
Town of Ridgway

Financial Statements
and
Report of Independent Auditor

December 31, 2017

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	11
Statement of Activities	12
Fund Financial Statements:	
Governmental Funds Balance Sheet	13
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	14
Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances	15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	16
Statement of Net Position-Enterprise Funds	17
Statement of Revenues, Expenses and Changes in Net Position-Enterprise Funds	18
Statement of Cash Flows-Enterprise Funds	19
Statement of Fiduciary Net Position	20
Notes to Basic Financial Statements	21
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual:	
General Fund	37
Other Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balances-Budget and Actual:	
Capital Projects	42
Schedules of Revenues, Expenditures and Changes in Available Resources-Budget and Actual-Enterprise Funds:	
Water Fund	43
Sewer Fund	44
Local Highway Finance Report	45

INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Council
Town of Ridgway, Colorado

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Ridgway, Colorado, as of December 31, 2017, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-10 and 37-41 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 Ridgway, Colorado's basic financial statements. The Schedules of Revenues, Expenditures and Changes in Fund Balance and Available Resources-Budget and Actual- Capital Projects Fund and Enterprise Funds and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules of Revenues, Expenditures and Changes in Fund Balance and Available Resources-Budget and Actual- Capital Projects Fund and Enterprise Funds 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 Schedules of Revenues, Expenditures and Changes in Available Resources-Budget and Actual-Enterprise Funds and local highway finance report are fairly stated in all material respects in relation to the basic financial statements as a whole.

Blair and Associates, P.C.

Cedaredge, Colorado
August 29, 2018

TOWN OF RIDGWAY
Management's Discussion and Analysis
Fiscal Year Ended December 31, 2017

As management of the Town of Ridgway (the "Town"), we offer readers of the Town's basic 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 provided in the financial statements.

FINANCIAL HIGHLIGHTS

- The Town's assets exceeded its liabilities by \$ 11,961,081 (i.e. net position) as of December 31, 2017, an increase of \$ 1,030,111 in comparison to the prior year.
- Governmental funds reported combined ending fund balances of \$ 1,447,346, decrease of \$ 338,740 in comparison with the prior year.
- The Town's fund balance for the General Fund was \$1,332,009, decrease of \$ 322,213 in comparison to the prior year.
- Total long-term liabilities decreased by \$ 172,359 during the 2017 fiscal year with no new debt issued.
- General property tax, sales tax, and other tax totaled \$ 1,566,786 or 89% of general revenues.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The basic statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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 the Town's assets, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, the 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 reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

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 administration, police, public works, and community center. The Business-type Activities of the Town include the following utilities: water and sewer funds.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The Town's funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary 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 short-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. The accounting method is called modified accrual accounting.

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 activities in the 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 short-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 two major government funds, the General Fund and the Capital Projects Fund. 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.

Proprietary Funds – The Town maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses a separate enterprise fund to account for each of its utility funds: Water and Sewer Fund.

Fiduciary Funds – The Town maintains one type of fiduciary fund, the Ridgway General Improvement District #1.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted previously, net position may serve over time as a useful indicator of the Town's financial position. For the year ended December 31, 2017, the Town's combined assets exceeded liabilities by \$ 11,961,081. Of this amount, \$ 2,549,213 is unrestricted and available to meet the Town's ongoing financial obligations.

By far the largest portion of net position is the investment in capital assets (net of related debt) of \$ 9,329,147 (78% of net position). This amount reflects the investment in all capital assets (e.g. infrastructure, land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the Town's governmental and business-type net assets for 2017:

	Governmental Activities		Business Type Activities		Totals	
Assets	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 1,724,254	\$ 2,632,085	\$ 1,322,189	\$ 1,180,515	\$ 3,046,443	\$ 3,812,600
Capital assets	6,858,459	5,787,334	4,731,627	4,746,888	11,590,086	10,534,222
Total assets	<u>\$ 8,582,713</u>	<u>\$ 8,419,419</u>	<u>\$ 6,053,816</u>	<u>\$ 5,927,403</u>	<u>\$ 14,636,529</u>	<u>\$ 14,346,822</u>
Current liabilities	\$ 115,415	\$ 652,745	\$ 110,569	\$ 107,373	\$ 225,984	\$ 760,118
Non-current liabilities						
Compensated absences	101,336	101,336	-	-	101,336	101,336
Bond and loans payables	1,090,000	1,188,536	997,967	1,074,659	2,087,967	2,263,195
Total liabilities	<u>1,306,751</u>	<u>1,942,617</u>	<u>1,108,536</u>	<u>1,182,032</u>	<u>2,415,287</u>	<u>3,124,649</u>
Deferred inflow of resources						
Deferred property taxes	<u>260,161</u>	<u>291,203</u>	<u>-</u>	<u>-</u>	<u>272,000</u>	<u>270,300</u>
Net assets						
Investment in capital assets, net of related debt	5,669,791	4,500,849	3,659,356	3,600,346	9,329,147	8,101,195
Restricted	82,721	913,663	-	-	82,721	913,663
Unrestricted	1,263,289	771,087	1,285,924	1,145,025	2,549,213	1,916,112
Total net assets	<u>\$ 7,015,801</u>	<u>\$ 6,185,599</u>	<u>\$ 4,945,280</u>	<u>\$ 4,745,371</u>	<u>\$ 11,961,081</u>	<u>\$ 10,930,970</u>

