

**TOWN OF HIGHLAND LAKE**  
**Highland Lake, Alabama**

**AUDITED FINANCIAL STATEMENTS**  
**AND**  
**SUPPLEMENTARY FINANCIAL INFORMATION**

**For the Year Ended September 30, 2017**

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OF CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT AUDITOR'S REPORT

To the Mayor and Town Council  
Town of Highland Lake, Alabama

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparison statement of the Town of Highland Lake, Alabama, as of and for the year ended September 30, 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 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, each major fund, the aggregate remaining fund information, and the budgetary comparison statement of the Town of Highland Lake, Alabama, as of September 30, 2017, and the respective changes in financial position 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 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Highland Lake, Alabama's basic financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements 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 by us. In our opinion, based on our audit, the procedures performed as described above, the combining and individual fund financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Lori Criswell & Associates, P.C.*

Snead, Alabama  
December 7, 2017

***TOWN OF HIGHLAND LAKE  
612 LAKESHORE DRIVE  
HIGHLAND LAKE, AL 35121***

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

The Town of Highland Lake's discussion and analysis (MD&A) is designed to provide an objective and easy to read analysis of the Town's financial activities based on currently known facts, decisions, or conditions. It is intended to provide a broad overview and analysis of the Town's activities based on information presented in the financial report and fiscal policies that have been adopted by the Town. Specifically, this section is designed to assist the reader in focusing on significant issues, provide an overview of the Town's financial activity, identify changes in the Town's financial position (its ability to address the next and subsequent year challenges), identify any material deviations from the financial plan, and identify individual fund issues or concerns.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the footnotes and the other Required Supplemental Information (RSI) that is provided in addition to this MD&A.

**Government-Wide Financial Statements**

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. Both statements represent an overview of the Town as a whole. All information is presented utilizing the economic resources measurement focus and accrual basis of accounting. This method better matches revenues and expenses to the period in which the revenue is earned and the expense attributed.

The focus of the Statement of Net Position (the "Unrestricted Net Position") is designed to be similar to a bottom line for the Town and its governmental activities. This statement combines and consolidates governmental fund's current financial resources (short-term spendable resources) with capital and long-term obligations.

The Statement of Activities is focused on both the gross and net cost of various activities (including governmental), which are provided by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of cost of various governmental services and the local taxing effort necessary to sustain each of those activities.

**Fund Financial Statements**

The Governmental Funds presentation is presented on a sources and uses of liquid resources basis. This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Funds are established for various purposes and the Fund Financial Statements allow the demonstration of sources and uses and/or budgeting compliance associated therewith. The Government Funds Total column requires reconciliation because of the different measurement focus (current financial resources versus total economic resources)

which is reflected on the page following each statement. The flow of current financial resources will reflect debt proceeds and interfund transfers as other financial sources as well as capital expenditures and debt principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column (in the Government-wide statements).

The Town maintains three 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, the street \$.07 state gas tax fund, and the street \$.04 and \$.05 state gas tax fund, which are considered to be major funds.

### **Notes to the Financial Statements**

Notes to the financial statements provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. Refer to Note 1 to the financial statements for more detailed information on the elements of the financial statements.

### **Infrastructure Assets**

The Town is a phase three government which were not required to retroactively report infrastructure assets and record accumulated depreciation on those assets. Beginning October 1, 2003, the Town capitalized any infrastructure assets as they have been constructed. Historically, governmental fixed assets, particularly infrastructure assets, have only been accounted for using the current financial resources (budgeted resources) method, and have not been expensed annually through depreciation or accounted for otherwise.

### **Analysis of the Overall Financial Position and Results of Operations**

In evaluating the financial position and short-term financial performance of the Town, two tools are particularly valuable: The Statement of Net Position (see page 7) and the Statement of Activities (see page 8).

Net Position of the Town represents the difference between Assets and Liabilities of the Town using the economic resources measurement focus and accrual basis of accounting. Had the Town accounted for its infrastructure assets, Net Position Invested in Capital Assets, Net of Related Debt, would have been significantly higher.

In general terms, the Town's Total Assets and Deferred Outflows consist of Cash, Receivables, Prepaid Insurance and Accrued Property Tax Revenue: \$420,900 for the General Fund, \$100 for the .07 gas tax fund, and \$100 for the .04 and .05 gas tax fund; and Capital Assets of \$267,243.

The Town's Liabilities and Deferred Inflows consist of Accounts Payable, Payroll Tax Liabilities and Deferred Property Tax Revenue: \$76,512 for the General Fund.

The Governmental Activities of the Town consist of normal operating expenditures for the General Fund, which includes the Highland Lake Police Department and supporting the Straight Mountain Fire and Rescue Department. The Gas Tax Funds are remitted monthly to the county who has assumed responsibility for the maintenance of the existing Town roads.

