amount of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power. The full, true and correct legal name of Lessee is _____.
2. Lessee is authorized and has power under State law to enter into the Lease and lease the equipment with an option to purchase, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Lease and the other documents described above have been duly authorized, approved, executed and delivered by and on behalf of Lessee, and the Lease is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by State and Federal laws affecting remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights. No further approval, consent or withholding of objection is required from any federal, state or local governmental authority with respect to the entering into or performance by the Lessee of the Lease and the transaction contemplated thereby.
4. Lessee has no authority (statutory or otherwise) to terminate the Lease prior to the end of its term for any reason other than pursuant to the terms of Section 5 of the Lease.
5. The authorization, approval and execution of the Lease and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable State and Federal laws.
6. The execution of the Lease and the appropriation of moneys to pay the payments coming due under the Lease do not result in the violation of any constitutional, statutory or other limitation relating to the manner, form or amount of indebtedness which may be incurred by Lessee.
7. There is no litigation, action, suit, or proceeding pending or before any court, administrative agency, arbitrator or governmental body that challenges the organization or existence of Lessee; the authority of the Lessee or its officers; the proper authorization, approval and execution of the Lease and the other documents described above; the

appropriation of monies to make Lease Payments under the Lease for the current fiscal year, or the ability of Lessee otherwise to perform its obligations under the Lease and the transactions contemplated thereby.

8. The equipment leased pursuant to the Lease constitutes personal property and when subject to use by Lessee will not be or become fixtures under applicable law.

9. The leasing of the equipment pursuant to the Lease is exempt from all sales, use and documentary stamp taxes against either Lessor or Lessee during the term of the Lease, and such equipment will be exempt from all state and local personal property or other ad valorem taxes.

This opinion of counsel may be relied upon by TCF Equipment Finance, a division of TCF National Bank and its successors and assigns.

Very truly yours,

RESOLUTION
GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0737576-300
DATED AS OF June 7, 2018

A resolution authorizing the negotiation, execution, and delivery of Governmental Lease-Purchase Agreement No. **008-0737576-300** dated **June 7, 2018** (the "Lease"), in principal amount not to exceed **\$64,832.00**, between **Town of Firestone, 151 Grant Ave., Firestone, CO 80520** and **TCF Equipment Finance, a division of TCF National Bank, 1111 West San Marnan Dr, Suite A2 West, Waterloo, IA 50701-8926**; and prescribing other details in connection therewith.

WHEREAS, Town of Firestone, (the "Lessee") is a political subdivision duly organized and existing pursuant to the Constitution and laws of the State of Colorado; and

WHEREAS, Lessee is duly authorized by applicable law to acquire such items of personal property as are needed to carry out its governmental functions and to acquire such personal property by entering into lease-purchase agreements; and

WHEREAS, Lessee hereby finds and determines that the execution of a Lease for the purpose of leasing with the option to purchase the property designated and set forth in Attachment 2 to the Lease is appropriate and necessary to the function and operations of the Lessee; and

WHEREAS, TCF Equipment Finance, a division of TCF National Bank, (the "Lessor") shall act as Lessor under said Lease; and

WHEREAS, the Lease shall not constitute a general obligation indebtedness of the Lessee within the meaning of the Constitution and laws of the State;

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF Town of Firestone:

Section 1. The Lease, in substantially the form as presently before the governing body of the Lessee, is hereby approved, and the _____ of the Lessee, is hereby authorized to negotiate, enter into, execute, and deliver the Lease and related documents in substantially the form as presently before the governing body of the Lessee, with such changes therein as shall be approved by such officer, and which Lease will be available for public inspection at the offices of Lessee.

Section 2. The Lessee shall, and the officers, agents and employees of the Lessee are hereby authorized and directed to take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution, and to carry out, comply with and perform the duties of the Lessee with respect to the Lease.

Section 3. The Lessee's obligations under the Lease shall be expressly subject to annual appropriation by Lessee; and such obligations under the Lease shall not constitute a general obligation of Lessee or indebtedness of Lessee within the meaning of the Constitution and laws of the State of Colorado.

Section 4. All other related contracts and agreements necessary and incidental to the Lease are hereby authorized, ratified and approved.

Section 5. This resolution shall take effect immediately upon its adoption and approval.

CERTIFIED AS TRUE AND CORRECT this ____ day of _____, 20 ____.

Signature of Clerk, Secretary or Assistant Secretary

Printed Name of Clerk, Secretary or Assistant Secretary



LESSEE FACT SHEET
TO GOVERNMENTAL LEASE-PURCHASE AGREEMENT NO. 008-0737576-300 DATED AS OF June 7, 2018

Please fill in **ALL** of the following questions and return this form with the lease documents:

1. Equipment location address: _____

2. Send bills to the following address: _____

ATTENTION: _____

3. Name of person who issues payment and Phone number: _____

() _____

4. Contract information of person responsible for preparing and filing Form 8038-G or 8038-GC:

Name: _____ Phone: _____ E-mail: _____

Address: _____

5. Fiscal year end: _____



Invoice

Date of Invoice: 06/07/2018
Application Number: 347027
Contract Number: 008-0737576-300

To: Town of Firestone
151 Grant Ave.
Firestone, CO 80520

Advance Payments/Security Deposit

Description	Contract Payment	Sales/Use Tax	Other	Amount
First Payment in Advance	\$22,653.60	\$0.00		\$22,653.60
Last Payment in Advance	\$0.00	\$0.00		\$0.00
			\$0.00	\$0.00
Sub Total				\$22,653.60

Other Fees/Charges

Fee Description	Amount
Documentation Fee	\$250.00
Other Fees/Charges Sub Total	\$250.00

Invoice Total Due

Invoice Total Due	\$22,903.60
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**Remit Payment with
Completed Documents to:** 866-465-3149
OR
TCF Equipment Finance, a division of TCF
National Bank
1111 West San Marnan Dr, Suite A2 West
Waterloo, IA 50701-8926

Form **8038-GC**

(Rev. January 2012)

Department of the Treasury
Internal Revenue Service**Information Return for Small Tax-Exempt
Governmental Bond Issues, Leases, and Installment Sales**► **Under Internal Revenue Code section 149(e)**

OMB No. 1545-0720

Caution: If the issue price of the issue is \$100,000 or more, use Form 8038-G.

Part I Reporting Authority		Check box if Amended Return ☐	
1 Issuer's name		2 Issuer's employer identification number (EIN)	
3 Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	
4 City, town, or post office, state, and ZIP code		5 Report number (For IRS Use Only) 	
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information		7 Telephone number of officer or legal representative	

Part II Description of Obligations Check one: a single issue ☐ or a consolidated return ☐																									
8a Issue price of obligation(s) (see instructions) b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ► _____ 9 Amount of the reported obligation(s) on line 8a that is: a For leases for vehicles b For leases for office equipment c For leases for real property d For leases for other (see instructions) e For bank loans for vehicles f For bank loans for office equipment g For bank loans for real property h For bank loans for other (see instructions) i Used to refund prior issue(s) j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank) k Other 10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box ☐ 11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) ☐ 12 Vendor's or bank's name: _____ 13 Vendor's or bank's employer identification number: _____	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">8a</td><td></td></tr> <tr><td style="text-align: center;">9a</td><td></td></tr> <tr><td style="text-align: center;">9b</td><td></td></tr> <tr><td style="text-align: center;">9c</td><td></td></tr> <tr><td style="text-align: center;">9d</td><td></td></tr> <tr><td style="text-align: center;">9e</td><td></td></tr> <tr><td style="text-align: center;">9f</td><td></td></tr> <tr><td style="text-align: center;">9g</td><td></td></tr> <tr><td style="text-align: center;">9h</td><td></td></tr> <tr><td style="text-align: center;">9i</td><td></td></tr> <tr><td style="text-align: center;">9j</td><td></td></tr> <tr><td style="text-align: center;">9k</td><td></td></tr> </table>	8a		9a		9b		9c		9d		9e		9f		9g		9h		9i		9j		9k	
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Signature and Consent	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.				
	Signature of issuer's authorized representative	Date	Type or print name and title		
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ►			Firm's EIN ►	
	Firm's address ►			Phone no.	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at www.irs.gov/form8038. Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

Purpose of Form

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

Who Must File

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

Filing a separate return for a single issue. Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

Filing a consolidated return for multiple issues. For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

Late filing. An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Private delivery services. You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

Definitions

Obligations. This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

Tax-exempt obligation. This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental obligation. A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

Issue. Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

Arbitrage rebate. Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

Line 1. The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

Lines 3 and 4. Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the

street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

Note. The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

Line 8a. The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

Line 8b. For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

Lines 9a through 9h. Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

Lines 9i and 9j. For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

Line 9k. Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

Line 10. Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

Line 11. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

Line 12. Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Line 13. Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

Note. If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Learning about the law or the form 4 hr., 46 min.

Preparing the form 2 hr., 22 min.

Copying, assembling, and sending the form to the IRS . 2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.

ORDINANCE NO. 934

AN ORDINANCE APPROVING A LEASE-PURCHASE AGREEMENT FOR A NEW ROTARY MOWER

WHEREAS, the Town is authorized by applicable law, including but not limited to C.R.S. § 31-15-801 et seq., to acquire equipment and to enter into leases for the same, which leases may include an option to purchase and acquire title to the leased property; and

WHEREAS, the Board of Trustees deems it necessary and desirable for the efficient and proper functioning of the Town and for the health and safety of the Town's inhabitants to acquire a new rotary mower; and

WHEREAS, the Board of Trustees has determined it is in the best interest of the Town and its inhabitants to enter into the lease contemplated herein for the lease with option to purchase of a new Toro Groundsmaster 4000-D rotary mower to be used by the Town public works department;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

Section 1. The Governmental Lease-Purchase Agreement between the Town and TCF Equipment Finance, a division of TCF National Bank (the "Lease") for lease and acquisition of a new Toro Groundsmaster 4000-D rotary mower, which Lease includes an option to purchase and acquire title to the mower, is hereby approved in essentially the same form as the copy of such Lease accompanying this ordinance.

Section 2. The Mayor and Town Clerk are authorized to execute the Lease on behalf of the Town, except that the Mayor is further hereby granted the authority to negotiate and approve such revisions to said Lease as determined necessary or desirable for the protection of the Town, so long as the essential terms and conditions of the Lease are not altered. The Lease shall be in a principal amount not to exceed \$64,832.00, will bear interest at a rate not to exceed 4.91% per annum and the aggregate of the initial term and all renewal terms shall not exceed three years. The Lease shall contain an option to purchase by the Town as therein set forth.

Section 3. The Mayor and Town Clerk are authorized to execute the Lease on behalf of the Town. The Mayor, Town Clerk, Town Attorney, and Town staff are further authorized to execute such other documents as are necessary to implement the Lease, and Town staff is authorized and directed to make payments under the Lease for which funds are legally available.

Section 4. All financial obligations of the Town under the Lease shall be subject to annual budgeting and appropriation, and nothing herein shall be deemed to authorize, or construed to authorize, any multiple-fiscal year direct or indirect obligation whatsoever.

Section 5. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect

the validity or constitutionality of the remaining portions of this ordinance. The Board of Trustees hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 6. All actions heretofore taken by Town employees, officers and members of the Town Board of Trustees, not inconsistent with the provisions of this ordinance, are hereby ratified, approved and confirmed.

Section 7. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this 13th day of June, 2018.

TOWN OF FIRESTONE, COLORADO

Bobbi Sindelar, Mayor

ATTEST:

Leah Vanarsdall, Town Clerk

McCandless Truck Center, LLC

May 3, 2018

FORMAL PROPOSAL

OBLIGOR: TOWN OF FIRESTONE

- ✓ This is a finance/ownership contract. No residual value.
- ✓ Fixed interest rate for the five (5) year term.

EQUIPMENT: 2019 7600 SFA 6X4 INTERNATIONAL TRUCK

OPTION 1

Acquisition Cost:	\$360,967.00	Term:	Five (5) years	First Payment Due:	At Closing
Customer Allowance:	\$108,752.00	Payment Mode:	Annual in Advance	Payment Amount 1-5:	\$54,948.26
Trade In:	\$0.00	Interest Rate:	4.470%		
Principal Balance:	\$252,215.00	Rate Factor:	0.217863		

- * **This is a proposal only and is not a commitment to finance. This proposal is subject to credit review and approval and proper execution of mutually acceptable documentation.**
- * Failure to consummate this transaction once credit approval is granted and the documents are drafted and delivered to Obligor will result in a documentation fee being assessed to the Obligor.
- * This transaction must be credit approved, all documents properly executed and returned to McCandless Truck Center, LLC and the transaction funded on ALL proposals on or before June 2, 2018. If funding does not occur within that time-frame, or there is a change of circumstance which adversely affects the expectations, rights, or security of Obligee or its assignees, then Obligee or its assignees reserve the right to adjust and determine a new interest rate factor and payment amount, or withdraw this proposal in its entirety.
- * This transaction must be designated as tax-exempt under Section 103 of the Internal Revenue Code of 1986 as amended.