An additional portion of net position, \$ 82,721, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$ 2,549,213 (21% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position

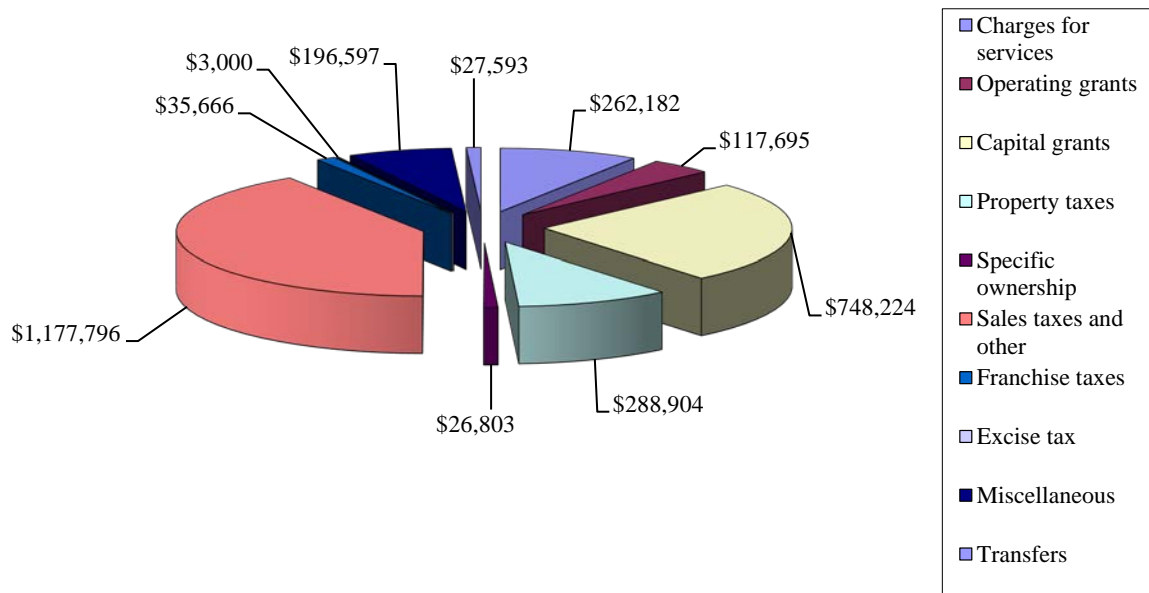
Governmental and business-type activities increased the Town's net position by \$ 1,030,111 in 2017.

	Governmental Activities		Business Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues						
Program revenues						
Charges for services	\$ 262,182	\$ 231,220	\$ 734,072	\$ 716,139	\$ 996,254	\$ 947,359
Operating grants	117,695	136,738	-	-	117,695	136,738
Capital grants	748,224	482,015	237,534	96,084	985,758	578,099
General revenues						
Property taxes	288,904	293,900	-	-	288,904	293,900
Specific ownership	26,803	23,565	-	-	26,803	23,565
Sales taxes and other	1,180,796	1,122,029	-	-	1,180,796	1,122,029
Franchise taxes	35,666	41,840	-	-	35,666	41,840
Transfers	27,593	-	(27,593)	-	-	-
Miscellaneous	188,941	84,283	-	-	188,941	84,283
Interest income	7,656	8,342	9,037	5,977	16,693	14,319
Totals	<u>2,884,460</u>	<u>2,423,932</u>	<u>953,050</u>	<u>818,200</u>	<u>3,837,510</u>	<u>3,242,132</u>
Expenses						
General government	855,131	701,470	-	-	855,131	701,470
Public safety	362,155	291,382	-	-	362,155	291,382
Public works	410,264	492,468	753,141	707,966	1,163,405	1,200,434
Culture and recreation	426,708	352,692	-	-	426,708	352,692
Total expenses	<u>2,054,258</u>	<u>1,838,012</u>	<u>753,141</u>	<u>707,966</u>	<u>2,807,399</u>	<u>2,545,978</u>
Increase in net position	830,202	585,920	199,909	110,234	1,030,111	696,154
Beginning	<u>6,185,599</u>	<u>5,599,679</u>	<u>4,745,371</u>	<u>4,635,137</u>	<u>10,930,970</u>	<u>10,234,816</u>
Ending	<u>\$ 7,015,801</u>	<u>\$ 6,185,599</u>	<u>\$ 4,945,280</u>	<u>\$ 4,745,371</u>	<u>\$ 11,961,081</u>	<u>\$ 10,930,970</u>