Governmental Activities General Revenues consist of Advalorem and Personal Property Taxes, Motor Vehicle Taxes and Licenses, State Appropriations, Licenses and Permits and other revenue: \$190,468 for the General Fund. Program Revenues consist of \$10,057 for police fines and \$15,306 for operating and capital grants.

The gas tax funds have no general revenues due to their revenues being restricted for highway and street capital purposes. Those restricted revenues have been assigned to the County, and are therefore, not reflected in the Town's financial statements.

Expenses of the Town are in line with the revenue. There are no known or planned expenditures that will out pace the Town revenue for next year.

### **Budget Variances in the General and Gasoline Tax Funds**

Please refer to page 15 of the audited financial statements for the budget detail. In the Town's opinion, expectations were met.

### **Capital Assets**

There were no significant changes in the current fiscal year. Refer to Note 5 to the financial statements for additional information.

### **Economic Factors**

The Town relies on state shared gasoline taxes for improvements to highways and streets and a franchise fee from the power company for its governmental activities.

The levels of taxes, fees, and charges for services have a direct bearing on the Town's ability to provide services to its citizens.

Lake use fees are growing and this allows the Town to accomplish capital improvements without acquiring debt.

### **Future Plans for the Town of Highland Lake**

The Town of Highland Lake provides a lake and recreational area for the community and others. The Council and administration will continue focus on projects to preserve the lake and recreational properties owned by the Town.

During the 2016-2017 fiscal year, we continued our dredging plans for the lake in the Brasher Creek and Sand Creek bays. Due to our success in building a berm at Brasher Creek Bay, we are now researching other cost savings options. We maintain a contract with Tetra Tech as we work to reach a decision on the best direction for the Town.

Future projects include expanding our park area(s), adding playground equipment and park lighting. We will review extending our walking path and increasing the use of the park through concerts and other sponsored events.

The Town continues to see an upturn in the economic growth, with new houses, boat houses and piers being built, and an increase in sales of existing real estate.

The Town will continue to focus on efforts to maintain the cleanliness and eco-system of the lake, and the safety of the community. Funds are available for these and other improvement projects. The Town has no outstanding debt at this time.

**Contacting the Town's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the Town's finances and to demonstrate the Town's accountability for the money it receives. If you have questions about this report, or need additional financial information, please contact the Town of Highland Lake, 612 Lakeshore Drive, Highland Lake, Alabama 35121, phone 205-625-6407.



## Financial Analysis

The following comparative condensed financial statements serve as the key financial data and indicators for management's monitoring and planning. The financial statements are studied in depth to detect trends, project growth and prepare budgets for the upcoming year.

**Town of Highland Lake  
Condensed Financial Statements  
For the Years Ended September 30, 2017 and 2016**

Condensed Statement of Net Position	Governmental Activities			
	2017	2016	Variance	
			Dollars	Percent
Cash and Certificates of Deposit	\$ 344,114	\$ 349,704	\$ (5,590)	-1.60%
Receivables	1,331	1,267	64	5.05%
Capital Assets	267,243	290,085	(22,842)	-7.87%
Other	3,976	3,795	181	4.77%
Accrued Property Tax Revenue	71,679	70,399	1,280	1.82%
<b>Total Assets</b>	688,343	715,250	(26,907)	-3.76%
Current Liabilities	4,833	4,980	(147)	-2.95%
Deferred Inflows of Resources	71,679	70,399	1,280	1.82%
<b>Total Liabilities and Deferred Inflows</b>	76,512	75,379	1,133	1.50%
Net Position:				
Net Investment in Capital Assets	267,243	290,085	(22,842)	-7.87%
Restricted	7,511	-	7,511	-
Unrestricted	337,077	349,786	(12,709)	-3.63%
<b>Total Net Position</b>	\$ 611,831	\$ 639,871	\$ (28,040)	-4.38%

(Continued)