McCandless Truck Center, LLC	TOWN OF FIRESTONE
	Signature:
	Typed Name & Title
	Date:

ORDINANCE NO. 935

AN ORDINANCE APPROVING A LEASE-PURCHASE AGREEMENT FOR A NEW SNOW AND ICE TRUCK

WHEREAS, the Town is authorized by applicable law, including but not limited to C.R.S. § 31-15-801 et seq., to acquire equipment and to enter into leases for the same, which leases may include an option to purchase and acquire title to the leased property; and

WHEREAS, the Board of Trustees deems it necessary and desirable for the efficient and proper functioning of the Town and for the health and safety of the Town's inhabitants to acquire a new snow and ice truck; and

WHEREAS, the Board of Trustees has determined it is in the best interest of the Town and its inhabitants to enter into the lease contemplated herein for the lease with option to purchase of a 2019 7600 SFA 6x4 International Truck to be used by the Town public works department;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

Section 1. The Government Obligation Contract between the Town and Baystone Government Finance, a division of State Bank (the "Lease") for lease and acquisition of a 2019 7600 SFA 6x4 International Truck, which Lease includes an option to purchase and acquire title to the truck, is hereby approved in essentially the same form as the copy of such Lease accompanying this ordinance.

Section 2. The Mayor and Town Clerk are authorized to execute the Lease on behalf of the Town, except that the Mayor is further hereby granted the authority to negotiate and approve such revisions to said Lease as determined necessary or desirable for the protection of the Town, so long as the essential terms and conditions of the Lease are not altered. The Lease shall be in a principal amount not to exceed \$252,215.00, will bear interest at a rate not to exceed 6.5% per annum and the aggregate of the initial term and all renewal terms shall not exceed five years. The Lease shall contain an option to purchase by the Town as therein set forth.

Section 3. The Mayor and Town Clerk are authorized to execute the Lease on behalf of the Town. The Mayor, Town Clerk, Town Attorney, and Town staff are further authorized to execute such other documents as are necessary to implement the Lease, and Town staff is authorized and directed to make payments under the Lease for which funds are legally available.

Section 4. All financial obligations of the Town under the Lease shall be subject to annual budgeting and appropriation, and nothing herein shall be deemed to authorize, or construed to authorize, any multiple-fiscal year direct or indirect obligation whatsoever.

Section 5. If any article, section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect

the validity or constitutionality of the remaining portions of this ordinance. The Board of Trustees hereby declares it would have passed this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 6. All actions heretofore taken by Town employees, officers and members of the Town Board of Trustees, not inconsistent with the provisions of this ordinance, are hereby ratified, approved and confirmed.

Section 7. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this 13th day of June, 2018.

TOWN OF FIRESTONE, COLORADO

Bobbi Sindelar, Mayor

ATTEST:

Leah Vanarsdall, Town Clerk



2627 KFB PLAZA, SUITE 202E | 785-587-4000
MANHATTAN, KS 66503

SENT VIA EMAIL: JSCOTT@FIRESTONECO.GOV; TABKES@FIRESTONECO.GOV; NCOTTONB@LIGHTKELLY.COM

June 7, 2018

Ms. Judy Scott
Town of Firestone, Colorado

Re: Financing for Town of Firestone, Colorado for One (1) 2019 7600 SFA 6x4 2010 (SF567) International Truck

Dear Judy:

Thank you for choosing KS StateBank as your financing source. Attached hereto, please find the Contract and documentation for your review and completion. Included is a Documentation Instruction sheet to guide you through the process. ***All required documentation must be received by 3:00pm CST in order to fund the following business day.***

The interest rate you have been quoted is valid through July 6, 2018.

Please note that, depending on circumstances, we reserve the right to charge a reasonable fee to Obligor/broker, if this transaction is not funded. This fee is for expenses incurred and services performed related to the processing of the transaction. This fee will NOT be charged if the transaction is funded by Obligee.

If you have any questions regarding the documentation please feel free to contact me at (877) 587-4054.

Sincerely,

Ms. Jojo Bellinder
Client Relations

DOCUMENTATION INSTRUCTIONS

The instructions listed below should be followed when completing the enclosed documentation. **Please print on single sided paper only.** Documentation completed improperly will delay funding. If you have any questions regarding the Conditions to Funding, instructions or the documentation, please call us at (877) 587-4054.

I. Attached Documentation

1. **Government Obligation Contract**
 - ◆ An authorized individual that is with the Obligor should sign on the first space provided.
2. **Exhibit A – Description of Equipment**
 - ◆ Review equipment description. Complete serial number/VIN if applicable.
 - ◆ List the location where the equipment will be located after delivery/installation.
3. **Exhibit B – Payment Schedule**
 - ◆ Sign and print name and title
4. **Exhibit C - Acceptance of Obligation**
 - ◆ Sign and print name and title
5. **Exhibit D - Obligor Resolution**
 - ◆ Type in the date of the meeting in which the purchase was approved.
 - ◆ Print or type the name and title of the individual(s) who is authorized to execute the Contract.
 - ◆ The secretary, chairman or other authorized board member of the Obligor must sign the Resolution where indicated.
 - ◆ A second authorized individual that is with the Obligor should attest the Resolution where indicated.
6. **Exhibit E - Officer's Certificate**
 - ◆ Sign and print name and title
 - ◆ Please list the Source of Funds for the Contract Payments.
7. **Exhibit F - Payment Request & Equipment Acceptance Form**
 - ◆ Do Not Return until you need to request funds from the Vendor Payable Account.
8. **Exhibit G - Signature Card**
 - ◆ Sign and print name and title
 - ◆ An additional individual may sign as an authorized individual, if desired.
9. **Exhibit H - Obligor Acknowledgement**
 - ◆ Complete information as indicated.
10. **Insurance Requirements**
 - ◆ Complete insurance company contact information where indicated.
11. **Debit Authorization – (Preferred)**
 - ◆ Complete form and attach a voided check
12. **8038G IRS Form**
 - ◆ Please read 8038 Review Form
 - ◆ In Box 2, type Employer Identification Number
 - ◆ Sign and print name and title

II. Additional Documentation Required

1. First payment check as stated on attached invoice

III. Condition to Funding

If, for any reason: (i) the required documentation is not returned by August 6, 2018, is incomplete, or has unresolved issues relating thereto, or (ii) on, or prior to the return of the documentation, there is a change of circumstance, including but not limited to changes in the federal corporate income tax rate or reducing/capping the tax-exempt interest benefit, which adversely affects the expectations, rights or security of the Obligor or its assignees; then Obligor or its assignees reserve the right to withdraw/void its offer to fund this transaction in its entirety. *Neither KS StateBank nor Baystone Government Finance is acting as an advisor to the municipal entity/obligated person and neither owes a fiduciary duty pursuant to Section 15B of the Exchange Act of 1934.*

All documentation should be returned to:

KS StateBank
2627 KFB Plaza STE 202E
Manhattan, Kansas 66503

GOVERNMENT OBLIGATION CONTRACT

Obligor

Town of Firestone, Colorado
151 Grant Avenue
Firestone, Colorado 80520

Obligee

KS StateBank
1010 Westloop; P.O. Box 69
Manhattan, Kansas 66505-0069

Dated as of July 1, 2018

This Government Obligation Contract dated as of the date listed above is between Obligee and Obligor listed directly above. Obligee desires to finance the purchase of the Equipment described in Exhibit A to Obligor and Obligor desires to have Obligee finance the purchase of the Equipment subject to the terms and conditions of this Contract which are set forth below.

I. Definitions

Section 1.01 Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Additional Schedule" refers to the proper execution of additional schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by the Obligee all of which relate to the financing of additional Equipment.

"Budget Year" means the Obligor's fiscal year.

"Commencement Date" is the date when Obligor's obligation to pay Contract Payments begins.

"Contract" means this Government Obligation Contract and all Exhibits attached hereto, all addenda, modifications, schedules, refinancings, guarantees and all documents relied upon by Obligee prior to execution of this Contract.

"Contract Payments" means the payments Obligor is required to make under this Contract as set forth on Exhibit B.

"Contract Term" means the Original Term and all Renewal Terms.

"Exhibit" includes the Exhibits attached hereto, and any "Additional Schedule", whether now existing or subsequently created.

"Equipment" means all of the items of Equipment listed on Exhibit A and any Additional Schedule, whether now existing or subsequently created, and all replacements, restorations, modifications and improvements.

"Government" as used in the title hereof means a State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended ("Code"), or a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.

"Obligee" means the entity originally listed above as Obligee or any of its assignees.

"Obligor" means the entity listed above as Obligor and which is financing the Equipment through Obligee under the provisions of this Contract.

"Original Term" means the period from the Commencement Date until the end of the Budget Year of Obligor.

"Partial Prepayment Date" means the first Contract Payment date that occurs on or after the earlier of (a) the twenty-four month (24) anniversary of the Commencement Date or (b) the date on which Obligor has accepted all the Equipment and all amounts have been disbursed from the Vendor Payable Account to pay for the Equipment.

"Purchase Price" means the total cost of the Equipment, including all delivery charges, installation charges, legal fees, financing costs, recording and filing fees and other costs necessary to vest full, clear legal title to the Equipment in Obligor, subject to the security interest granted to and retained by Obligee as set forth in this Contract, and otherwise incurred in connection with the financing of this Equipment.

"Renewal Term" means the annual term which begins at the end of the Original Term and which is simultaneous with Obligor's Budget Year and each succeeding Budget Year for the number of Budget Years necessary to comprise the Contract Term.

"State" means the state in which Obligor is located.

"Surplus Amount" means any amount on deposit in the Vendor Payable Account on the Partial Prepayment Date.

"Vendor Payable Account" means the separate account of that name established pursuant to Section X of this Contract.

II. Obligor Warranties

Section 2.01 Obligor represents, warrants and covenants as follows for the benefit of Obligee or its assignees:

- (a) Obligor is an "issuer of tax exempt obligations" because Obligor is the State or a political subdivision of the State within the meaning of Section 103(a) of the Internal Revenue Code of 1986, as amended, (the "Code") or because Obligor is a constituted authority or district authorized to issue obligations on behalf of the State or political subdivision of the State within the meaning of Treasury Regulation 1.103-1(b), or a qualified volunteer fire company within the meaning of section 150(e)(1) of the Code.
- (b) Obligor has complied with any requirement for a referendum and/or competitive bidding.
- (c) Obligor has complied with all statutory laws and regulations that may be applicable to the execution of this Contract; Obligor, and its officer executing this Contract, are authorized under the Constitution and laws of the State to enter into this Contract and have used and followed all proper procedures of its governing body in executing and delivering this Contract. The officer of Obligor executing this Contract has the authority to execute and deliver this Contract. This Contract constitutes a legal, valid, binding and enforceable obligation of the Obligor in accordance with its terms.
- (d) Obligor shall use the Equipment only for essential, traditional government purposes.
- (e) Should the IRS disallow the tax-exempt status of the interest portion of the Contract Payments as a result of the failure of the Obligor to use the Equipment for governmental purposes, or should the Obligor cease to be an issuer of tax exempt obligations, or should the obligation of Obligor created under this Contract cease to be a tax exempt obligation for any reason, then Obligor shall be required to pay additional sums to the Obligee or its assignees so as to bring the after tax yield on this Contract to the same level as the Obligee or its assignees would attain if the transaction continued to be tax-exempt.
- (f) Obligor has never non-renewed funds under a contract similar to this Contract.
- (g) Obligor will submit to the Secretary of the Treasury an information reporting statement as required by the Code.
- (h) Upon request by Obligee, Obligor will provide Obligee with current financial statements, reports, budgets or other relevant fiscal information.
- (i) Obligor shall retain the Equipment free of any hazardous substances as defined in the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. 9601 et. seq. as amended and supplemented.
- (j) Obligor hereby warrants the General Fund of the Obligor is the primary source of funds or a backup source of funds from which the Contract Payments will be made.
- (k) Obligor presently intends to continue this Contract for the Original Term and all Renewal Terms as set forth on Exhibit B hereto. The official of Obligor responsible for budget preparation will include in the budget request for each Budget Year the Contract Payments to become due in such Budget Year, and will use all reasonable and lawful means available to secure the appropriation of money for such Budget Year sufficient to pay the Contract Payments coming due therein. Obligor reasonably believes that moneys can and will lawfully be appropriated and made available for this purpose.
- (l) Obligor has selected both the Equipment and the vendor(s) from whom the Equipment is to be purchased upon its own judgment and without reliance on any manufacturer, merchant, vendor or distributor, or agent thereof, of such equipment to the public.
- (m) Obligor owns free and clear of any liens any additional collateral pledged, subject only to the lien described herein; Obligor has not and will not, during the Contract Term, create, permit, incur or assume any levies, liens or encumbrances of any kind with respect to the Equipment and any additional collateral except those created by this Contract.