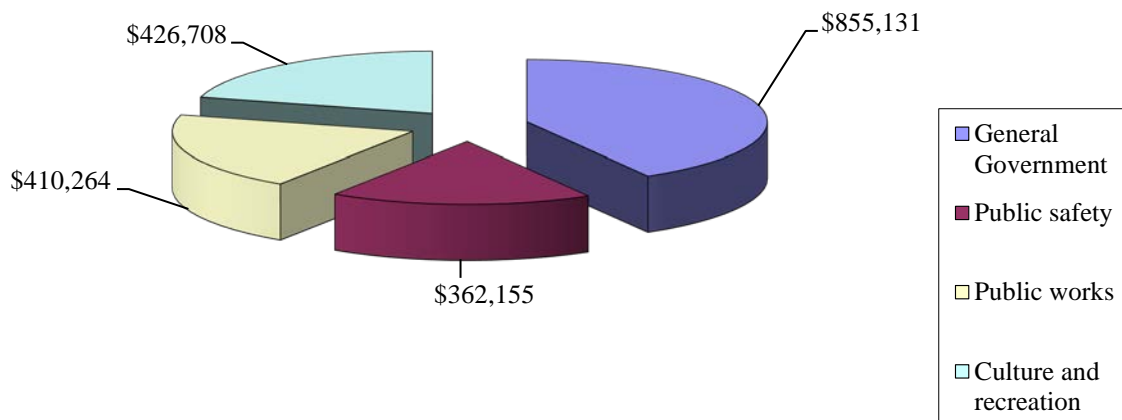
Governmental Activities

Governmental activities increased the Town's net position by \$ 830,202.

Revenues by Source-Governmental Activities



Expenses by Department-Governmental Activities



Business-type Activities

Business-type activities for the year had an increase in net position of \$ 199,909. Charges for services accounted for 77% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

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 the Town's net resources available for spending at the end of the fiscal year.

As of the end of 2017, the Town's governmental funds reported combined ending fund balances of \$ 1,447,346, decrease of \$ 338,740 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 87% of this total amount, \$ 1,252,059, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is already committed to meet a State constitution mandated emergency reserve, \$79,950 and for capital improvements of \$115,337.

The Town has one major governmental fund, the General Fund, which is the primary operating fund for the Town. At the end of 2017, unassigned fund balance of the General Fund was \$ 1,252,059, while the total fund balance was \$ 1,332,009. 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. The fund balance in the Town's General Fund decreased by \$ 322,213 during 2017.

Proprietary funds

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

The Town has two enterprise funds: Water Fund and Sewer Fund. At the end of 2017, these funds represented the following net position amounts:

	<u>Water</u>	<u>Sewer</u>
Unrestricted net position	\$ 502,484	\$ 783,440
Total net position	\$ 3,132,741	\$ 1,812,539
Increase (decrease) in net position	\$ 114,428	\$ 85,481

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted \$ 2,810,634 for 2017 expenditures. Actual expenditures were \$ 2,430,856. There was no amendment to the original budget for General Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2017, was \$ 11,590,086. As required by GASB 34, the investment in capital assets includes land, buildings, building improvements, and equipment.

	Balance January 1, 2017	Additions	Dispositions	Balance December 31, 2017
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,662,500	\$ 277,962	\$ -	\$ 1,940,462
Construction in progress	2,319,179	776,767	(2,679,680)	416,266
	<u>3,981,679</u>	<u>1,054,729</u>	<u>(2,679,680)</u>	<u>2,356,728</u>
Capital assets being depreciated				
Buildings	379,468	53,556	-	433,024
Vehicles and equipment	400,953	-	-	400,953
Equipment-culture and recreation	120,061	-	-	120,061
Infrastructure	2,107,509	2,773,218	-	4,880,727
Less accumulated depreciation	(1,202,336)	(130,698)	-	(1,333,034)
Capital assets being depreciated, net	<u>1,805,655</u>	<u>2,696,076</u>	<u>-</u>	<u>4,501,731</u>
Total Governmental Activities Capital Assets	<u>\$ 5,787,334</u>	<u>\$ 3,750,805</u>	<u>\$ (2,679,680)</u>	<u>\$ 6,858,459</u>
	Balance January 1, 2017	Additions	Dispositions	Balance December 31, 2017
Business - Type Activities				
Capital assets not being depreciated				
Land	\$ 2,036,258	\$ -	\$ -	\$ 2,036,258
	<u>2,036,258</u>	<u>-</u>	<u>-</u>	<u>2,036,258</u>
Capital assets being depreciated				
Buildings	20,668	-	-	20,668
Improvements other than buildings	4,567,197	98,236	-	4,665,433
Vehicles and equipment	355,061	-	-	355,061
Less accumulated depreciation	(2,232,297)	(113,496)	-	(2,345,793)
Capital assets being depreciated, net	<u>2,710,629</u>	<u>(15,260)</u>	<u>-</u>	<u>2,695,369</u>
Total Business-Type Activities Capital Assets	<u>\$ 4,746,887</u>	<u>\$ (15,260)</u>	<u>\$ -</u>	<u>\$ 4,731,627</u>

Long-term Debt

As of December 31, 2017, the Town had long-term debt as follows:

	Balance January 1, 2017	Additions	Reductions	Balance December 31, 2017	Due Within One Year
Governmental Activities					
Accrued compensated absences	\$ 101,336	\$ -	\$ -	\$ 101,336	\$ 101,336
G.O Bonds Series 2014	1,250,000	-	(80,000)	1,170,000	80,000
Loan payable	36,485	-	(17,817)	18,668	18,668
Total	\$ 1,387,821	\$ -	\$ (97,817)	\$ 1,290,004	\$ 200,004
Enterprise Activities					
Bank loan	\$ 37,929	\$ -	\$ (15,389)	\$ 22,540	\$ 14,000
CWCB loan	593,262	-	(13,119)	580,143	13,513
CWCB loan	28,139	-	(6,727)	21,412	6,928
Loan payable	183,732	-	(16,807)	166,925	17,363
CWRPDA loan	303,750	-	(22,500)	281,250	22,500
Total	\$ 1,146,812	\$ -	\$ (74,542)	\$ 1,072,270	\$ 74,304

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The Town is in good financial condition.
- The Town's General fund has a fund balance that will cover three months of normal expenditures.
- In 2006 the voters approved a sales tax increase of .06%, which is designated for capital improvements.