**Town of Highland Lake  
Condensed Financial Statements (Continued)  
For the Years Ended September 30, 2017 and 2016**

Condensed Statement of Activities	Governmental Activities						
	2017		2016	Variance of 2017 Actual Data to:			
	Actual	Budget	Actual	2017 Budget		2016 Actual	
			Dollars	Percent	Dollars	Percent	
<b>Revenues:</b>							
Program Revenues							
Charges for Services	\$ 10,057	\$ -	\$ 4,460	\$ 10,057	-	\$ 5,597	125.49%
Operating Grants and Contributions	8,926	-	10,000	8,926	-	(1,074)	-10.74%
Capital Grants and Contributions	6,380	-	-	6,380	-	6,380	-
Total Program Revenues	25,363	-	14,460	25,363	-	10,903	175.40%
General Revenues and Payments							
Taxes	71,409	69,000	70,770	2,409	3.49%	639	0.90%
Intergovernmental	6,351	4,400	4,663	1,951	44.34%	1,688	36.20%
Business Licenses and Permits	111,034	91,300	99,439	19,734	21.61%	11,595	11.66%
Gain (Loss) on Disposal of Assets	(786)	-	35,000	(786)	-	(35,786)	-102.25%
Other	2,460	6,310	7,572	(3,850)	-61.01%	(5,112)	-67.51%
Total General Revenues and Payment:	190,468	171,010	217,444	19,458	11.38%	(26,976)	-12.41%
<b>Total Revenues</b>	<b>215,831</b>	<b>171,010</b>	<b>231,904</b>	<b>44,821</b>	<b>26.21%</b>	<b>(16,073)</b>	<b>-6.93%</b>
<b>Program Expenses</b>							
General Government	196,657	108,573	145,926	88,084	81.13%	50,731	34.76%
Public Safety	46,896	48,437	52,609	(1,541)	-3.18%	(5,713)	-10.86%
Highway and Street	318	14,000	15,994	(13,682)	-97.73%	(15,676)	-98.01%
Interest Expense	-	-	-	-	-	-	-
<b>Total Program Expenses</b>	<b>243,871</b>	<b>171,010</b>	<b>214,529</b>	<b>72,861</b>	<b>42.61%</b>	<b>29,342</b>	<b>13.68%</b>
<b>Excess (Deficiency) Before Other Sources and Uses</b>	<b>(28,040)</b>	<b>-</b>	<b>17,375</b>	<b>(28,040)</b>	<b>-</b>	<b>(45,415)</b>	<b>-261.38%</b>
Other Sources and Uses	-	-	-	-	-	-	-
<b>Change in Net Position</b>	<b>(28,040)</b>	<b>-</b>	<b>17,375</b>	<b>(28,040)</b>	<b>-</b>	<b>(45,415)</b>	<b>-261.38%</b>
Beginning Net Position	639,871	-	622,496	639,871	-	17,375	2.79%
<b>Ending Net Position</b>	<b>\$ 611,831</b>	<b>\$ -</b>	<b>\$ 639,871</b>	<b>\$ 611,831</b>	<b>-</b>	<b>\$ (28,040)</b>	<b>-4.38%</b>

## BASIC FINANCIAL STATEMENTS

TOWN OF HIGHLAND LAKE, ALABAMA

STATEMENT OF NET POSITION

SEPTEMBER 30, 2017

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	<u>Governmental Activities</u>
<u>ASSETS</u>	
CURRENT ASSETS	
Cash	\$ 143,363
Certificates of Deposit	200,751
Receivables	
Due From Other Governments	1,080
Accrued Interest	251
Accrued Property Tax Revenue	71,679
Prepaid Insurance	3,976
	<hr/>
	421,100
	<hr/>
NONCURRENT ASSETS	
Land and Construction in Progress	12,475
Other Capital Assets, Net of Accumulated Depreciation	254,768
	<hr/>
	267,243
	<hr/>
TOTAL ASSETS	688,343
	<hr/>
<u>LIABILITIES</u>	
CURRENT LIABILITIES	
Accounts Payable	2,694
Payroll Tax Liabilities	2,139
	<hr/>
TOTAL LIABILITIES	4,833
	<hr/>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Property Tax Revenue	71,679
	<hr/>
<u>NET POSITION</u>	
Net Investment in Capital Assets	267,243
Restricted	7,511
Unrestricted	337,077
	<hr/>
TOTAL NET POSITION	\$ 611,831
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The accompanying Notes to Financial Statements are an integral part of these financial statements.

TOWN OF HIGHLAND LAKE, ALABAMA  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges For Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Primary Government Governmental Activities</u>
<b>FUNCTIONS/PROGRAMS</b>					
Primary Government					
Governmental Activities					
General Government	\$ 196,657	\$ 5,775	\$ -	\$ -	\$ (190,882)
Public Safety	46,896	4,282	1,415	6,380	(34,819)
Highway and Street	318	-	7,511	-	7,193
	<u>\$ 243,871</u>	<u>\$ 10,057</u>	<u>\$ 8,926</u>	<u>\$ 6,380</u>	<u>(218,508)</u>
General Revenues					
Taxes					
					61,893
					9,516
					6,351
					111,034
					(786)
					2,460
					<u>190,468</u>
					Change in Net Position (28,040)
					Net Position - Beginning <u>639,871</u>
					Net Position - Ending <u>\$ 611,831</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