Section 2.02 Escrow Agreement. In the event both Obligee and Obligor mutually agree to utilize an Escrow Account, then immediately following the execution and delivery of this Contract, Obligee and Obligor agree to execute and deliver and to cause Escrow Agent to execute and deliver the Escrow Agreement. This Contract shall take effect only upon execution and delivery of the Escrow Agreement by the parties thereto. Obligee shall deposit or cause to be deposited with the Escrow Agent for credit to the Equipment Acquisition Fund the sum of N/A, which shall be held, invested and disbursed in accordance with the Escrow Agreement.

III. Acquisition of Equipment, Contract Payments and the Purchase Option Price

Section 3.01 Acquisition and Acceptance. Obligor shall be solely responsible for the ordering of the Equipment and for the delivery and installation of the Equipment. The Payment Request and Equipment Acceptance Form must be signed by the same authorized individual(s) who signed the Signature Card, Exhibit G. By making a Contract Payment after its receipt of the Equipment pursuant to this Contract, Obligor shall be deemed to have accepted the Equipment on the date of such Contract Payment for purposes of this Contract. All Contract Payments paid prior to delivery of the Payment Request and Equipment Acceptance Form shall be credited to Contract Payments as they become due as shown on the Contract Payment Schedule attached as Exhibit B hereto.

Section 3.02 Contract Payments. Obligor shall pay Contract Payments exclusively to Obligee or its assignees in lawful, legally available money of the United States of America. The Contract Payments shall be sent to the location specified by the Obligee or its assignees. The Contract Payments shall constitute a current expense of the Obligor and shall not constitute an indebtedness of the Obligor. The Contract Payments, payable without notice or demand, are due as set forth on Exhibit B. Obligee shall have the option to charge interest at the highest lawful rate on any Contract Payment received later than the due date for the number of days that the Contract Payment(s) were late, plus any additional accrual on the outstanding balance for the number of days that the Contract Payment(s) were late. Obligee shall also have the option, on monthly payments only, to charge a late fee of up to 10% of the monthly Contract Payment that is past due. Furthermore, Obligor agrees to pay any fees associated with the use of a payment system other than check, wire transfer, or ACH. Once all amounts due Obligee hereunder have been received, Obligee will release any and all of its rights, title and interest in the Equipment.

SECTION 3.03 CONTRACT PAYMENTS UNCONDITIONAL. Except as provided under Section 4.01, THE OBLIGATIONS OF OBLIGOR TO MAKE CONTRACT PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS CONTAINED IN THIS CONTRACT SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF, OR SUBJECT TO DEFENSE OR COUNTERCLAIM.

Section 3.04 Purchase Option Price. Upon thirty (30) days written notice, Obligor shall have the option to pay, in addition to the Contract Payment, the corresponding Purchase Option Price which is listed on the same line on Exhibit B. This option is only available to the Obligor on the Contract Payment date and no partial prepayments are allowed. If Obligor chooses this option and pays the Purchase Option Price to Obligee then Obligee will transfer any and all of its rights, title and interest in the Equipment to Obligor.

Section 3.05 Contract Term. The Contract Term shall be the Original Term and all Renewal Terms until all the Contract Payments are paid as set forth on Exhibit B except as provided under Section 4.01 and Section 9.01 below. If, after the end of the budgeting process which occurs at the end of the Original Term or any Renewal Term, Obligor has renewed as provided for in this Contract then the Contract Term shall be extended into the next Renewal Term and the Obligor shall be obligated to make all the Contract Payments that come due during such Renewal Term.

Section 3.06 Disclaimer of Warranties. OBLIGEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, FITNESS FOR PARTICULAR PURPOSE OR ANY OTHER WARRANTY WITH RESPECT TO THE EQUIPMENT. OBLIGEE IS NOT A MANUFACTURER, SELLER, VENDOR OR DISTRIBUTOR, OR AGENT THEREOF, OF SUCH EQUIPMENT; NOR IS OBLIGEE A MERCHANT OR IN THE BUSINESS OF DISTRIBUTING SUCH EQUIPMENT TO THE PUBLIC. OBLIGEE SHALL NOT BE LIABLE FOR ANY INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE ARISING OUT OF THE INSTALLATION, OPERATION, POSSESSION, STORAGE OR USE OF THE EQUIPMENT BY OBLIGOR.

IV. Non-Appropriation

Section 4.01 Non-Appropriation. Nothing in this Contract is intended or shall be deemed or construed as creating any multiple-fiscal year direct or indirect debt or financial obligation on the part of Obligor within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision. All financial obligations of Obligor under this Contract are subject to annual budgeting and appropriation by the Firestone Board of Trustees, in its sole discretion. Notwithstanding anything in this Contract to the contrary, in the event of non-appropriation, this Contract shall terminate effective the last day of the then-current Budget Year, provided that if Obligor has not delivered possession of the Equipment to Obligee as provided herein and conveyed to Obligee or released its interest in the Equipment by the end of the last Budget Year for which Contract Payments were paid, the termination shall nevertheless be effective but, to the extent permitted by law, Obligor shall be responsible for the payment of damages in an amount equal to the amount of the Contract Payments thereafter coming due under Exhibit B which are attributable to the number of days after such Budget Year during which Obligor fails to take such actions and for any other loss suffered by Obligee as a result of Obligor's failure to take such actions as required. Obligor shall immediately notify Obligee of a non-appropriation, and Obligor shall deliver the Equipment to Obligee as provided below in Section 9.04 prior to termination of the Contract pursuant to this Section. If Obligor fails to deliver the Equipment to Obligee as provided in this Section, then Obligee may enter the premises where the Equipment is located and take possession of the Equipment and charge Obligor for costs incurred.

V. Insurance, Damage, Insufficiency of Proceeds

Section 5.01 Insurance. Obligor shall maintain both property insurance and liability insurance at its own expense with respect to the Equipment. Obligor shall be solely responsible for selecting the insurer(s) and for making all premium payments and ensuring that all policies are continuously kept in effect during the period when Obligor is required to make Contract Payments. Obligor shall provide Obligee with a Certificate of Insurance which lists the Obligee and/or assigns as a loss payee and an additional insured on the policies with respect to the Equipment.

- (a) Obligor shall insure the Equipment against any loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Obligee in an amount at least equal to the then applicable Purchase Option Price of the Equipment. Alternatively, Obligor may insure the Equipment under a blanket insurance policy or policies.
- (b) The liability insurance shall insure Obligee from liability and property damage in any form and amount satisfactory to Obligee.
- (c) Obligor may self-insure against the casualty risks and liability risks described above. If Obligor chooses this option, Obligor must furnish Obligee with a certificate and/or other documents which evidences such coverage.
- (d) All insurance policies issued or affected by this Section shall be so written or endorsed such that the Obligee and its assignees are named additional insureds and loss payees and that all losses are payable to Obligor and Obligee or its assignees as their interests may appear. Each policy issued or affected by this Section shall contain a provision that the insurance company shall not cancel or materially modify the policy without first giving thirty (30) days advance notice to Obligee or its assignees. Obligor shall furnish to Obligee certificates evidencing such coverage throughout the Contract Term.

Section 5.02 Damage to or Destruction of Equipment. Obligor assumes the risk of loss or damage to the Equipment. If the Equipment or any portion thereof is lost, stolen, damaged, or destroyed by fire or other casualty, Obligor will immediately report all such losses to all possible insurers and take the proper procedures to obtain all insurance proceeds. At the option of Obligee, Obligor shall either (1) apply the Net Proceeds to replace, repair or restore the Equipment or (2) apply the Net Proceeds to the applicable Purchase Option Price. For purposes of this Section and Section 5.03, the term Net Proceeds shall mean the amount of insurance proceeds collected from all applicable insurance policies after deducting all expenses incurred in the collection thereof.

Section 5.03 Insufficiency of Net Proceeds. If there are no Net Proceeds for whatever reason or if the Net Proceeds are insufficient to pay in full the cost of any replacement, repair, restoration, modification or improvement of the Equipment, then Obligor shall, at the option of Obligee, either (1) complete such replacement, repair, restoration, modification or improvement and pay any costs thereof in excess of the amount of the Net Proceeds or (2) apply the Net Proceeds to the Purchase Option Price and pay the deficiency, if any, to the Obligee.

Section 5.04 Obligor Negligence. Obligor assumes all risks and liabilities, whether or not covered by insurance, for loss or damage to the Equipment and for injury to or death of any person or damage to any property whether such injury or death be with respect to agents or employees of Obligor or of third parties, and whether such property damage be to Obligor's property or the property of others (including, without limitation, liabilities for loss or damage related to the release or threatened release of hazardous substances under the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act or similar or successor law or any State or local equivalent now existing or hereinafter enacted which in any manner arise out of or are incident to any possession, use, operation, condition or storage of any Equipment by Obligor), which is proximately caused by the negligent conduct of Obligor, its officers, employees and agents.

Section 5.05 Reimbursement. Obligor hereby assumes responsibility for and agrees to reimburse Obligee for all liabilities, obligations, losses, damages, penalties, claims, actions, costs and expenses (including reasonable attorneys' fees) of whatsoever kind and nature, imposed on, incurred by or asserted against Obligee that in any way relate to or arise out of a claim, suit or proceeding, based in whole or in part upon the negligent conduct of Obligor, its officers, employees and agents, or arose out of installation, operation, possession, storage or use of any item of the Equipment, to the maximum extent permitted by law.

VI. Title and Security Interest

Section 6.01 Title. Title to the Equipment shall vest in Obligor when Obligor acquires and accepts the Equipment. Title to the Equipment will automatically transfer to the Obligee in the event Obligor chooses to not renew under Section 4.01 or in the event Obligor defaults under Section 9.01. In such event, Obligor shall execute and deliver to Obligee such documents as Obligee may request to evidence the passage of legal title to the Equipment to Obligee.

Section 6.02 Security Interest. To secure the payment of all Obligor's obligations under this Contract, as well as all other obligations, debts and liabilities, plus interest thereon, whether now existing or subsequently created, Obligor hereby grants to Obligee a security interest under the Uniform Commercial Code constituting a first lien on the Equipment described more fully on Exhibit A. Furthermore, Obligor agrees that any other collateral securing any other obligation(s) to Obligee, whether offered prior to or subsequent hereto, also secures this obligation. The security interest established by this section includes not only all additions, attachments, repairs and replacements to the Equipment but also all proceeds therefrom. Obligor authorizes Obligee to prepare and record any Financing Statement required under the Uniform Commercial Code to perfect the security interest created hereunder. Obligor agrees that any Equipment listed on Exhibit A is and will remain personal property and will not be considered a fixture even if attached to real property.

VII. Assignment

Section 7.01 Assignment by Obligee. All of Obligee's rights, title and/or interest in and to this Contract may be assigned and reassigned in whole or in part to one or more assignees or sub-assignees by Obligee at any time without the consent of Obligor. No such assignment shall be effective as against Obligor until the assignor shall have filed with Obligor written notice of assignment identifying the assignee. Obligor shall pay all Contract Payments due hereunder relating to such Equipment to or at the direction of Obligee or the assignee named in the notice of assignment. Obligor shall keep a complete and accurate record of all such assignments.

Section 7.02 Assignment by Obligor. None of Obligor's right, title and interest under this Contract and in the Equipment may be assigned by Obligor unless Obligee approves of such assignment in writing before such assignment occurs and only after Obligor first obtains an opinion from nationally recognized counsel stating that such assignment will not jeopardize the tax-exempt status of the obligation.

VIII. Maintenance of Equipment

Section 8.01 Equipment. Obligor shall keep the Equipment in good repair and working order, and as required by manufacturer's and warranty specifications. If Equipment consists of copiers, Obligor is required to enter into a copier maintenance/service agreement. Obligatee shall have no obligation to inspect, test, service, maintain, repair or make improvements or additions to the Equipment under any circumstances. Obligor will be liable for all damage to the Equipment, other than normal wear and tear, caused by Obligor, its employees or its agents. Obligor shall pay for and obtain all permits, licenses and taxes related to the ownership, installation, operation, possession, storage or use of the Equipment. If the Equipment includes any titled vehicle(s), then Obligor is responsible for obtaining such title(s) from the State and also for ensuring that Obligatee is listed as First Lienholder on all of the title(s). Obligor shall not use the Equipment to haul, convey or transport hazardous waste as defined in the Resource Conservation and Recovery Act, 42 U.S.C. 6901 et. seq. Obligor agrees that Obligatee or its Assignee may execute any additional documents including financing statements, affidavits, notices, and similar instruments, for and on behalf of Obligor which Obligatee deems necessary or appropriate to protect Obligatee's interest in the Equipment and in this Contract. Obligor shall allow Obligatee to examine and inspect the Equipment at all reasonable times.