REQUEST 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 the report or requests for additional financial information should be addressed to:

Town Clerk
Town of Ridgway
Ridgway, Co

Town of Ridgway
Statement of Net Position
December 31, 2017

	Governmental Activities	Business -Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 787,974	\$ 299,836	\$ 1,087,810
Investments	545,841	963,188	1,509,029
Restricted investments	2,771	-	2,771
Taxes receivable	113,271	-	113,271
Property taxes receivable	260,161	-	260,161
Accounts receivable	14,236	59,165	73,401
Capital assets			
Nondepreciable	2,356,728	2,036,258	4,392,986
Depreciable, net of accumulated depreciation	4,501,731	2,695,369	7,197,100
Total assets	8,582,713	6,053,816	14,636,529
LIABILITIES			
Accounts payable	9,925	4,734	14,659
Accrued payroll costs	6,822	-	6,822
Accrued compensated absences	101,336	-	101,336
Accrued interest payable	-	1,531	1,531
Deferred revenue	-	30,000	30,000
Non current liabilities			
Due within one year	98,668	74,304	172,972
Due in more than one year	1,090,000	997,967	2,087,967
Total liabilities	1,306,751	1,108,536	2,415,287
Deferred inflows of resources			
Deferred property taxes	260,161	-	260,161
NET POSITION			
Invested in capital assets, net of related debt	5,669,791	3,659,356	9,329,147
Restricted for:			
Emergencies	79,950	-	79,950
Ramp Project	2,771	-	2,771
Unrestricted	1,263,289	1,285,924	2,549,213
Total net position	\$ 7,015,801	\$ 4,945,280	\$ 11,961,081

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Activities
For the Year Ended December 31, 2017

Functions/Programs	Expenses	Program Revenues		
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 855,131	\$ 37,461	\$ 29,763	\$ -
Public Safety	362,155	16,075	-	-
Public Works	410,264	208,646	78,300	-
Culture and Recreation	426,708	-	9,632	748,224
Total governmental activities	<u>2,054,258</u>	<u>262,182</u>	<u>117,695</u>	<u>748,224</u>
Business-type activities:				
Water	411,615	428,847	-	117,420
Sewer	341,526	305,225	-	120,114
Total business- type activities	<u>753,141</u>	<u>734,072</u>	<u>-</u>	<u>237,534</u>
Total primary government	<u>\$ 2,807,399</u>	<u>\$ 996,254</u>	<u>\$ 117,695</u>	<u>\$ 985,758</u>

General Revenues

Taxes:

Property taxes

Specific ownership

Sales taxes and miscellaneous

Lodging tax

Franchise taxes

Excise Development Tax

Miscellaneous

Investment earnings

Transfers in (out)

Total General Revenues

Changes in Net Position

Net Position-January 1

Net Position-December 31

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (787,907)	\$ -	\$ (787,907)
(346,080)	-	(346,080)
(123,318)	-	(123,318)
331,148	-	331,148
<u>(926,157)</u>	<u>-</u>	<u>(926,157)</u>
-	134,652	134,652
-	83,813	83,813
-	<u>218,465</u>	<u>218,465</u>
<u>(926,157)</u>	<u>218,465</u>	<u>(707,692)</u>
288,904	-	288,904
26,803	-	26,803
1,177,796	-	1,177,796
73,283	-	73,283
35,666	-	35,666
3,000	-	3,000
115,658	-	115,658
7,656	9,037	16,693
27,593	(27,593)	-
<u>1,756,359</u>	<u>(18,556)</u>	<u>1,737,803</u>
830,202	199,909	1,030,111
6,185,599	4,745,371	10,930,970
<u>\$ 7,015,801</u>	<u>\$ 4,945,280</u>	<u>\$ 11,961,081</u>

The accompanying notes are an integral part of this statement.

**Town of Ridgway
Governmental Funds
Balance Sheet
December 31, 2017**

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 672,637	\$ 115,337	\$ 787,974
Investments	545,841	-	545,841
Restricted investments	2,771	-	2,771
Taxes receivable	113,271	-	113,271
Property taxes receivable	260,161		260,161
Accounts receivable	14,236	-	14,236
Total assets	<u>\$ 1,608,917</u>	<u>\$ 115,337</u>	<u>\$ 1,724,254</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 9,925	\$ -	\$ 9,925
Accrued payroll costs	6,822	-	6,822
Total liabilities	<u>16,747</u>	<u>-</u>	<u>16,747</u>
Deferred inflows of resources			
Deferred property taxes	<u>260,161</u>	<u>-</u>	<u>260,161</u>
Fund balances:			
Reserve for emergencies	79,950	-	79,950
Reserve for capital improvements	-	115,337	115,337
Unreserved	1,252,059	-	1,252,059
Total fund balance	<u>1,332,009</u>	<u>115,337</u>	<u>1,447,346</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,608,917</u>	<u>\$ 115,337</u>	<u>\$ 1,724,254</u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2017

Total Fund Balance, Governmental Funds \$ 1,447,346

Amounts 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.