TOWN OF HIGHLAND LAKE, ALABAMA

BALANCE SHEET - GOVERNMENTAL FUNDS

SEPTEMBER 30, 2017

	General Fund	Road Fund State \$.07 Gas Tax	Special Road Fund State \$.04 and \$.05 Gas Tax	Total Governmental Funds
<b><u>ASSETS</u></b>				
Cash	\$ 143,163	\$ 100	\$ 100	\$ 143,363
Certificates of Deposit	200,751	-	-	200,751
Receivables				
Due From Other Governments	1,080	-	-	1,080
Accrued Interest	251	-	-	251
Accrued Property Tax Revenue	71,679	-	-	71,679
Prepaid Insurance	3,976	-	-	3,976
<b>TOTAL ASSETS</b>	<b>\$ 420,900</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>\$ 421,100</b>
<b><u>LIABILITIES</u></b>				
Accounts Payable	\$ 2,694	\$ -	\$ -	\$ 2,694
Payroll Tax Liabilities	2,139	-	-	2,139
	4,833	-	-	4,833
<b><u>DEFERRED INFLOWS OF RESOURCES</u></b>				
Deferred Property Tax Revenue	71,679	-	-	71,679
<b><u>FUND BALANCES</u></b>				
Nonspendable				
Prepaid Insurance	3,976	-	-	3,976
Restricted				
Highway and Street	7,511			7,511
Assigned				
Highway and Street	-	100	100	200
Unassigned	332,901	-	-	332,901
	344,388	100	100	344,588
<b>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</b>	<b>\$ 420,900</b>	<b>\$ 100</b>	<b>\$ 100</b>	<b>\$ 421,100</b>

The accompanying Notes to Financial Statements are an integral part of these financial statements.

TOWN OF HIGHLAND LAKE, ALABAMA

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

SEPTEMBER 30, 2017

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Total Fund Balances for Governmental Funds \$ 344,588

Total Net Position reported for governmental activities in the Statement of  
Net Position is different because:

Capital assets used in governmental activities are not financial resources  
and therefore are not reported in the funds. Those assets consist of:

Land and Construction in Progress	\$ 12,475	
Buildings and Improvements, net of accumulated depreciation of \$36,726	99,195	
Equipment, net of accumulated depreciation of \$57,535	32,997	
Lake Improvements, net of accumulated depreciation of \$340,881	54,156	
Land Improvements, net of accumulated depreciation of \$15,188	60,753	
Vehicles, net of accumulated depreciation of \$41,868	7,667	267,243
	<hr/>	<hr/>

Net Position of Governmental Activities \$ 611,831

The accompanying Notes to Financial Statements are an integral part of these financial statements.

TOWN OF HIGHLAND LAKE, ALABAMA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	General Fund	Road Fund State \$.07 Gas Tax	Special Road Fund State \$.04 and \$.05 Gas Tax	Total Governmental Funds
<b>REVENUES</b>				
Taxes	\$ 71,409	\$ -	\$ -	\$ 71,409
Licenses and Permits	111,034	-	-	111,034
Fines	4,282	-	-	4,282
Intergovernmental	21,657	-	-	21,657
Other	8,235	-	-	8,235
	<u>216,617</u>	<u>-</u>	<u>-</u>	<u>216,617</u>
<b>EXPENDITURES</b>				
General Government	155,896	-	-	155,896
Public Safety	48,979	-	-	48,979
Highway and Street	318	-	-	318
Appropriations	3,336	-	-	3,336
Capital Outlay	14,286	-	-	14,286
	<u>222,815</u>	<u>-</u>	<u>-</u>	<u>222,815</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,198)	-	-	(6,198)
<b>OTHER FINANCING SOURCES</b>				
Proceeds From Sale of Assets	1,000	-	-	1,000
Excess (Deficiency) of Revenues And Other Financing Sources Over (Under) Expenditures	(5,198)	-	-	(5,198)
FUND BALANCES - Beginning	<u>349,586</u>	<u>100</u>	<u>100</u>	<u>349,786</u>
FUND BALANCES - Ending	<u>\$ 344,388</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 344,588</u>

The accompanying Notes to Financial Statements are an integral part of these financial statements.



TOWN OF HIGHLAND LAKE, ALABAMA

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

FOR THE YEAR ENDED SEPTEMBER 30, 2017

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Net Change in Fund Balances - Total Governmental Funds \$ (5,198)

The change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$35,342) exceeds capital outlay (\$14,286). (21,056)

Proceeds from the sale of assets are an other financing source in the funds, but the gain or loss is recognized in the statement of activities. The basis of assets sold or disposed in the current period is: (1,786)

Change in Net Position of Governmental Activities \$ (28,040)

The accompanying Notes to Financial Statements are an integral part of these financial statements.