IX. Default

Section 9.01 Events of Default defined. The following events shall constitute an "Event of Default" under this Contract:

- (a) Failure by Obligor to pay any Contract Payment listed on Exhibit B for fifteen (15) days after such payment is due according to the Payment Date listed on Exhibit B.
- (b) Failure to pay any other payment required to be paid under this Contract at the time specified herein and a continuation of said failure for a period of fifteen (15) days after written notice by Obligatee that such payment must be made. If Obligor continues to fail to pay any payment after such period, then Obligatee may, but will not be obligated to, make such payments and charge Obligor for all costs incurred plus interest at the highest lawful rate.
- (c) Failure by Obligor to observe and perform any warranty, covenant, condition, promise or duty under this Contract for a period of thirty (30) days after written notice specifying such failure is given to Obligor by Obligatee, unless Obligatee agrees in writing to an extension of time. Obligatee will not unreasonably withhold its consent to an extension of time if corrective action is instituted by Obligor. Subsection (c) does not apply to Contract Payments and other payments discussed above.
- (d) Any statement, material omission, representation or warranty made by Obligor in or pursuant to this Contract which proves to be false, incorrect or misleading on the date when made regardless of Obligor's intent and which materially adversely affects the rights or security of Obligatee under this Contract.
- (e) Any provision of this Contract which ceases to be valid for whatever reason and the loss of such provision would materially adversely affect the rights or security of Obligatee.
- (f) Except as provided in Section 4.01 above, Obligor admits in writing its inability to pay its obligations.
- (g) Obligor defaults on one or more of its other obligations.
- (h) Obligor becomes insolvent, is unable to pay its debts as they become due, makes an assignment for the benefit of creditors, applies for or consents to the appointment of a receiver, trustee, conservator, custodian, or liquidator of Obligor, or all or substantially all of its assets, or a petition for relief is filed by Obligor under federal bankruptcy, insolvency or similar laws, or is filed against Obligor and is not dismissed within thirty (30) days thereafter.

Section 9.02 Remedies on Default. Whenever any Event of Default exists, Obligatee shall have the right to take one or any combination of the following remedial steps:

- (a) With or without terminating this Contract, Obligatee may declare all Contract Payments and other amounts payable by Obligor hereunder to the end of the then current Budget Year to be immediately due and payable.
- (b) With or without terminating this Contract, Obligatee may require Obligor at Obligor's expense to redeliver any or all of the Equipment and any additional collateral to Obligatee as provided below in Section 9.04. Such delivery shall take place within fifteen (15) days after the Event of Default occurs. If Obligor fails to deliver the Equipment and any additional collateral, Obligatee may enter the premises where the Equipment and any additional collateral is located and take possession of the Equipment and any additional collateral and charge Obligor for costs incurred. Notwithstanding that Obligatee has taken possession of the Equipment and any additional collateral, Obligor shall still be obligated to pay the remaining Contract Payments due up until the end of the then current Original Term or Renewal Term. Obligor will be liable for any damage to the Equipment and any additional collateral caused by Obligor or its employees or agents.
- (c) Obligatee may take whatever action at law or in equity that may appear necessary or desirable to enforce its rights. Obligor shall be responsible to Obligatee for all costs incurred by Obligatee in the enforcement of its rights under this Contract including, but not limited to, reasonable attorney fees.

Section 9.03 No Remedy Exclusive. No remedy herein conferred upon or reserved to Obligatee is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Contract now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or shall be construed to be a waiver thereof.

Section 9.04 Return of Equipment and Storage.

- (a) Surrender: The Obligor shall, at its own expense, surrender the Equipment, any additional collateral and all required documentation to evidence transfer of title from Obligor to the Obligatee in the event of a default or a non-renewal by delivering the Equipment and any additional collateral to the Obligatee to a location accessible by common carrier and designated by Obligatee. In the case that any of the Equipment and any additional collateral consists of software, Obligor shall destroy all intangible items constituting such software and shall deliver to Obligatee all tangible items constituting such software. At Obligatee's request, Obligor shall also certify in a form acceptable to Obligatee that Obligor has complied with the above software return provisions and that they will immediately cease using the software and that they shall permit Obligatee and/or the vendor of the software to inspect Obligor's locations to verify compliance with the terms hereto.
- (b) Delivery: The Equipment and any additional collateral shall be delivered to the location designated by the Obligatee by a common carrier unless the Obligatee agrees in writing that a common carrier is not needed. When the Equipment and any additional collateral is delivered into the custody of a common carrier, the Obligor shall arrange for the shipping of the item and its insurance in transit in accordance with the Obligatee's instructions and at the Obligor's sole expense. Obligor at its expense shall completely sever and disconnect the Equipment and any additional collateral or its component parts from the Obligor's property all without liability to the Obligatee. Obligor shall pack or crate the Equipment and any additional collateral and all of the component parts of the Equipment and any additional collateral carefully and in accordance with any recommendations of the manufacturer. The Obligor shall deliver to the Obligatee the plans, specifications, operation manuals or other warranties and documents furnished by the manufacturer or vendor on the Equipment and any additional collateral and such other documents in the Obligor's possession relating to the maintenance and methods of operation of such Equipment and any additional collateral.
- (c) Condition: When the Equipment is surrendered to the Obligatee it shall be in the condition and repair required to be maintained under this Contract. It will also meet all legal regulatory conditions necessary for the Obligatee to sell or lease it to a third party and be free of all liens. If Obligatee reasonably determines that the Equipment or an item of the Equipment, once it is returned, is not in the condition required hereby, Obligatee may cause the repair, service, upgrade, modification or overhaul of the Equipment or an item of the Equipment to achieve such condition and upon demand, Obligor shall promptly reimburse Obligatee for all amounts reasonably expended in connection with the foregoing.
- (d) Storage: Upon written request by the Obligatee, the Obligor shall provide free storage for the Equipment and any additional collateral for a period not to exceed 60 days after the expiration of the Contract Term before returning it to the Obligatee. The Obligor shall arrange for the insurance described to continue in full force and effect with respect to such item during its storage period and the Obligatee shall reimburse the Obligor on demand for the incremental premium cost of providing such insurance.

X. Vendor Payable Account

Section 10.01 Establishment of Vendor Payable Account. On the date that the Obligatee executed this Contract, which is on or after the date that the Obligor executes this Contract, Obligatee agrees to (i) make available to Obligor an amount sufficient to pay the total Purchase Price for the Equipment by establishing a separate, non-interest bearing account (the "Vendor Payable Account"), as agent for Obligor's account, with a financial institution that Obligatee selects that is acceptable to Obligor (including Obligatee or any of its affiliates) and (ii) to deposit an amount equal to such Purchase Price as reflected on Exhibit B in the Vendor Payable Account. Obligor hereby further agrees to make the representations, warranties and covenants relating to the Vendor Payable Account as set forth in Exhibit C attached hereto. Upon Obligor's delivery to Obligatee of a Payment Request and Equipment Acceptance Form in the form set forth in Exhibit F attached hereto, Obligor authorizes Obligatee to withdraw funds from the Vendor Payable Account from time to time to pay the Purchase Price, or a portion thereof, for each item of Equipment as it is delivered to Obligor. The Payment Request and Equipment Acceptance Form must be signed by an authorized individual acting on behalf of Obligor. The authorized individual or individuals designated by the Obligor must sign the Signature Card which will be kept in the possession of the Obligatee.

Section 10.02 Down Payment. Prior to the disbursement of any funds from the Vendor Payable Account, the Obligor must either (1) deposit all the down payment funds that the Obligor has committed towards the purchase of the Equipment into the Vendor Payable Account or (2) Obligor must provide written verification to the satisfaction of the Obligatee that all the down payment funds Obligor has committed towards the purchase of the Equipment have already been spent or are simultaneously being spent with the funds requested from the initial Payment Request and Equipment Acceptance Form. For purposes of this Section, the down payment funds committed towards the Equipment from the Obligor are the down payment funds that were represented to the Obligatee at the time this transaction was submitted for credit approval by the Obligor to the Obligatee.

Section 10.03 Disbursement upon Non-Renewal or Default. If an event of non-renewal or default occurs prior to the Partial Prepayment Date, the amount then on deposit in the Vendor Payable Account shall be retained by the Obligee and Obligor will have no interest therein.

Section 10.04 Surplus Amount. Any Surplus Amount then on deposit in the Vendor Payable Account on the Partial Prepayment Date shall be applied to pay on such Partial Prepayment Date a portion of the Purchase Option Price then applicable.

Section 10.05 Recalculation of Contract Payments. Upon payment of a portion of the Purchase Option Price as provided in Section 10.04 above, each Contract Payment thereafter shall be reduced by an amount calculated by Obligee based upon a fraction the numerator of which is the Surplus Amount and the denominator of which is the Purchase Option Price on such Partial Prepayment Date. Within 15 days after such Partial Prepayment Date, Obligee shall provide to Obligor a revised Exhibit B to this Contract, which shall take into account such payment of a portion of the Purchase Option Price thereafter and shall be and become thereafter Exhibit B to this Contract. Notwithstanding any other provision of this Section 10, this Contract shall remain in full force and effect with respect to all or the portion of the Equipment accepted by Obligor as provided in this Contract, and the portion of the principal component of Contract Payments remaining unpaid after the Partial Prepayment Date plus accrued interest thereon shall remain payable in accordance with the terms of this Contract, including revised Exhibit B hereto which shall be binding and conclusive upon Obligee and Obligor.

XI. Miscellaneous

Section 11.01 Notices. All notices shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at their respective places of business as first set forth herein or as the parties shall designate hereafter in writing.

Section 11.02 Binding Effect. Obligor acknowledges this Contract is not binding upon the Obligee or its assignees unless the Conditions to Funding listed on the Documentation Instructions have been met to Obligee's satisfaction, and Obligee has executed the Contract. Thereafter, this Contract shall inure to the benefit of and shall be binding upon Obligee and Obligor and their respective successors and assigns.

Section 11.03 Severability. In the event any provision of this Contract shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 11.04 Amendments, Addenda, Changes or Modifications. This Contract may be amended, added to, changed or modified by written agreement duly executed by Obligee and Obligor. Furthermore, Obligee reserves the right to directly charge or amortize into the remaining balance due from Obligor, a reasonable fee, to be determined at that time, as compensation to Obligee for the additional administrative expense resulting from such amendment, addenda, change or modification requested by Obligor.

Section 11.05 Execution in Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06 Captions. The captions or headings in this Contract do not define, limit or describe the scope or intent of any provisions or sections of this Contract.

Section 11.07 Master Contract. This Contract can be utilized as a Master Contract. This means that the Obligee and the Obligor may agree to the financing of additional Equipment under this Contract at some point in the future by executing one or more Additional Schedules to Exhibit A and Exhibit B, as well as other exhibits or documents that may be required by Obligee. Additional Schedules will be consecutively numbered on each of the exhibits which make up the Additional Schedule and all the terms and conditions of the Contract shall govern each Additional Schedule.

Section 11.08 Entire Writing. This Contract constitutes the entire writing between Obligee and Obligor. No waiver, consent, modification or change of terms of this Contract shall bind either party unless in writing and signed by both parties, and then such waiver, consent, modification or change shall be effective only in the specific instance and for the specific purpose given. There are no understandings, agreements, representations, conditions, or warranties, express or implied, which are not specified herein regarding this Contract, the Equipment or any additional collateral, financed hereunder. Any terms and conditions of any purchase order or other documents submitted by Obligor in connection with this Contract which are in addition to or inconsistent with the terms and conditions of this Contract will not be binding on Obligee and will not apply to this Contract.

Obligee and Obligor have caused this Contract to be executed in their names by their duly authorized representatives listed below.