Cost of capital assets	\$ 8,191,493	
Less accumulated depreciation	<u>(1,333,034)</u>	6,858,459

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.

Capital leases	\$ (18,668)	
Bond payables	(1,170,000)	
Compensated absences	<u>(101,336)</u>	(1,290,004)

Net Position - Governmental Activities		<u><u>\$ 7,015,801</u></u>
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The accompanying notes are an integral part of this statement.

**Town of Ridgway
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2017**

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
Taxes	\$ 1,594,644	\$ -	\$ 1,594,644
Fees and fines	16,075	-	16,075
Licenses and permits	118,161	-	118,161
Intergovernmental	128,503	748,224	876,727
Charges for services	124,396	-	124,396
Miscellaneous	126,864	-	126,864
Total revenues	<u>2,108,643</u>	<u>748,224</u>	<u>2,856,867</u>
Expenditures			
Current:			
General government	802,028	-	802,028
Public safety	358,191	-	358,191
Public works	385,540	-	385,540
Culture and recreation	402,080	-	402,080
Debt service payments	119,025	-	119,025
Capital outlay	-	1,156,336	1,156,336
Total expenditures	<u>2,066,864</u>	<u>1,156,336</u>	<u>3,223,200</u>
Excess of revenues over expenditures	<u>41,779</u>	<u>(408,112)</u>	<u>(366,333)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	(363,992)	391,585	27,593
Total other financing (uses)	<u>(363,992)</u>	<u>391,585</u>	<u>27,593</u>
Net change to fund balance	(322,213)	(16,527)	(338,740)
Fund balance, January 1	<u>1,654,222</u>	<u>131,864</u>	<u>1,786,086</u>
Fund balance, December 31	<u><u>\$ 1,332,009</u></u>	<u><u>\$ 115,337</u></u>	<u><u>\$ 1,447,346</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2017

Net Change in Fund Balances - Total Governmental Funds **\$ (338,740)**

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 those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital outlay	\$ 1,201,823	
Depreciation expense	<u>(130,698)</u>	
Excess of capital outlay over depreciation		1,071,125

Repayment of long-term debt principal is reported as an expenditure in the governmental funds but reduces long-term liabilities in the statement of net position.

Loans and notes payable	97,817
Compensated absences	<u>-</u>

Change in Net Position of Governmental Funds **\$ 830,202**

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Net Position
Enterprise Funds
December 31, 2017

	Enterprise Funds		Total Enterprise Funds
	Water	Sewer	
Assets			
Current assets:			
Equity in pooled cash and investments	\$ 503,387	\$ 759,637	\$ 1,263,024
Receivables-net	32,019	27,146	59,165
Total current assets	<u>535,406</u>	<u>786,783</u>	<u>1,322,189</u>
Utility plant in service			
Land and reservoirs	2,036,258	-	2,036,258
Buildings	15,275	5,393	20,668
Improvements other than buildings	2,742,401	1,923,032	4,665,433
Vehicles and equipment	213,428	141,633	355,061
Less: Accumulated depreciation	(1,437,029)	(908,764)	(2,345,793)
Utility plant in service-net	<u>3,570,333</u>	<u>1,161,294</u>	<u>4,731,627</u>
Total assets	<u><u>\$ 4,105,739</u></u>	<u><u>\$ 1,948,077</u></u>	<u><u>\$ 6,053,816</u></u>
Liabilities and fund equity			
Current liabilities			
Accounts payable	\$ 1,391	\$ 3,343	\$ 4,734
Deferred revenue	30,000	-	30,000
Accrued interest payable	1,531	-	1,531
Current portion of long-term debt	64,999	9,305	74,304
Total current liabilities	<u>97,921</u>	<u>12,648</u>	<u>110,569</u>
Long-term debt-net	<u>875,077</u>	<u>122,890</u>	<u>997,967</u>
Net Position			
Invested in capital assets, net of related debt	2,630,257	1,029,099	3,659,356
Unrestricted	502,484	783,440	1,285,924
Total net position	<u><u>\$ 3,132,741</u></u>	<u><u>\$ 1,812,539</u></u>	<u><u>\$ 4,945,280</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
All Enterprise Funds
Statement of Revenues, Expenses, and Changes in Net Position
December 31, 2017

	Enterprise Funds		
	Water	Sewer	Total Enterprise Funds
Operating revenues			
Charges for services	\$ 404,683	\$ 305,174	\$ 709,857
Other	24,164	51	24,215
Total operating revenues	<u>428,847</u>	<u>305,225</u>	<u>734,072</u>
Operating expenses			
Salaries and fringe benefits	175,723	147,124	322,847
Maintenance and repairs	61,833	61,342	123,175
Material and Supplies	16,966	4,527	21,493
Utilities and telephone	11,143	41,618	52,761
Professional fees	4,028	3,112	7,140
Depreciation	70,496	42,999	113,495
Miscellaneous	39,570	24,430	64,000
Consulting and engineering	3,177	3,177	6,354
Insurance	6,144	6,144	12,288
Total operating expenses	<u>389,080</u>	<u>334,473</u>	<u>723,553</u>
Operating income or (loss)	39,767	(29,248)	10,519
Non operating revenues (expenses)			
Transfers	(23,300)	(4,293)	(27,593)
Investment income	3,076	5,961	9,037
Interest expense	(22,535)	(7,053)	(29,588)
Total non operating revenues (expenses)	<u>(42,759)</u>	<u>(5,385)</u>	<u>(48,144)</u>
Income (loss) before transfers and capital contributions	(2,992)	(34,633)	(37,625)
Capital contributions-Tap fees	<u>117,420</u>	<u>120,114</u>	<u>237,534</u>
Change in net position	114,428	85,481	199,909
Total net position, January 1	<u>3,018,313</u>	<u>1,727,058</u>	<u>4,745,371</u>
Total net position, December 31	<u><u>\$3,132,741</u></u>	<u><u>\$1,812,539</u></u>	<u><u>\$ 4,945,280</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Cash Flows
Enterprise Funds
Year Ended December 31, 2017