TOWN OF HIGHLAND LAKE, ALABAMA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND  
BALANCES - BUDGET AND ACTUAL - GENERAL FUND

FOR THE YEAR ENDED SEPTEMBER 30, 2017

	<u>Actual</u>	<u>Original Budget</u>	<u>Amendment</u>	<u>Final Budget</u>
<b>REVENUES</b>				
Taxes	\$ 71,409	\$ 69,000	\$ -	\$ 69,000
Licenses and Permits	111,034	91,300	-	91,300
Fines	4,282	-	-	-
Intergovernmental	21,657	4,400	-	4,400
Other	8,235	6,310	-	6,310
	<u>216,617</u>	<u>171,010</u>	<u>-</u>	<u>171,010</u>
<b>EXPENDITURES</b>				
General Government	155,896	100,837	-	100,837
Public Safety	48,979	48,437	-	48,437
Highway and Street	318	14,000	-	14,000
Appropriations	3,336	3,336	-	3,336
Capital Outlay	14,286	4,400	-	4,400
	<u>222,815</u>	<u>171,010</u>	<u>-</u>	<u>171,010</u>
Excess of Revenues Over (Under) Expenditures	(6,198)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds From Sale of Assets	<u>1,000</u>			
Excess (Deficiency) of Revenues And Other Financing Sources Over (Under) Expenditures	(5,198)			
FUND BALANCE - Beginning	<u>349,586</u>			
FUND BALANCE - Ending	<u>\$ 344,388</u>			

The accompanying Notes to Financial Statements are an integral part of these financial statements.

TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

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**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**REPORTING ENTITY**

The Town of Highland Lake, Alabama is a municipality governed by an elected mayor and town council. The Town's major operations include management of the lake, providing police protection for its citizens, maintenance of streets, and general administrative services.

In evaluating how to define the Town for financial reporting purposes, all potential component units were considered. The basic, but not the only, criterion for including a component unit within the reporting entity is the Town's ability to exercise oversight responsibility. Oversight responsibility is defined to include, but is not limited to, financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. The Town has no component units.

**BASIS OF PRESENTATION, BASIS OF ACCOUNTING**

**Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the primary government (the Town) and its component units. These statements include the financial activities of the overall government. The primary government and component units are presented separately within the financial statements with the focus on the primary government. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues 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. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

*Fund Financial Statements:* The fund financial statements provide information about the Town's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

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

TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

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*Road Fund State \$.07 Gas Tax.* The State Gasoline Tax Funds receive revenues from the State 7-cent gasoline tax and 2-cent Inspection Fee on motor fuels. These funds are restricted for the repair and maintenance of the Town's streets and street lights.

*Special Road Fund State \$.04 and \$.05 Gas Tax.* The State Gasoline Tax Funds receive revenues from the State 4-cent, 5-cent, the State Motor Vehicle, and the additional excise tax. These funds are restricted for the repair and maintenance of the Town's streets and street lights.

During the year ended September 30, 2006, the Town assigned these state gasoline tax revenues to the Blount County Commission and the responsibility of maintenance of the Town's roads.

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

**Measurement Focus, Basis of Accounting**

*Government-wide Financial Statements.* The government-wide financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the 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. Nonexchange transactions, in which the Town gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

*Governmental Fund Financial Statements.* Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Town considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Property taxes, sales taxes, gasoline taxes, franchise 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, claims and judgments, and compensated absences, 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.

Under the terms of grant agreements, the Town funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the Town's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

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**ASSETS, LIABILITIES AND NET POSITION OR EQUITY**

**Deposits and Investments**

The Town is restricted to depositing and investing in accounts that are fully insured by the federal government.

**Receivables and Payables**

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

Receivables are reported as *Receivables* and *Due from Other Governments* in the government-wide financial statements and as *Receivables*, *Due from Other Funds*, and *Due from Other Governments* in the fund financial statements. Receivables due from other governments include amounts due from grantors for grants issued for specific programs and local taxes.

**Prepaid Items**

Certain payments to vendors reflect costs that benefit future accounting periods and are recorded on the consumption basis. They are similarly reported in the government-wide and fund financial statements.

**Property Tax Calendar**

The Blount County Commission levies property taxes for all jurisdictions including the school boards and municipalities within the county. Millage rates for property taxes are levied at the first regular meeting of the County Commission in February of each year. Property taxes are assessed for property as of October 1 of the preceding year based on the millage rates established by the County Commission. Property taxes are due and payable the following October 1 and are delinquent after December 31.

**Capital Assets**

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of donation. General infrastructure assets, which include road network, bridges, sidewalks, etc., are only those acquired or that receive substantial improvements subsequent to September 30, 2003. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

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

<b><u>Asset Class</u></b>	<b><u>Estimated Useful Lives</u></b>	<b><u>Capitalization Thresholds</u></b>
Infrastructure	30	\$ 5,000
Buildings	40	\$ 5,000
Building improvements	20	\$ 5,000
Vehicles	2-15	\$ 5,000
Office equipment	3-15	\$ 1,000

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then.

**Equity Classifications**

In the government-wide statements and in proprietary fund statements, equity is classified as net position, and displayed in three components:

- a) Net Investment in Capital Assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets increased by balances of deferred outflows of resources related to those assets.
- b) Restricted – consists of external constraints placed on net position use imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- c) Unrestricted net position - consists of all other net position that does not meet the definition of the above two components and is available for general use by the Town.