Town of Firestone, Colorado

KS StateBank

Signature

Signature

Bobbi Sindelar, Mayor

Marsha Jarvis, Senior Vice President

Printed Name and Title

Printed Name and Title

EXHIBIT A

DESCRIPTION OF EQUIPMENT

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

Below is a detailed description of all the items of Equipment including quantity, model number and serial number where applicable:

One (1) 2019 7600 SFA 6x4 2010 (SF567) International Truck

Physical Address of Equipment after Delivery : 7500 Rd. 20, Firestone, CO 80520

EXHIBIT B

PAYMENT SCHEDULE

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

Date of First Payment: At Closing
 Original Balance: \$252,215.00
 Total Number of Payments: Five (5)
 Number of Payments Per Year: One (1)

Pmt No.	Due Date	Contract Payment	Applied to Interest	Applied to Principal	*Purchase Option Price
1	At Closing	\$54,948.26	\$0.00	\$54,948.26	\$200,922.27
2	01-Jul-19	\$54,948.26	\$8,817.82	\$46,130.44	\$153,388.04
3	01-Jul-20	\$54,948.26	\$6,755.79	\$48,192.47	\$104,099.80
4	01-Jul-21	\$54,948.26	\$4,601.59	\$50,346.67	\$52,992.82
5	01-Jul-22	\$54,948.26	\$2,351.10	\$52,597.16	\$0.00

Town of Firestone, Colorado

 Signature

Bobbi Sindelar, Mayor

 Printed Name and Title

*Assumes all Contract Payments due to date are paid

EXHIBIT C**ACCEPTANCE OF OBLIGATION
TO COMMENCE CONTRACT PAYMENTS UNDER EXHIBIT B****RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)**

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Acceptance of Obligation to commence Contract Payments with respect to the above referenced Contract. I hereby certify that:

1. The Equipment described on Exhibit A has not been delivered, installed or available for use as of the Commencement date of this Contract.
2. Obligor acknowledges that Obligee has agreed to deposit into a Vendor Payable Account an amount sufficient to pay the total purchase price (the "Purchase Price") for the Equipment so identified in such Exhibit A;
3. The principal amount of the Contract Payments in the Exhibit B accurately reflects the Purchase Price;
4. Obligor agrees to execute a Payment Request and Equipment Acceptance Form authorizing payment of the Purchase Price, or a portion thereof, for each withdrawal of funds from the Vendor Payable Account.

Notwithstanding that the Equipment has not been delivered to or accepted by Obligor on the date of execution of the Contract, Obligor hereby warrants that:

- (a) Obligor's obligation to commence Contract Payments as set forth in Exhibit B is absolute and unconditional as of the Commencement Date and on each date set forth in Exhibit B thereafter, subject to the terms and conditions of the Contract;
- (b) immediately upon delivery and acceptance of all the Equipment, Obligor will notify Obligee of Obligor's final acceptance of the Equipment by delivering to Obligee the "Payment Request and Equipment Acceptance Form" in the form set forth in Exhibit F attached to the Contract;
- (c) in the event that any Surplus Amount is on deposit in the Vendor Payable Account when an event of non-renewal or default under the Contract occurs, then those amounts shall be applied as provided in Section 10 of the Contract;
- (d) regardless of whether Obligor delivers a final Payment Request and Equipment Acceptance Form, all Contract Payments paid prior to delivery of all the Equipment shall be credited to Contract Payments as they become due under the Contract as set forth in Exhibit B.

Town of Firestone, Colorado

Signature

Bobbi Sindelar, Mayor
Printed Name and Title

EXHIBIT D

OBLIGOR RESOLUTION

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

At a duly called meeting of the Governing Body of the Obligor (as defined in the Contract) held on June 13, 2018 the following resolution was introduced and adopted:

BE IT RESOLVED by the Governing Body of Obligor as follows:

1. **Determination of Need.** The Governing Body of Obligor has determined that a true and very real need exists for the acquisition of the Equipment described on Exhibit A of the Government Obligation Contract dated as of July 1, 2018, between Town of Firestone, Colorado (Obligor) and KS StateBank (Obligee).
2. **Approval and Authorization.** The Governing Body of Obligor has determined that the Contract, substantially in the form presented to this meeting, is in the best interests of the Obligor for the acquisition of such Equipment, and the Governing Body hereby approves the entering into of the Contract by the Obligor and hereby designates and authorizes the following person(s) to execute and deliver the Contract on Obligor's behalf with such changes thereto as such person(s) deem(s) appropriate, and any related documents, including any Escrow Agreement, necessary to the consummation of the transaction contemplated by the Contract.

Authorized Individual(s): _____

(Typed or Printed Name and Title of individual(s) authorized to execute the Contract)

3. **Adoption of Resolution.** The signatures below from the designated individuals from the Governing Body of the Obligor evidence the adoption by the Governing Body of this Resolution.

Signature: _____

(Signature of Secretary, Board Chairman or other member of the Governing Body)

Printed Name & Title: Bobbi Sindelar, Mayor

(Printed Name and Title of individual who signed directly above)

Attested By: _____

(Signature of one additional person who can witness the passage of this Resolution)

Printed Name & Title: Leah Vanarsdall, Town Clerk

(Printed Name of individual who signed directly above)

EXHIBIT E

OFFICER'S CERTIFICATE

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Officer's Certificate with respect to the above referenced Contract. I hereby certify that:

1. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
2. Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
3. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.
4. The governing body of Obligor has approved the authorization, execution and delivery of this Contract on its behalf by the authorized representative of Obligor who signed the Contract.
5. Please list the Source of Funds (Fund Item in Budget) for the Contract Payments that come due under Exhibit B of this Contract.

Source of Funds : General Fund

By signing below, Obligor hereby authorizes the General Fund of the Obligor as a backup source of funds from which the Contract Payments can be made.

Town of Firestone, Colorado

Signature

Bobbi Sindelar, Mayor
Printed Name and Title

EXHIBIT F

PAYMENT REQUEST AND EQUIPMENT ACCEPTANCE FORM

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

In accordance with Section 10.01, by executing this Payment Request and Equipment Acceptance Form the Obligor hereby represents that the Payee or Payees listed below who are requesting payment have delivered the Equipment or a portion of the Equipment or performed the services to the satisfaction of the Obligor and that the amounts requested below by the Payee or Payees are proportionate with the value of the Equipment delivered or services rendered by the Payee or Payees. The Obligor hereby represents and warrants for all purposes that:

1. Pursuant to the invoice attached hereto, the amount to be disbursed is \$_____ and this amount is consistent with the Contract between Obligor and Vendor.
2. Payment is to be made to: Payee: _____

3. The undersigned certifies that the following documents are attached to this Payment Request and Equipment Acceptance Form when there is a request for a release of funds from the Vendor Payable Account to pay for a portion, or all, of the Equipment: (1) Invoice from the Vendor, (2) copy of the Contract between Obligor and Vendor (if requested by the Obligee), (3) Insurance Certificate (if applicable), (4) front and back copy of the original MSO/Title listing KS StateBank and/or its assigns as the first lien holder (if applicable). By executing this Payment Request and Equipment Acceptance Form and attaching the documents as required above, the Obligor shall be deemed to have accepted this portion of the Equipment for all purposes under the Contract, including, without limitation, the obligation of Obligor to make the Contract Payments with respect thereto in a proportionate amount of the total Contract Payment.
4. No amount listed in this exhibit was included in any such exhibit previously submitted.
5. Each disbursement hereby requested has been incurred and is a proper charge against the Vendor Payable Account. No amount hereby requested to be disbursed will be paid to Obligor as reimbursement for any expenditure paid by Obligor more than 60 days prior to the date of execution and delivery of the Contract.
6. The Equipment referenced in the attached has been delivered, installed, inspected and tested as necessary and in accordance with Obligor's specifications and accepted for all purposes.
7. That Obligor is or will be the title owner to the Equipment referenced in the attached, and that in the event that any third party makes a claim to such title that Obligor will take all measures necessary to secure title including, without limitation, the appropriation of additional funds to secure title to such Equipment, or a portion thereof, and keep the Contract in full force and effect. Furthermore, Obligor has obtained insurance coverage as required under the Contract from an insurer qualified to do business in the State.
8. Obligor has appropriated and/or taken other lawful actions necessary to provide moneys sufficient to pay all Contract Payments required to be paid under the Contract during the current Budget Year of Obligor, and such moneys will be applied in payment of all Contract Payments due and payable during such current Budget Year.
9. No event or condition that constitutes or would constitute an Event of Default exists as of the date hereof.

I, the undersigned, hereby certify that I am a duly qualified representative of Obligor and that I have been given the authority by the governing body of Obligor to sign this Payment Request and Equipment Acceptance Form.

Please forward this document and any correspondence relating to vendor payment to:

Email: kbellinder@ksstate.bank

or

Fax: (785) 587-4016

Please call (877) 587-4054 if you have any questions.

Town of Firestone, Colorado

Signature

Bobbi Sindelar, Mayor

Printed Name and Title

EXHIBIT G

SIGNATURE CARD

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

The below signatures will be used for purposes of verifying the signature on a Payment Request and Equipment Acceptance Form prior to making payments from the Equipment Acquisition Fund or Vendor Payable Account. By signing below, the undersigned represents and warrants that s/he has received all appropriate authority from Town of Firestone, Colorado.

Town of Firestone, Colorado

Signature

Bobbi Sindelar, Mayor

Printed Name and Title

Signature of additional authorized individual (optional) of Obligor

Signature

Printed Name and Title

EXHIBIT H

OBLIGOR ACKNOWLEDGEMENT

RE: Government Obligation Contract dated as of July 1, 2018, between KS StateBank (Obligee) and Town of Firestone, Colorado (Obligor)

Obligor hereby acknowledges that it has ordered or caused to be ordered the equipment that is the subject of the above-mentioned Contract.

Please complete the below information, attach another page if necessary

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Vendor Name: _____

Equipment: _____

Cost of Equipment: _____

Obligor will immediately notify Obligee if any of the information listed above is changed.

INSURANCE REQUIREMENTS

Pursuant to Article V of the Government Obligation Contract, you have agreed to provide us evidence of insurance covering the Equipment.

A Certificate of Insurance listing the information stated below should be sent to us no later than the date on which the equipment is delivered.

Insured:

Town of Firestone, Colorado
151 Grant Avenue
Firestone, Colorado 80520

Certificate Holder:

KS StateBank
1010 Westloop, P.O. Box 69
Manhattan, Kansas 66505-0069

1. Equipment Description

- ◆ One (1) 2019 7600 SFA 6x4 2010 (SF567) International Truck
- ◆ Please include all applicable VIN's, serial numbers, etc.

2. Deductible

- ◆ The deductible amounts on the insurance policy should not exceed \$25,000.00.

3. Physical Damage

- ◆ All risk coverage to guarantee proceeds of at least \$252,215.00.

4. Liability

- ◆ Minimum Combined Single Limit of \$1,000,000.00 on bodily injury and property damage.

5. Additional Insured and Loss Payee

- ◆ KS StateBank AOIA (and/or Its Assigns) MUST be listed as additional insured and loss payee.

Please forward certificate as soon as possible to: Email: kbellinder@ksstate.bank
or
Fax: (785) 587-4016

Please complete the information below and return this form along with the Contract.

Town of Firestone, Colorado

Insurance Company: Colorado Intergovernmental Risk Sharing Agency

Agent's Name: None

Telephone #: 303-757-5475

Fax #: _____

Address: 3665 Cherry Creek North Drive

City, State Zip: Denver, Colorado 80209

Email: _____

PREFERRED

*As an additional payment option for Obligor, we are now providing the option of ACH (Automatic Clearing House). By completing this form, Obligor is authorizing Obligee to withdraw said payment amount on said date.

DEBIT AUTHORIZATION

I hereby authorize KS StateBank Government Finance Department to initiate debit entries, and, if necessary, to reinstate returned entries up to two additional times, to the account indicated below at the financial institution named below and to debit the same to such account for:

Contract Number 3353702	Payment Amount \$54,948.26	Frequency of Payments Annual
Beginning _____ Month Year	Day of Month 1st	

I acknowledge that the origination of ACH transactions to this account must comply with the provisions of U.S. law.

Financial Institution Name		Branch	
Address	City	State	Zip
Routing Number		Account Number	

Type of Account

☐ Checking

☐ Savings

This authority is to remain in full force and effect until KS StateBank has received written notification from any authorized signer of the account of its termination in such time and manner as to afford KS StateBank a reasonable opportunity to act on it.

Obligor Name on Contract Town of Firestone, Colorado	
Signature	Printed Name and Title Bobbi Sindelar, Mayor
Tax ID Number 84-0736777	Date

PLEASE ATTACH COPY OF A VOIDED CHECK TO THIS FORM!

USA Patriot Act

USA Patriot Act requires identity verification for all new accounts. This means that we may require information from you to allow us to make a proper identification.

INVOICE

DATE SENT: 06-07-2018

BILL TO:

TOWN OF FIRESTONE, COLORADO
ATTN: ACCOUNTS PAYABLE
151 GRANT AVENUE
FIRESTONE, COLORADO 80520

REMIT TO:

KS STATEBANK
GOVERNMENT FINANCE DEPARTMENT
PO BOX 69
MANHATTAN, KS 66505-0069
FOR INQUIRIES: (877) 587-4054

ACCOUNT NUMBER	PAYMENT DATE	PAYMENT DUE DATE	TOTAL AMOUNT DUE
3353702	At Closing	At Closing	\$54,948.26

DESCRIPTION	AMOUNT
GOVERNMENT OBLIGATION CONTRACT DATED AS OF JULY 1, 2018	PAYMENT AMOUNT: \$54,948.26
ONE (1) 2019 7600 SFA 6X4 2010 (SF567) INTERNATIONAL TRUCK	
<i>Additional interest will be assessed on any payment received after the due date.</i>	
	\$54,948.26
	TOTAL DUE

8038 REVIEW FORM

The 8038 form attached hereto is an important part of the documentation package and must be properly filled out and submitted to the Department of the Treasury in order for you to receive the lower tax-exempt rate. Unless you instruct us otherwise, we have engaged a Paid Preparer to assist in the filling out of this form. The Paid Preparer has filled out the relevant portions of this form based on the current understanding of what is required by the Department of the Treasury. The responses on this 8038 form are based on the dates and amounts which you have requested (structure of the transaction) and which are on the Payment Schedule.