	Water Fund	Sewer Fund	Total Enterprise Funds
Cash Flows From Operating Activities			
Cash received from charges for services	\$ 426,789	\$ 302,170	\$ 728,959
Cash payments for goods and services	(142,986)	(143,450)	(286,436)
Cash payments to employees for services	(175,723)	(147,124)	(322,847)
Net cash provided (used) by operating activities	<u>108,080</u>	<u>11,596</u>	<u>119,676</u>
Cash Flows from Capital and Related Financing Activities			
Tap fees	117,420	120,114	237,534
Acquisition of capital assets	(62,400)	(35,836)	(98,236)
Transfers	(23,300)	(4,293)	(27,593)
Principal paid on loans and leases	(65,408)	(8,861)	(74,269)
Interest expense	(22,535)	(7,053)	(29,588)
Net cash provided (used) by capital and related financing activities	<u>(56,223)</u>	<u>64,071</u>	<u>7,848</u>
Cash Flows from Investing Activities			
Interest on investments	<u>3,076</u>	<u>5,961</u>	<u>9,037</u>
Net increase (decrease) in cash and equivalents	54,933	81,628	136,561
Cash balances, January 1	<u>448,454</u>	<u>678,009</u>	<u>1,126,463</u>
Cash balances, December 31	<u><u>\$ 503,387</u></u>	<u><u>\$ 759,637</u></u>	<u><u>\$ 1,263,024</u></u>
Reconciling of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	<u>\$ 39,767</u>	<u>\$ (29,248)</u>	<u>\$ 10,519</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	70,496	42,999	113,495
Assets (increase) decrease:			
Accounts receivables	(2,058)	(3,055)	(5,113)
Liabilities increase (decrease):			
Accounts payable	(125)	900	775
Due to other funds	-	-	-
Total adjustments	<u>68,313</u>	<u>40,844</u>	<u>109,157</u>
Net cash provided (used) by operating activities	<u><u>\$ 108,080</u></u>	<u><u>\$ 11,596</u></u>	<u><u>\$ 119,676</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2017

	Trust and Agency Fund
Assets	
Cash and cash equivalents	\$ 34,799
	<u> </u>
Net Position	
Held in trust for benefits and other purposes	\$ 34,799
	<u> </u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies

The financial statements of the Town of Ridgway, Colorado (the Town) have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

The more significant of the Town's accounting policies are described below:

A. Financial Reporting Entity

The Town is a home rule municipality with a mayor – council form of government with seven elected Council members. As required by accounting principles generally accepted in the United States of America, these financial statements present the Town of Ridgway (the primary government). The Town has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the Town. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing body.

B. Government-wide Financial Statements

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

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

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. The principal operating revenues of the Water and Sewer funds are charges to customers for sales and services. They also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements

The accounts of the Town are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

All governmental funds are accounted for on a flow of current financial resources basis. Balance sheets for these funds generally include only current assets and current liabilities. Reported fund balances are considered a measure of available, spendable resources. Operating statements for these funds present a summary of available, spendable resources and expenditures for the period.

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

The Town reports the following major governmental funds:

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

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

The Town reports the following major enterprise fund business-type activities:

Water and Sewer funds -accounts for all operations of the Town's water and sewer services. They are primarily financed by user charges.

Fiduciary Funds

Fiduciary fund -accounts for assets held by the Town in a trustee or agency capacity. Agency fund (**Ridgway General Improvement District No. 1**) is custodial in nature and do not involve measurement of results of operations.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting

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

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

Those revenues susceptible to accrual are interest revenue and charges for services. Entitlement revenues are not susceptible to accrual because generally, they are not measurable until received. Grant revenues are recognized as they are earned.

The accrual basis of accounting is utilized by enterprise funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

E. Cash and Cash Equivalents

For the purposes of the statement of cash flows of the enterprise funds, cash and cash equivalents consist of operating and restricted cash and highly liquid securities with an initial maturity of three months or less.

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

G. Property Taxes

Property taxes for the current year are levied and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred inflows of resources in the governmental and enterprise funds.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies (continued)

H. Capital Assets

Capital assets, which include property, equipment and infrastructure assets, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capitalized assets are defined by the Town as assets that have a useful life of one or more years, and for which the initial, individual value equals or exceeds \$ 5,000.

All purchased assets are valued at cost where historical records are available and at an estimated historical costs where no historical records exist. Donated assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that does not add to the value of an asset or materially extend asset life is not capitalized.

Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Useful Life</u>
Building and Other Improvements	15-40 years
Utility Plant and System	40-50 years
Equipment and vehicles	3-10 years
Infrastructure	15-50 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities. Prior to GASB 34 governments were not required to report general infrastructure assets.

I. Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position. The long-term compensated absences are serviced from revenues of the General Fund from future appropriations.

J. Compensated Absences

Vacation time accumulates at the rate of 40 hours at the end of their first year of service, 80 hours per year in years of service from two (2) through four (4), 120 hours per year in years of service from five (5) through fourteen (14) and the maximum accrual is 160 vacation hours for service after the fifteenth (15) year and after. Upon termination of employment, the employee shall be paid for each hour of earned and unused annual vacation leave at his or her regular rate of pay.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies (continued)

K. Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition or construction of improvements on those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

L. Interfund Transactions

Interfund receivables and payables arise from interfund transactions and are recorded by all funds affected in the period in which transactions are executed. At year end, outstanding balances between funds are reported as "due to/from other funds." Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances."

M. Encumbrances

The Town does not use an encumbrance system for budgetary control.

N. Accounts Receivable

The Town considers accounts receivable for water and sewer to be fully collectible because the Town can place liens on the individual properties; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

O. Fund Equity

Beginning with fiscal year 2011, the Town implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent.

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 1 - Summary of Significant Accounting Policies (continued)

O. Fund Equity (continued)

- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the Town considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the Town considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless Town Council has provided otherwise in its commitment or assignment actions.

Note 2 - Reconciliation of Government-wide and Fund Financial Statements

The governmental funds balance sheet includes reconciliation between fund balances total governmental funds and net position - governmental activities as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net change in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. The enterprise fund statement of net position and statement of revenues, expenses and changes in net position also includes reconciliation to the government-wide statement of net position and activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for government fund statements to the economic resources measurement and full accrual basis used for government-wide statements. However, certain items having no effect on measurement and basis of accounting were eliminated from the governmental fund statements during the consolidation of governmental activities.

Note 3 - Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding “enterprises.”

The Amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment.

The Amendment requires that an emergency reserve be maintained at three percent of fiscal year spending. A portion of the General Fund’s fund balance is classified as restricted for emergencies as required by the Amendment.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 4 - Budgets

The Town adheres to the following procedures in establishing budgetary data reflected in the financial statements:

- A. By September of each year, the Town Clerk gives public notice of the budget calendar for the next fiscal year. The Town Clerk asks that all Town departments, boards, commissions or citizens submit within thirty days from the notice, any request for funds under the budget being prepared. The Town Clerk then prepares a proposed budget for the ensuing fiscal year and submits it to the Council no later than forty-five days prior to any date required by state law for the certification to the County of the tax levy.
- B. The budget provides a complete financial plan of all Town funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies, and anticipated net surplus or deficit for the ensuing fiscal year.
- C. A public hearing on the proposed budget is held by the Council in early December.
- D. The Council adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year's tax levy to the County. Adoption of the budget by the Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.
- E. If during the fiscal year the Town Clerk determines that there are expenses in excess of those estimated in the budget, the Council by resolution may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the fiscal year it appears probable to the Town Clerk that the revenues available will be insufficient to meet the amount appropriated, the Town Clerk reports to the Council, indicating the estimated amount of deficit, any remedial action already taken, and a recommendation as to any other steps to be taken. Any time during the fiscal year the Town Clerk may transfer part or all of any unencumbered appropriation balance within a department.
- F. Budget appropriations lapse at the end of each year.
- G. Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget.
- H. Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 5 - Deposits and Investments

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2017, the bank balance of the Town's deposits was \$ 978,597 of which \$ 250,000 was covered by federal depository insurance and \$ 728,597 was collateralized under PDPA.

The composition of all cash and cash investments held by the Town at December 31, 2017 is as follows

Cash on hand and with county treasurer	\$ 2,409
Cash in bank	1,088,172
CSAFE	773,108
ColoTrust	<u>735,921</u>
Total cash and investments	<u>\$ 2,599,610</u>
 Ridgway General Improvement District # 1	 <u>\$ 34,799</u>

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptance of certain banks; commercial paper; local government investment pools; written pools; written repurchase agreement collateralized by certain authorized securities; certain money market funds; and, guaranteed investment contracts.

The Town had invested \$ 1,509,029 in the Colorado Surplus Asset Fund Trust (CSAFE), and ColoTrust, which are investment vehicles established for local governmental entities in Colorado to pool surplus funds. CSAFE and ColoTrust operate similarly to a money market fund and each share is equal value to \$1.00. Investments of CSAFE and ColoTrust consist of U.S. Treasury and Agency securities. These pools are not required to and are not registered with the SEC. COLOTRUST's and CSAFE funds are rated AAAM by Standard and Poor's, Fitch's and Moody's rating services.

Interest rate risk-The town does not have a formal policy limiting investment maturities, other than that established by the state statute of five years, which would help manage its exposure to fair value losses from increasing interest rates.

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, certain U.S. government agencies securities, commercial paper, local government investment pools, repurchase agreements and money market funds.

Custodial Credit Risk- For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 6 - Long-Term Liabilities

General obligation bonds, revenue bonds, notes payable of the Town are as follows:

General obligation Water Refunding Bonds Series 2009 Private Placement with the Montrose Bank: The Town refinanced their G.O. bonds with Capmark Finance, Inc. with the Montrose Bank. Total refinanced amount was \$ 119,000, due in annual installments of \$ 9,000 in 2010; increasing to \$14,000 in 2018, with a final payment of \$ 14,000 in 2019, plus interest @ 4.75% per annum, payable from the Water Fund.