In governmental fund financial statements, fund balances are classified based primarily on the extent to which the Town is bound to observe constraints imposed on the use of the resources in the fund as follows:

- a) Nonspendable fund balances – Consist of amounts that cannot be spent because they are either (i) not in spendable form or (ii) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts. It also includes the long-term amount of loans and notes receivable, if any.
- b) Restricted fund balances – Consist of amounts with constraints placed on the use either by (i) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (ii) law through constitutional provisions or enabling legislation.
- c) Committed fund balances – Consist of resource balances with constraints imposed by formal action of the Town through resolution or public meeting minutes that specifically state the revenue source and purpose of the commitment. Commitments can only be modified or rescinded through public meeting actions or resolutions by the Town. Commitments can also include resources required to meet contractual obligations approved by the Town.
- d) Assigned fund balances – Consist of resource balances intended to be used for specific purposes by authorized Town management that do not meet the criteria to be classified as restricted or committed. In the General Fund, the assigned fund balance represents management approved encumbrances that

TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

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have been re-appropriated in the subsequent year, and amounts necessary to fund budgetary shortfalls in the next fiscal year from unassigned resources.

- e) Unassigned fund balances – Consist of all resource balances in the General Fund not contained in other classifications. For other governmental funds, the unassigned classification is used only to report a deficit balance resulting from specific purposes for which amounts had been restricted, committed or assigned.

Based on the Town’s policy regarding the fund balance classification as noted above, when both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it. When expenditures are incurred for purposes for which amounts in any unrestricted fund balance classifications could be used, committed funds are to be spent first, assigned funds second, and unassigned funds last.

**Budgets and Budgetary Accounting**

Formal integration of budgets is used as a management control device during the year for the General Fund and Special Revenue Funds. These budgets are adopted on the cash basis of accounting. Since the financial statements are prepared on a basis consistent with generally accepted accounting principles (modified accrual), there may be some timing differences between the budgetary data and financial statement data; however, these would be immaterial. The Mayor and Council approve the budgets. For the year ended September 30, 2017, total budgeted inflows for the governmental funds were \$171,010 and total budgeted outflows were \$171,010. Unused appropriations for all of the annually budgeted funds lapse at the end of the year.

**Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires that management make estimates and assumptions that affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

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**NOTE 2 - DEPOSITS AND INVESTMENTS**

As of September 30, 2017, the Town's bank deposits were insured through the Federal Depository Insurance Corporation (FDIC) or were covered by the State of Alabama's Security of Alabama Funds Enhancement (SAFE) Program. The SAFE Program was established by the Alabama Legislature and is governed by the provisions contained in the Code of Alabama 1975, Sections 41-14A-1 through 41-14A-14. Under the SAFE Program all public funds are protected through a collateral pool administered by the Alabama State Treasurer's Office. Under this program, financial institutions holding deposits of public funds must pledge securities as collateral against those deposits. In the event of failure of a financial institution, securities pledged by that financial institution would be liquidated by the State Treasurer to replace the public deposits not covered by the Federal Depository Insurance Corporation (FDIC). If the securities pledged failed to produce adequate funds, every institution participating in the pool would share the liability for the remaining balance.

**NOTE 3 – ACCOUNTS RECEIVABLE**

Accounts Receivable at September 30, 2017 consists of the amounts due from Blount County for Taxes of \$1,080.



TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

**NOTE 4 - CAPITAL ASSETS**

Information related to property, plant and equipment of the Town for the year ended September 30, 2017 was as follows:

	Balance at September 30, 2016	Increases	Decreases	Balance at September 30, 2017
<b>Governmental Activities:</b>				
<i>Capital assets not being depreciated:</i>				
Land and Land Rights	\$ 12,475	\$ -	\$ -	\$ 12,475
Construction in Progress, Net Change	-	-	-	-
Total capital assets not being depreciated	<u>12,475</u>	<u>-</u>	<u>-</u>	<u>12,475</u>
<i>Capital assets being depreciated:</i>				
Buildings and Improvements	133,223	7,906	5,208	135,921
Equipment	90,070	6,380	5,918	90,532
Lake Improvements	395,037	-	-	395,037
Land Improvements	75,941	-	-	75,941
Vehicles	49,535	-	-	49,535
	<u>743,806</u>	<u>14,286</u>	<u>11,126</u>	<u>746,966</u>
<i>Less accumulated depreciation for:</i>				
Buildings and Improvements	36,812	3,581	3,667	36,726
Equipment	58,830	4,378	5,673	57,535
Lake Improvements	319,295	21,586	-	340,881
Land Improvements	11,391	3,797	-	15,188
Vehicles	39,868	2,000	-	41,868
	<u>466,196</u>	<u>35,342</u>	<u>9,340</u>	<u>492,198</u>
Total capital assets being depreciated, net	<u>277,610</u>	<u>(21,056)</u>	<u>1,786</u>	<u>254,768</u>
Governmental activity capital assets, net	<u>\$ 290,085</u>	<u>\$ (21,056)</u>	<u>\$ 1,786</u>	<u>\$ 267,243</u>