1. Please review our responses for accuracy. If anything is inaccurate, please contact our office so that we can make proper revisions.
2. If the information provided to you on this form is accurate, please sign where indicated and return with the document package.
3. If there are any changes to the structure of the transaction that occur prior to funding which require a change to the 8038 form, we will make such changes and provide notification to you.
4. We will return to you a copy of the 8038 form that was mailed to the Department of the Treasury.

Important Note:

The IRS is now requesting information regarding tax-exempt issuers' and borrowers' written policies and procedures designed to monitor post-issuance compliance with the federal tax rules applicable to tax-exempt obligations (boxes 43 and 44). Do not check items 43 and 44 on the 8038 form unless you have established written procedures in accordance with the instructions referenced directly below. If you choose to "check" items 43 and/or 44, please be prepared to provide copies of such written procedures to the Paid Preparer or any representatives of the IRS upon request. Written procedures should contain certain key characteristics, including making provisions for:

- Due diligence review at regular intervals;
- Identifying the official or employee responsible for review;
- Training of the responsible official/employee;
- Retention of adequate records to substantiate compliance (e.g., records relating to expenditure of proceeds);
- Procedures reasonably expected to timely identify noncompliance; and
- Procedures ensuring that the issuer will take steps to timely correct noncompliance.

For additional guidance on this 8038 form, you can refer to the Documentation Instructions located on the following government website: <http://www.irs.gov/app/picklist/list/formsInstructions.html>, or contact your local IRS office.

Information Return for Tax-Exempt Governmental Obligations

► Under Internal Revenue Code section 149(e)

► See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting AuthorityIf Amended Return, check here ► ☐

1 Issuer's name Town of Firestone, Colorado		2 Issuer's employer identification number (EIN) 84-0736777
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a
4 Number and street (or P.O. box if mail is not delivered to street address) 151 Grant Avenue	Room/suite	5 Report number (For IRS Use Only) 3
6 City, town, or post office, state, and ZIP code Firestone, Colorado 80520		7 Date of issue 07/01/2018
8 Name of issue Government Obligation Contract		9 CUSIP number None
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions) Ms. Judy Scott, Accounting Clerk		10b Telephone number of officer or other employee shown on 10a (303) 531-6256

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11 Education	11		
12 Health and hospital	12		
13 Transportation	13		
14 Public safety	14		
15 Environment (including sewage bonds)	15		
16 Housing	16		
17 Utilities	17		
18 Other. Describe ► One (1) 2019 7600 SFA 6x4 2010 (SF567) International Truck	18	254,451	71
19 If obligations are TANs or RANs, check only box 19a	►	☐	
If obligations are BANs, check only box 19b	►	☐	
20 If obligations are in the form of a lease or installment sale, check box	►	☐	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	07/01/2022	\$ 254,451.71	\$ 252,215.00	2.998 years	4.421 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22		
23 Issue price of entire issue (enter amount from line 21, column (b))	23	254,451	71
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	2,236	71
25 Proceeds used for credit enhancement	25		
26 Proceeds allocated to reasonably required reserve or replacement fund	26		
27 Proceeds used to currently refund prior issues	27		
28 Proceeds used to advance refund prior issues	28		
29 Total (add lines 24 through 28)	29	2,236	71
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	252,215	00

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the bonds to be currently refunded	►	_____ years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	►	_____ years
33 Enter the last date on which the refunded bonds will be called (MM/DD/YYYY)	►	_____
34 Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		_____

For Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 63773S

Form **8038-G** (Rev. 9-2011)

Part VI Miscellaneous

35	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	
36a	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC) (see instructions)	36a	
b	Enter the final maturity date of the GIC ▶ _____		
c	Enter the name of the GIC provider ▶ _____		
37	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units	37	

38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box ☐ and enter the following information:

b Enter the date of the master pool obligation ▶ _____

c Enter the EIN of the issuer of the master pool obligation ▶ _____

d Enter the name of the issuer of the master pool obligation ▶ _____

39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ☐

40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ☐

41a If the issuer has identified a hedge, check here ☐ and enter the following information:

b Name of hedge provider ▶ _____

c Type of hedge ▶ _____

d Term of hedge ▶ _____

42 If the issuer has superintegrated the hedge, check box ☐

43 If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ☐

44 If the issuer has established written procedures to monitor the requirements of section 148, check box ☐

45a If some portion of the proceeds was used to reimburse expenditures, check here ☐ and enter the amount of reimbursement. ▶ _____

b Enter the date the official intent was adopted ▶ _____

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶

Signature of issuer's authorized representative	Date	Type or print name and title
---	------	------------------------------

Paid Preparer Use Only

Print/Type preparer's name H. Evan Howe	Preparer's signature <i>H. Evan Howe</i> Digitally signed by H. Evan Howe Date: 2018.06.07 15:35:07 -05'00'	Date 06/07/2018	Check ☐ if self-employed	PTIN P01438994
Firm's Name ▶ Baystone Financial LLC		Firm's EIN ▶ 48-1223987		
Firm's Address ▶ 12980 Metcalf, Suite 310, Overland Park, KS 66213		Phone no. (800) 752-3562		

AGENDA INFORMATION MEMORANDUM

FIRESTONE TOWN BOARD OF TRUSTEES



AIM#: 7.g.

Discussion/Action

Meeting Date: June 13, 2018

Initiated By: Leah Vanarsdall, Town Clerk

Dept: Community Resources

AGENDA TITLE

AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE AND CLEAR WATER SOLUTIONS, INC. FOR PREPARING A CWCB GRANT APPLICATION FOR A DROUGHT MANAGEMENT PLAN

SUMMARY

Attached for the Boards consideration is a contract with Clear Water Solutions, LLC to prepare a grant application with the Colorado Water Conservation Board (CWCB). The grant would provide funding that would then allow the Town to prepare a Drought Management Plan.

HISTORY AND PREVIOUS BOARD ACTION

In 2011, the Town contracted with Clear Water Solutions, LLC to prepare a Colorado Water Conservation Board (CWCB) grant application for a Drought Management Plan. The Town successfully received the grant the Town contracted Clear Water Solutions to write the Town's first State approved Drought Management Plan. As part of the Town continued water conservation efforts, periodically the Town applies for efficiency grants from CWCB. One of CWCB requirements is that grant applicants have a State approved Drought Management Plan. During our last efficiency grant process in 2015 and loan process in 2016, CWCB encourage the Town to commit to updating the current Drought Management Plan as part of the conditions to qualify for future funding. Drought planning is an important objective to ensure that the Town's critical water supply needs are met when supplies are diminished. CWCB is offering grant monies to help offset the cost of preparing these important plans. Clear Water Solutions has confirmed with CWCB that there is grant money available this year for the updating of Drought Management Plans.

RECOMMENDATION

Staff recommends the Board adopt a motion to approve the agreement with Clear Water Solutions, LLC to prepare the CWCB grant application for updated the Drought Management Plan.

ALTERNATIVES

The Board may decide to not approve the agreement, and provide staff with additional direction.

ATTACHMENTS

1. 2018 Firestone's Contract for Drought Management Plan Grant-Final

FINANCIAL CONSIDERATIONS

The agreement includes an amount not to exceed \$5,500.00 to prepare the CWCB grant application

for updated the Drought Management Plan. In the 2018 budget, \$85,000.00 was budgeted and appropriated in the Town’s Water Fund to cover these costs.

**AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE AND
CLEAR WATER SOLUTIONS, INC. FOR PREPARING A CWCB GRANT
APPLICATION FOR A DROUGHT MANAGEMENT PLAN**

1.0 PARTIES

The parties to this Agreement are the **Town of Firestone**, a Colorado municipal corporation, hereinafter referred to as the “Town”, and **Clear Water Solutions, Inc.**, a Colorado corporation, hereinafter referred to as the “Consultant”.

2.0 RECITALS AND PURPOSE

- 2.1 The Town desires to engage the Consultant for the purpose of preparing a Grant Application for a Drought Management Plan, consisting of the services further set forth in the Consultant’s Scope of Services (which services are hereinafter referred to as the “Services”).
- 2.2 The Consultant represents that it has the special expertise, qualifications and background necessary to complete the Services.

3.0 SCOPE OF SERVICES

The Consultant agrees to provide the Town with the specific Services and to perform the specific tasks, duties and responsibilities set forth in Scope of Services attached hereto as Exhibit “A” and incorporated herein by reference. Consultant’s services to the Town are non-exclusive. In its sole discretion, the Town may contract with other consultants to provide the same or similar services during the term of this Agreement.

4.0 COMPENSATION

- 4.1 The Town shall pay the Consultant for services under this Agreement an amount not to exceed \$5,500.00 for the CWCB Grant Application. The foregoing amount of compensation shall be inclusive of all costs of whatsoever nature associated with the Consultant’s efforts, including but not limited to salaries, benefits, overhead, administration, profits, expenses, and outside consultant/subcontractor fees. The Scope of Services and payment therefore shall only be changed by a properly authorized amendment to this Agreement. No Town employee has the authority to bind the Town with regard to any payment for any services which exceeds the amount payable under the terms of this Agreement.
- 4.2 The Consultant shall submit monthly a detailed invoice to the Town describing the professional services rendered. The Town shall make progress payments based on the work completed to the date of invoice. Each invoice shall document the hours spent on the Services identifying by work category and subcategory the work performed for the month, the hours worked by employee, and the rate/percent of Services completed used to calculate the requested progress payment. The Town shall have access to backup payroll documentation identifying individual

employee, date, and hours worked. The Town shall pay the invoice within thirty (30) days of receipt unless the work or the documentation therefore is unsatisfactory. Payments made after thirty (30) days may be assessed an interest charge of one percent (1%) per month unless the delay in payment resulted from unsatisfactory work or documentation therefor.

5.0 PROJECT REPRESENTATION

The Town designates Town Manager, as the responsible Town staff to provide direction to the Consultant during the conduct of the Services. The Consultant shall comply with the directions given by the Town Manager and his designees. The Consultant designates Mr. Steve Nguyen as the Project Manager. The Town may rely upon the guidance, opinions, and recommendations provided by the Consultant and its representatives. Should any of the representatives be replaced, particularly Mr. Nguyen, and such replacement require the Town to undertake additional reevaluations, coordination, orientations, etc., the Consultant shall be fully responsible for all such additional costs and services.

6.0 TERM

The Consultant's services under this Agreement shall commence upon execution of this Agreement by the Town and shall progress so that the Services are completed in a timely fashion consistent with the Town's requirements. This Agreement shall terminate December 31, 2018, unless terminated sooner pursuant to the provisions hereof.

7.0 INSURANCE

7.1 The Consultant agrees to procure and maintain, at its own cost, the policies of insurance set forth in Subsections 7.1.1 and 7.1.2. The Consultant shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types. The coverages required below shall be procured and maintained with forms and insurers acceptable to the Town. All coverages shall be continuously maintained from the date of commencement of services hereunder. The required coverages are:

7.1.1 Workers' Compensation insurance to cover obligations imposed by the Workers' Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of work under this contract. Evidence of qualified exemption or self-insured status may be substituted.

7.1.2 Consultant's own automobile liability and physical damage insurance for any vehicle used in performing service for the Town, in amounts not less than prescribed by Colorado law (currently \$25,000 per person/\$50,000 per accident bodily injury and \$15,000 per accident property damage).

- 7.1.3 Professional Liability coverage with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate.
- 7.2 The Consultant's automobile liability and physical damage insurance shall be endorsed to include the Town, and its elected and appointed officers and employees, as additional insureds, unless the Town in its sole discretion waives such requirement. Every policy required above shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by the Consultant. Such policies shall contain a severability of interests provision. The Consultant shall be solely responsible for any deductible losses under the required policies.
- 7.3 Certificates of insurance shall be provided by the Consultant as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be subject to review and approval by the Town. No required coverage shall be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto.
- 7.4 Failure on the part of the Consultant to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the Town may immediately terminate the contract, or at its discretion may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the Town shall be repaid by Consultant to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Consultant from the Town.
- 7.5 The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations (presently \$150,000 per person and \$600,000 per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., 10 C.R.S., as from time to time amended, or otherwise available to the Town, its officers, or its employees.

8.0 INDEMNIFICATION

Consultant shall indemnify and hold the Town harmless against (1) claims by any employee or agent of Consultant for compensation or benefits including but not limited to pension, insurance, medical expenses, vacation pay, sick leave or sick pay, or for indemnification for tort claim damages or similar claims for damages (e.g. Section 1983 claims); and (2) all liability, claims, demands, and expenses, including court costs and reasonable attorney fees, on account of any claims by any other party for damages to the extent such arise from any negligent, unlawful, or willful and wanton act or omission on the part of any Consultant employee acting pursuant to this Agreement. The Town shall be entitled to its costs and attorneys' fees incurred in any action to enforce the provisions of this Section 8.0. The Consultant's indemnification obligation shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the Town.

9.0 QUALITY OF WORK

Consultant's professional services shall be in accordance with the prevailing standard of practice normally exercised in the performance of services of a similar nature in the Denver metropolitan area. Consultant shall provide sufficient organization, personnel and management to carry out the requirements of this Agreement in an expeditious and economical manner consistent with the objectives of the engagement and specified interests of the Town.

10.0 INDEPENDENT CONTRACTOR

Consultant and any persons employed by Consultant for the performance of work hereunder shall be independent contractors and not agents of the Town. Any provisions in this Agreement that may appear to give the Town the right to direct Consultant as to details of doing work or to exercise a measure of control over the work mean that Consultant shall follow the direction of the Town as to end results of the work only. **As an independent contractor, Consultant is not entitled to workers' compensation benefits except as may be provided by the independent contractor nor to unemployment insurance benefits unless unemployment compensation coverage is provided by the independent contractor or some other entity. The Consultant is obligated to pay all federal and state income tax on any moneys earned or paid pursuant to this contract.**

11.0 ASSIGNMENT

Consultant shall not assign or delegate this Agreement or any portion thereof, or any monies due to or become due hereunder without the Town's prior written consent.

12.0 DEFAULT

Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either party should fail or refuse to perform according to the terms of this Agreement, such party may be declared in default.

13.0 TERMINATION

- 13.1 This Agreement may be terminated by either party for material breach or default of this Agreement by the other party not caused by any action or omission of the other party by giving the other party written notice at least thirty (30) days in advance of the termination date. Termination pursuant to this subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

- 13.2 In addition to the foregoing, this Agreement may be terminated by the Town for its convenience and without cause of any nature by giving written notice at least fifteen (15) days in advance of the termination date. In the event of such termination, the Consultant will be paid for the reasonable value of the services rendered to the date of termination, not to exceed a pro-rated daily rate, for the services rendered to the date of termination, and upon such payment, all obligations of the Town to the Consultant under this Agreement will cease. Termination pursuant to this Subsection shall not prevent either party from exercising any other legal remedies which may be available to it.

14.0 INSPECTION AND AUDIT

The Town and its duly authorized representatives shall have access to any books, documents, papers, and records of the Consultant that are related to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

15.0 DOCUMENTS

- 15.1 All computer input and output, analyses, plans, documents, studies, reports, photographic images, grant applications, electronic files and written material of any kind generated in the performance of this Agreement or developed for the Town in performance of the Services are and shall remain the sole and exclusive property of the Town. All such materials shall be promptly provided to the Town upon request therefor and at the time of termination of this Agreement, without further charge or expense to the Town. Consultant shall not provide copies of any such material to any other party without the prior written consent of the Town.
- 15.2 Documents prepared pursuant to this Agreement shall be transmitted to the Town in suitable electronic media as specifically requested by the Town. The Town acknowledges that such documents are intended for the Town's own use and application, and work products developed under this Agreement shall not be used for or applied to other projects without the prior written approval of Consultant, which approval shall not be unreasonably withheld.

16.0 ENFORCEMENT

- 16.1 In the event that suit is brought upon this Agreement to enforce its terms, the prevailing party shall be entitled to its reasonable attorneys' fees and related court costs.
- 16.2 Colorado law shall apply to the construction and enforcement of this Agreement. The parties agree to the jurisdiction and venue of the courts of Weld County in connection with any dispute arising out of or in any matter connected with this Agreement.

17.0 COMPLIANCE WITH LAWS; WORK BY ILLEGAL ALIENS PROHIBITED

- 17.1 Consultant shall be solely responsible for compliance with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the Town; for

payment of all applicable taxes; and obtaining and keeping in force all applicable permits and approvals.

- 17.2 Exhibit B, the “Public Services Contract Addendum-Prohibition Against Employing Illegal Aliens”, is attached hereto and incorporated herein by reference. There is also attached hereto a copy of Consultant’s Pre-Contract Certification which Consultant has executed and delivered to the Town prior to Consultant’s execution of this Agreement.

18.0 INTEGRATION AND AMENDMENT

This Agreement represents the entire Agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties.

19.0 NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be given by hand delivery, by United States first class mail, postage prepaid, registered or certified, return receipt requested, by national overnight carrier, or by facsimile transmission, addressed to the party for whom it is intended at the following address:

If to the Town:

Town of Firestone
Attn: Town Manager
151 Grant Avenue, Box 100
Firestone, CO 80520
Telephone: (303) 833-3291
Fax: (303) 833-4863

If to the Consultant:

Clear Water Solutions, Inc.
Attn: Steve Nguyen, P.E.
8010 South County Road 5, Suite 105
Windsor, CO 80528
Telephone: (970) 223-3706
Fax: (970) 223-3763

Any such notice or other communication shall be effective when received as indicated on the delivery receipt, if by hand delivery or overnight carrier; on the United States mail return receipt, if by United States mail; or on facsimile transmission receipt. Either party may by similar notice given, change the address to which future notices or other communications shall be sent.

20.0 WAIVER

A waiver by any party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

21.0 BINDING EFFECT

This Agreement shall inure to the benefit of, and be binding upon, the parties, their respective legal representatives, successors, heirs, and assigns; provided, however, that nothing in this paragraph shall be construed to permit the assignment of this Agreement except as otherwise expressly authorized herein.

22.0 NO THIRD PARTY BENEFICIARIES

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Town and Consultant, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the parties that any person other than Town or Consultant receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

In witness whereof, the parties have executed this Agreement to be effective as of the day and year of signed by the Town.

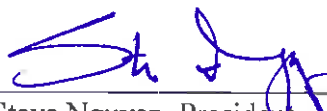
TOWN OF FIRESTONE

ATTEST:

By: _____
Bobbi Sindelar, Mayor

Leah Vanarsdall, Town Clerk

CONSULTANT:
CLEAR WATER SOLUTIONS, INC.

By:  _____
Steve Nguyen, President

**Exhibit A – Scope of Services
(see attached)**

Exhibit B

Public Services Contract Addendum Prohibition Against Employing Illegal Aliens

Prohibition Against Employing Illegal Aliens. Consultant shall not knowingly employ or contract with an illegal alien to perform work under this contract. Consultant shall not enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

Consultant has confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participating in the basic pilot program as defined in C.R.S. Section 8-17.5-101(1) (“Program”) and, if Consultant is not accepted into the Program prior to entering into this contract, that the Consultant shall apply to participate in the Program every three months until the Consultant is accepted or the contract has been completed, whichever is earlier. This provision shall not be required or effective if the Program is discontinued. Consultant is prohibited from using the Program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If Consultant obtains actual knowledge that a subcontractor performing work under this contract for services knowingly employs or contracts with an illegal alien, Consultant shall:

- a. Notify the subcontractor and the Town within three days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this paragraph the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Consultant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. Section 8-17.5-102(5).

If Consultant violates a provision of this Contract required pursuant to C.R.S. Section 8-17.5-102, the Town may terminate the contract for breach of contract. If the contract is so terminated, the Consultant shall be liable for actual and consequential damages to the Town.

**Consultant's Pre-Contract Certification
Regarding Employing Illegal Aliens**

The proposer of public services to the Town of Firestone identified below (hereafter "the Proposer"), hereby certifies as follows:

That at the time of providing this certification, Proposer does not knowingly employ or contract with an illegal alien; and that Proposer has participated in or attempted to participate in the Basic Pilot Program administered by the United States Department of Homeland Security in order to verify that it does not employ any illegal aliens.

Dated this 11TH day of MAY, 20 18.

PROPOSER:
CLEAR WATER SOLUTIONS, INC.

By: 
Steve Nguyen, President

Exhibit A

Below is the scope of services to complete the Colorado Water Conservation Board (CWCB) grant application for the Town of Firestone's Drought Management Plan Update.

1. Complete and submit CWCB grant application.
2. Coordinate with CWCB on questions until grant is approved and P.O. is issued.

AGENDA INFORMATION MEMORANDUM

FIRESTONE TOWN BOARD OF TRUSTEES



AIM#: 7.h.

Discussion/Action

Meeting Date: June 13, 2018

Initiated By: Leah Vanarsdall, Town Clerk

Dept: Community Resources

AGENDA TITLE

AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE AND
CLEAR WATER SOLUTIONS, INC. FOR PREPARING A RATE STUDY UPDATE

SUMMARY

In 2008, the Town contracted with Clear Water Solutions, Inc. to prepare a rate study analysis. The recommendations from that study have been the basis for the Town's adopted water rates and cost of service application policy. Since the preparation of the 2008 Water Rate Study, there have been changes in the Town's cost of service related to capital improvement needs and Operations & Maintenance assumption. Since 2008, the Town has contracted with Clear Water Solutions, Inc. to provide updates to the original Water Rate Study analysis every few years. These updates have taken place in 2011, 2014 and in 2016.

With the amount of water supply initiatives the Town is activity pursuing to secure a sustainable water source, Staff is requesting Clear Water Solutions services to provide a thorough review of revenue requirements, cost of service and rate structure. With the completion of this update in 2018, Staff will be able to recommend any needed adjustment to the Board for the 2019 budget and following years.

Attached is a proposed agreement with Clear Water Solutions for the 2018 Rate Study Update. The proposed water rate study update will cost \$23,620.00; includes all professional fees and reimbursable expenses.

HISTORY AND PREVIOUS BOARD ACTION

The Town has previously contracted with Clear Water Solutions to prepare a Water Rate Study in 2008, and updates in 2011, 2014 and 2016.

RECOMMENDATION

Staff recommends that the Board adopt a motion to approve the attached agreement by and between the Town of Firestone and Clear Water Solutions, LLC for preparing a rate study update.

ALTERNATIVES

The Board may decide to not approve the Agreement, and provide staff with additional direction.

ATTACHMENTS

1. 2018 Firestone's Contract for Rate Study Update-Final

FINANCIAL CONSIDERATIONS

The agreement includes an amount not to exceed \$23,620.00 for Rate Study Update. In the 2018 budget, \$85,000.00 was budgeted and appropriated in the Town's Water Fund to cover these costs.

AN AGREEMENT BY AND BETWEEN THE TOWN OF FIRESTONE AND CLEAR WATER SOLUTIONS, INC. FOR PREPARING A RATE STUDY UPDATE

1.0 PARTIES

The parties to this Agreement are the **Town of Firestone**, a Colorado municipal corporation, hereinafter referred to as the “Town”, and **Clear Water Solutions, Inc.**, a Colorado corporation, hereinafter referred to as the “Consultant”.

2.0 RECITALS AND PURPOSE

- 2.1 The Town desires to engage the Consultant for the purpose of preparing a Rate Study Update, consisting of the services further set forth in the Consultant’s Scope of Services (which services are hereinafter referred to as the “Services”).
- 2.2 The Consultant represents that it has the special expertise, qualifications and background necessary to complete the Services.

3.0 SCOPE OF SERVICES

The Consultant agrees to provide the Town with the specific Services and to perform the specific tasks, duties and responsibilities set forth in Scope of Services attached hereto as Exhibit “A” and incorporated herein by reference. Consultant’s services to the Town are non-exclusive. In its sole discretion, the Town may contract with other consultants to provide the same or similar services during the term of this Agreement.

4.0 COMPENSATION

- 4.1 The Town shall pay the Consultant for services under this Agreement an amount not to exceed \$23,620.00 for the Rate Study Update. The foregoing amount of compensation shall be inclusive of all costs of whatsoever nature associated with the Consultant’s efforts, including but not limited to salaries, benefits, overhead, administration, profits, expenses, and outside consultant/subcontractor fees. The Scope of Services and payment therefore shall only be changed by a properly authorized amendment to this Agreement. No Town employee has the authority to bind the Town with regard to any payment for any services which exceeds the amount payable under the terms of this Agreement.
- 4.2 The Consultant shall submit monthly a detailed invoice to the Town describing the professional services rendered. The Town shall make progress payments based on the work completed to the date of invoice. Each invoice shall document the hours spent on the Services identifying by work category and subcategory the work performed for the month, the hours worked by employee, and the rate/percent of Services completed used to calculate the requested progress payment. The Town shall have access to backup payroll documentation identifying individual employee, date, and hours worked. The Town shall pay the invoice within thirty (30) days of receipt unless the work or the documentation therefore is unsatisfactory. Payments made after

thirty (30) days may be assessed an interest charge of one percent (1%) per month unless the delay in payment resulted from unsatisfactory work or documentation therefor.