Depreciation expense was charged to the primary government as follows:

General	\$ 31,045
Police	4,297
	<u>\$ 35,342</u>

TOWN OF HIGHLAND LAKE, ALABAMA

NOTES TO FINANCIAL STATEMENTS

SEPTEMBER 30, 2017

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**NOTE 5 - RISK MANAGEMENT**

Significant losses are covered by commercial insurance for all major programs and worker's compensation. There have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

**NOTE 6 - GRANTS AND AWARDS**

In the normal course of operations, the Town receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. Any liability for reimbursement that may arise as the result of these audits is not believed to be material.

**NOTE 7 – ECONOMIC DEPENDENCY**

The Town receives franchise revenue from Alabama Power Company which approximates 14.57% of the general fund's total revenue. During the year ended September 30, 2017, the Town received \$31,567.

**NOTE 8 – SUBSEQUENT EVENTS**

The Town evaluates events occurring subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. The Town evaluated subsequent events through December 7, 2017, which is the date the financial statements were available to be issued.

COMBINING AND INDIVIDUAL  
FUND FINANCIAL STATEMENTS  
AND SCHEDULES  
OF THE  
PRIMARY GOVERNMENT

### GENERAL FUND

The General Fund accounts for all revenues and expenditures of the Town except those which must be accounted for in other funds. It receives a variety of general revenues. These resources finance all of the current operations of general government activities which basically benefit the citizenry as a whole.

TOWN OF HIGHLAND LAKE, ALABAMA

BALANCE SHEETS - GENERAL FUND

SEPTEMBER 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<u>ASSETS</u>		
Cash	\$ 143,163	\$ 150,201
Certificates of Deposit	200,751	199,303
Receivables		
Due From Other Governments	1,080	1,184
Accrued Interest	251	83
Accrued Property Tax Revenue	71,679	70,399
Prepaid Insurance	<u>3,976</u>	<u>3,795</u>
TOTAL ASSETS	<u>\$ 420,900</u>	<u>\$ 424,965</u>
<u>LIABILITIES</u>		
Accounts Payable	\$ 2,694	\$ 3,157
Payroll Taxes Payable	<u>2,139</u>	<u>1,823</u>
	<u>4,833</u>	<u>4,980</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Deferred Property Tax Revenue	<u>71,679</u>	<u>70,399</u>
<u>FUND BALANCE</u>		
Nonspendable		
Prepaid Insurance	3,976	3,795
Restricted for Highway and Street	7,511	-
Unassigned	<u>332,901</u>	<u>345,791</u>
	<u>344,388</u>	<u>349,586</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 420,900</u>	<u>\$ 424,965</u>

TOWN OF HIGHLAND LAKE, ALABAMA

STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
GENERAL FUND

FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>REVENUES</b>		
Taxes	\$ 71,409	\$ 70,770
Licenses and Permits	111,034	99,439
Fines	4,282	4,460
Intergovernmental	21,657	4,663
Other	8,235	17,572
	<u>216,617</u>	<u>196,904</u>
<b>EXPENDITURES</b>		
General Government	155,896	111,501
Public Safety	48,979	50,042
Highway and Street	318	15,994
Appropriations	3,336	3,336
Capital Outlay	14,286	11,845
	<u>222,815</u>	<u>192,718</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,198)	4,186
<b>OTHER FINANCING SOURCES</b>		
Proceeds From Sale of Assets	<u>1,000</u>	<u>35,000</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(5,198)	39,186
FUND BALANCE - Beginning	<u>349,586</u>	<u>310,400</u>
FUND BALANCE - Ending	<u>\$ 344,388</u>	<u>\$ 349,586</u>

TOWN OF HIGHLAND LAKE, ALABAMA

SCHEDULES OF GENERAL FUND REVENUES

FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>TAXES</b>		
Ad Valorem and Personal Property	\$ 61,893	\$ 60,912
Auto Licenses	<u>9,516</u>	<u>9,858</u>
	<u>71,409</u>	<u>70,770</u>
<b>LICENSES AND PERMITS</b>		
Business Licenses and Permits	48,677	48,596
Lake Usage Fees	47,956	40,345
Building Permits and Electrical Inspections	<u>14,401</u>	<u>10,498</u>
	<u>111,034</u>	<u>99,439</u>
<b>FINES</b>		
	<u>4,282</u>	<u>4,460</u>
<b>INTERGOVERNMENTAL</b>		
State Oil and Gas Appropriation	4,484	4,583
State Sales Tax Allocation	1,867	80
County Sales Tax Allocation	7,511	-
Grant Income	<u>7,795</u>	<u>-</u>
	<u>21,657</u>	<u>4,663</u>
<b>OTHER</b>		
Anchor Rental	5,775	4,520
Boat Slip Rental	-	600
Interest	1,902	2,155
Donations	-	10,000
Miscellaneous	<u>558</u>	<u>297</u>
	<u>8,235</u>	<u>17,572</u>
<b>TOTAL REVENUES</b>	<u><u>\$ 216,617</u></u>	<u><u>\$ 196,904</u></u>