5.0 PROJECT REPRESENTATION

The Town designates the Town Manager as the responsible Town staff to provide direction to the Consultant during the conduct of the Services. The Consultant shall comply with the directions given by the Town Manager and his designees. The Consultant designates Mr. Steve Nguyen as the Project Manager. The Town may rely upon the guidance, opinions, and recommendations provided by the Consultant and its representatives. Should any of the representatives be replaced, particularly Mr. Nguyen, and such replacement require the Town to undertake additional reevaluations, coordination, orientations, etc., the Consultant shall be fully responsible for all such additional costs and services.

6.0 TERM

The Consultant's services under this Agreement shall commence upon execution of this Agreement by the Town and shall progress so that the Services are completed in a timely fashion consistent with the Town's requirements. This Agreement shall terminate December 31, 2018, unless terminated sooner pursuant to the provisions hereof.

7.0 INSURANCE

7.1 The Consultant agrees to procure and maintain, at its own cost, the policies of insurance set forth in Subsections 7.1.1 and 7.1.2. The Consultant shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types. The coverages required below shall be procured and maintained with forms and insurers acceptable to the Town. All coverages shall be continuously maintained from the date of commencement of services hereunder. The required coverages are:

- 7.1.1 Workers' Compensation insurance to cover obligations imposed by the Workers' Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of work under this contract. Evidence of qualified exemption or self-insured status may be substituted.
- 7.1.2 Consultant's own automobile liability and physical damage insurance for any vehicle used in performing service for the Town, in amounts not less than prescribed by Colorado law (currently \$25,000 per person/\$50,000 per accident bodily injury and \$15,000 per accident property damage).
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Consultant shall not assign or delegate this Agreement or any portion thereof, or any monies due to or become due hereunder without the Town's prior written consent.

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13.0 TERMINATION

- 13.1 This Agreement may be terminated by either party for material breach or default of this Agreement by the other party not caused by any action or omission of the other party by giving the other party written notice at least thirty (30) days in advance of the termination date. Termination pursuant to this subsection shall not prevent either party from exercising any other legal remedies which may be available to it.
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The Town and its duly authorized representatives shall have access to any books, documents, papers, and records of the Consultant that are related to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

15.0 DOCUMENTS

- 15.1 All computer input and output, analyses, plans, documents, studies, reports, photographic images, grant applications, electronic files and written material of any kind generated in the performance of this Agreement or developed for the Town in performance of the Services are and shall remain the sole and exclusive property of the Town. All such materials shall be promptly provided to the Town upon request therefor and at the time of termination of this Agreement, without further charge or expense to the Town. Consultant shall not provide copies of any such material to any other party without the prior written consent of the Town.
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- 16.2 Colorado law shall apply to the construction and enforcement of this Agreement. The parties agree to the jurisdiction and venue of the courts of Weld County in connection with any dispute arising out of or in any matter connected with this Agreement.

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- 17.1 Consultant shall be solely responsible for compliance with all applicable federal, state, and local laws, including the ordinances, resolutions, rules, and regulations of the Town; for payment of all applicable taxes; and obtaining and keeping in force all applicable permits and approvals.
- 7.2 Exhibit B, the "Public Services Contract Addendum-Prohibition Against Employing Illegal Aliens", is attached hereto and incorporated herein by reference. There is also attached hereto a copy of Consultant's Pre-Contract Certification which Consultant has executed and delivered to the Town prior to Consultant's execution of this Agreement.

18.0 INTEGRATION AND AMENDMENT

This Agreement represents the entire Agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties.

19.0 NOTICES

All notices required or permitted under this Agreement shall be in writing and shall be given by hand delivery, by United States first class mail, postage prepaid, registered or certified, return receipt requested, by national overnight carrier, or by facsimile transmission, addressed to the party for whom it is intended at the following address:

If to the Town:

Town of Firestone
Attn: Town Manager
151 Grant Avenue, Box 100
Firestone, CO 80520
Telephone: (303) 833-3291
Fax: (303) 833-4863

If to the Consultant:

Clear Water Solutions, Inc.
Attn: Steve Nguyen, P.E.
8010 South County Road 5, Suite 105
Windsor, CO 80528
Telephone: (970) 223-3706
Fax: (970) 223-3763

Any such notice or other communication shall be effective when received as indicated on the delivery receipt, if by hand delivery or overnight carrier; on the United States mail return receipt, if by United States mail; or on facsimile transmission receipt. Either party may by similar notice given, change the address to which future notices or other communications shall be sent.

20.0 WAIVER

A waiver by any party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

21.0 BINDING EFFECT

This Agreement shall inure to the benefit of, and be binding upon, the parties, their respective legal representatives, successors, heirs, and assigns; provided, however, that nothing in this paragraph shall be construed to permit the assignment of this Agreement except as otherwise expressly

authorized herein.

22.0 NO THIRD PARTY BENEFICIARIES

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Town and Consultant, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the parties that any person other than Town or Consultant receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

In witness whereof, the parties have executed this Agreement to be effective as of the day and year of signed by the Town.

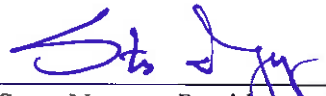
TOWN OF FIRESTONE

ATTEST:

By: _____
Bobbi Sindelar, Mayor

Leah Vanarsdall, Town Clerk

CONSULTANT:
CLEAR WATER SOLUTIONS, INC.

By:  _____
Steve Nguyen, President

**Exhibit A – Scope of Services
(see attached)**

Exhibit B

Public Services Contract Addendum Prohibition Against Employing Illegal Aliens

Prohibition Against Employing Illegal Aliens. Consultant shall not knowingly employ or contract with an illegal alien to perform work under this contract. Consultant shall not enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

Consultant has confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participating in the basic pilot program as defined in C.R.S. Section 8-17.5-101(1) ("Program") and, if Consultant is not accepted into the Program prior to entering into this contract, that the Consultant shall apply to participate in the Program every three months until the Consultant is accepted or the contract has been completed, whichever is earlier. This provision shall not be required or effective if the Program is discontinued. Consultant is prohibited from using the Program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If Consultant obtains actual knowledge that a subcontractor performing work under this contract for services knowingly employs or contracts with an illegal alien, Consultant shall:

- a. Notify the subcontractor and the Town within three days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and
- b. Terminate the subcontract with the subcontractor if within three days of receiving the notice required pursuant to this paragraph the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Consultant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. Section 8-17.5-102(5).

If Consultant violates a provision of this Contract required pursuant to C.R.S. Section 8-17.5-102, the Town may terminate the contract for breach of contract. If the contract is so terminated, the Consultant shall be liable for actual and consequential damages to the Town.

**Consultant's Pre-Contract Certification
Regarding Employing Illegal Aliens**

The proposer of public services to the Town of Firestone identified below (hereafter "the Proposer"), hereby certifies as follows:

That at the time of providing this certification, Proposer does not knowingly employ or contract with an illegal alien; and that Proposer has participated in or attempted to participate in the Basic Pilot Program administered by the United States Department of Homeland Security in order to verify that it does not employ any illegal aliens.

Dated this 6TH day of JUNE, 20 18.

PROPOSER:
CLEAR WATER SOLUTIONS, INC.

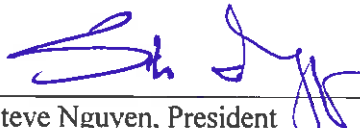
By: 
Steve Nguyen, President

Exhibit A – Scope of Services for Rate Study Update

Determine Revenue Requirements

In cooperation with financial managers for Firestone, CWS will determine annual revenue requirements. Revenue requirements reflect the totals costs anticipated by the water utility during the current budget year. Any anticipated changes in costs will also be included in the revenue requirements. The wholesale contract with Central Weld County Water District will be studied to determine existing and future cost implications and opportunities to limit costs.

Determine Customer Classes and Water Usage Characteristics

The utility billing system for Firestone will be utilized to determine customer classifications and water use within each customer category. Customers will be analyzed by meter size and usage characteristics. The potential to further differentiate customers will be considered. It may be beneficial to differentiate between single family and multi-family customers, non-residential and irrigation-only customers, and commercial and industrial customers. The number of customer classifications will be a function of the capability of the existing utility billing system. The number of categories needs to be adequate to insure equity between customers but limited in number to insure rates are easily administered and understood by the public.

Allocation of Costs

Annual costs for operation, maintenance, and system improvements will be categorized and allocated to one of the following cost functions: water supply, transmission, distribution, treatment, storage and customer costs (billing, meter reading, administration, etc.). Different customers place different demands on the water system so it will be critical to adequately determine costs by function.

Allocation of Costs to Customer Service Characteristics

The functionalized costs will be allocated to the different service characteristics. The result of this process will be the determination of unit costs of capacity for the various functions within the water utility; for example, base, maximum day, peak hour, meter and customer costs.

Determination of Revenue Requirements by Class

The revenue requirements for each customer category will be determined by multiplying the unit cost of capacity by the respective customer demands for each customer class. The resulting product of the multiplication is the revenue requirement for each customer classification.

Rate Design

The final step in the rate study will be the design of equitable rates for all customers. Rates will be designed to incorporate a minimum fixed charge and a volumetric (or variable) charge for the amount of water used during a 30 day billing period. Rates will insure recovery of the utility's revenue requirements without risk of shortage resulting from weather or greater than anticipated water use reductions. With input from the Town Board and public, rates will address the community's desire for equity, ease of administration, customer understanding and acceptance, conservation, sufficiency and stability.

ORDINANCE NO. 936

AN ORDINANCE AMENDING THE FIRESTONE MUNICIPAL CODE REGARDING E-TICKETING FOR TRAFFIC INFRACTIONS

WHEREAS, the Firestone Board of Trustees (“Board”) desires to amend the Firestone Municipal Code (“Code”) to expressly authorize the electronic generation and electronic signing of summonses and complaints and penalty assessment notices for traffic infractions issued by the Firestone Police Department for violations of Title 10 of the Code and the Model Traffic Code as amended and adopted therein; and

WHEREAS, the Board further desires to amend the Code to clarify that tender by an officer of a summons and complaint or penalty assessment notice constitutes notice to the violator to appear in court at the time specified on such summons or penalty assessment or to pay the required fine and surcharge thereon, so long as it is reasonably clear from the face of the ticket that the ticket was personally served on the defendant prior to the expiration of the one-year statute of limitations; and

WHEREAS, the Board further desires to amend the Code clarify that the Court may issue a warrant for a defendant’s arrest or enter a default judgment against the defendant for failure to pay or appear, regardless of whether the defendant has signed the summons and complaint or penalty assessment notice, provided that proper service can be inferred from the information contained on the face of such summons and complaint or penalty assessment notice;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF FIRESTONE, COLORADO:

Section 1. Title 10 of the Firestone Municipal Code is hereby amended by the addition a new Section 10.04.060, to read as follows:

Sec. 10.04.060.- Electronic tickets authorized – service – no defendant signature required.

(A) The Municipal Court shall not dismiss any charges or refuse to enforce any provision of this Chapter or the Model Traffic Code as adopted herein solely because a summons and complaint or penalty assessment notice is issued in electronic form or contains an officer’s electronic signature.

(B) Tender by an officer of a summons and complaint or penalty assessment notice shall constitute notice to the violator to appear in court at the time specified on such summons or to pay the required fine and surcharge thereon; provided that, it must be reasonably clear from the face of the ticket that the ticket was personally served on the defendant prior to the expiration of the one-year statute of limitations. The officer’s signature, electronic or otherwise, shall be prima facie evidence the ticket was personally served on the defendant. The date

appearing next to the officer's signature shall be prima facie evidence of the date on which the ticket was served on the defendant.

(C) The fact that a summons and complaint or penalty assessment notice was not signed by the defendant shall in no way affect the authority of the Municipal Court to issue a warrant for the defendant's arrest or to enter against the defendant a judgment of liability by default for failure to appear or to pay, or the authority of the Municipal Court to assess against the defendant penalties for failure to appear or to pay.

Section 3. If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Trustees hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

Section 4. The repeal or modification of any provision of the Municipal Code of the Town of Firestone by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.

Section 5. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof, are hereby repealed to the extent of such inconsistency or conflict.

INTRODUCED, READ, ADOPTED, APPROVED, AND ORDERED PUBLISHED IN FULL this 13th day of June, 2018.

TOWN OF FIRESTONE, COLORADO

Bobbi Sindelar, Mayor

ATTEST:

Leah Vanarsdall, Town Clerk