TOWN OF HIGHLAND LAKE, ALABAMA

SCHEDULES OF GENERAL FUND EXPENDITURES BY FUNCTION

FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
<b>GENERAL GOVERNMENT</b>		
Salaries and Wages	\$ 32,197	\$ 29,986
Payroll Taxes	3,089	2,683
Inspections	8,190	5,088
Insurance	12,336	11,649
Utilities	6,570	6,239
Telephone	1,791	1,703
Legal	1,875	5,025
Accounting and Audit	3,500	3,500
Other Professional Fees	2,504	2,005
Office Supplies	1,112	1,549
Postage and Freight	413	301
Dues, Fees, and Bonds	1,199	593
Repairs and Maintenance	34,601	18,381
Lake - Dredging Feasibility Study	-	4,500
Lake - Dredging Permitting and Design	1,614	17,155
Lake - Dredging	43,616	-
Advertising and Public Relations	748	552
Travel	348	426
Miscellaneous	193	166
	<u>155,896</u>	<u>111,501</u>
<b>PUBLIC SAFETY</b>		
Police		
Salaries	30,399	37,264
Payroll Taxes	2,325	2,851
Dispatch	1,936	913
Equipment Repairs and Supplies	14,319	9,014
	<u>48,979</u>	<u>50,042</u>

(Continued)



TOWN OF HIGHLAND LAKE, ALABAMA

SCHEDULES OF GENERAL FUND EXPENDITURES BY FUNCTION (Continued)

FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
HIGHWAY AND STREET		
Paving, Repairs and Maintenance	\$ 318	\$ 15,994
APPROPRIATIONS		
Economic Development Council	836	836
Volunteer Fire Department	1,000	1,000
Local School	1,000	1,000
Blount County Animal Shelter	500	500
	<u>3,336</u>	<u>3,336</u>
CAPITAL OUTLAY		
General	7,906	1,845
Police	6,380	10,000
Park	-	-
	<u>14,286</u>	<u>11,845</u>
TOTAL EXPENDITURES	<u>\$ 222,815</u>	<u>\$ 192,718</u>

### SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for revenues allocated by law or contractual agreement for specific purposes. The State Gasoline Tax Funds receive revenues from the State 4-cent, 5-cent and 7-cent gasoline taxes, the State Motor Fuel 2-cent Inspection Fee on motor fuels, State motor vehicle license, and excise tax. These funds are restricted for the repair and maintenance of the Town's streets and street lights.

TOWN OF HIGHLAND LAKE, ALABAMA

COMBINING BALANCE SHEETS - SPECIAL REVENUE FUNDS

SEPTEMBER 30, 2017 AND 2016

	2017			2016		
	Road Fund State \$.07 Gas Tax	Special Road Fund State \$.04 and \$.05 Gas Tax	Total (Memorandum Only)	Road Fund State \$.07 Gas Tax	Special Road Fund State \$.04 and \$.05 Gas Tax	Total (Memorandum Only)
<u>ASSETS</u>						
Cash	\$ 100	\$ 100	\$ 200	\$ 100	\$ 100	\$ 200
Due From Other Governments	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 200</u>
<u>LIABILITIES AND FUND BALANCE</u>						
<u>LIABILITIES</u>						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>FUND BALANCE</u>						
Assigned - Streets	<u>100</u>	<u>100</u>	<u>200</u>	<u>100</u>	<u>100</u>	<u>200</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 200</u>

TOWN OF HIGHLAND LAKE, ALABAMA

COMBINING STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS

FOR THE YEARS ENDED SEPTEMBER 30, 2017 AND 2016

	2017			2016		
	Road Fund State \$.07 Gas Tax	Special Road Fund State \$.04 and \$.05 Gas Tax	Total (Memorandum Only)	Road Fund State \$.07 Gas Tax	Special Road Fund State \$.04 and \$.05 Gas Tax	Total (Memorandum Only)
REVENUES						
Intergovernmental						
Gasoline Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Petroleum Inspection Fees	-	-	-	-	-	-
Motor Vehicle Licenses	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES						
Street Paving, Repairs and Maintenance	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-	-
FUND BALANCE - Beginning	<u>100</u>	<u>100</u>	<u>200</u>	<u>100</u>	<u>100</u>	<u>200</u>
FUND BALANCE - Ending	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 200</u>	<u>\$ 100</u>	<u>\$ 100</u>	<u>\$ 200</u>