\$ 22,540

Revenue bonds and contracts include:

\$ 175,000 contract payable to Colorado Water Conservation Board in annual installments of \$ 7,571 including interest at 3% per annum, payable from the water fund.

\$ 21,412

EIA loan in 2006 payable to the Department of Local Affairs. Total original amount of \$100,000 due in annual installments of \$ 9,794.80 starting on September 1, 2007, with an annual interest rate of 5%

\$ 34,731

EIA loan in 2008 payable to the Department of Local Affairs. Total original amount of \$200,000 due in annual installments of \$ 15,914.78 starting on September 1, 2009, with an annual interest rate of 5%.

\$ 132,194

Caterpillar Financial Services Corporation loan for the purchase of Backhoe Loader. Total original amount of \$86,980 due in quarterly payments of \$4,729.07 starting in 2014, with an annual interest rate of 3.25%.

\$ 18,668

General Obligation Note Series 2014 with Branch Banking and Trust Company. Total amount was \$ 1,400,000, due in semi-annual installments, with an interest rate of 3.09% per annum, payable from the General Fund.

\$1,170,000

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 6 - Long-Term Liabilities (continued)

Loan payable to Colorado Water Resources and Power Development Authority. Total original amount of \$ 450,000 in semi-yearly amounts of \$ 11,250, starting on November 1, 2010 with an annual interest rate of 0% \$ 281,250

Loan payable to Colorado Water Conservation Board. Total original amount of \$ 606,000 annual amount of \$ 30,917.67, starting on January 1, 2016 with an annual interest rate of 3% \$ 580,143

Total long term debt \$2,260,938

Debt service requirements to maturity are as follows:

General obligation water bonds

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 14,000	\$ 1,071	\$ 15,071
2019	8,540	406	8,946
	<u>\$ 22,540</u>	<u>\$ 1,477</u>	<u>\$ 24,017</u>

Colorado water conservancy board-contracts payable

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 6,928	\$ 643	\$ 7,571
2019	7,136	435	7,571
2020	7,348	222	7,570
	<u>\$ 21,412</u>	<u>\$ 1,300</u>	<u>\$ 22,712</u>

Significant bond covenants:

1974 Sewer Revenue Bond - Town must maintain a reserve account for payment of principal and interest when other revenues are insufficient of \$6,900.

EIA 2006 Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 8,058	\$ 1,737	\$ 9,795
2019	8,461	1,334	9,795
2020	8,884	911	9,795
2021	9,328	467	9,795
	<u>\$ 34,731</u>	<u>\$ 4,449</u>	<u>\$ 39,180</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 6- Long-Term Liabilities (continued)

EIA 2008 Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 9,305	\$ 6,610	\$ 15,915
2019	9,770	6,144	15,914
2020	10,259	5,656	15,915
2021	10,772	5,143	15,915
2022	11,310	4,604	15,914
2023 to 2027	65,621	13,952	79,573
2028	15,157	758	15,915
	<u>\$ 132,194</u>	<u>\$ 42,867</u>	<u>\$ 175,061</u>

Caterpillar Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 18,668	\$ 248	\$ 18,916
	<u>\$ 18,668</u>	<u>\$ 248</u>	<u>\$ 18,916</u>

CWRPDA Loan Water Lines

	<u>Principal</u>
2018	\$ 22,500
2019	22,500
2020	22,500
2021	22,500
2022	22,500
2023 to 2027	112,500
2028 to 2030	<u>56,250</u>
Total	<u>\$ 281,250</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 6- Long-Term Liabilities (continued)

General Obligation Notes, Series 2014

	Principal	Interest	Total
2018	\$ 80,000	\$ 36,153	\$ 116,153
2019	85,000	33,681	118,681
2020	85,000	31,055	116,055
2021	90,000	28,428	118,428
2022 to 2026	495,000	98,417	593,417
2027 to 2029	335,000	20,858	355,858
	<u>\$ 1,170,000</u>	<u>\$ 248,592</u>	<u>\$ 1,418,592</u>

Colorado Water Conservation Board

	Principal	Interest	Total
2018	\$ 13,513	\$ 17,404	\$ 30,917
2019	13,919	16,999	30,918
2020	14,336	16,581	30,917
2021	14,766	16,151	30,917
2022 to 2026	80,749	73,839	154,588
2027 to 2031	93,610	60,978	154,588
2032 to 2036	108,520	46,068	154,588
2037 to 2041	125,804	28,784	154,588
2042 to 2045	114,926	8,744	123,670
	<u>\$ 580,143</u>	<u>\$ 285,548</u>	<u>\$ 865,691</u>

Note 7 - Risk Management

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-1155, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

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

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 7 - Risk Management (continued)

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend indemnify, in accordance with the bylaws, and member of CIRSA against liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall at all time be dedicated to the exclusive benefit of its members. All Colorado municipalities who are member of the Colorado Municipal League and own property are eligible to participate.

The general objectives of the Agency are to provide member municipalities defined liability and property coverage through joint self-insurance and too assists members in loss prevention measures. Any member may withdraw from the Agency by giving written notice to the Board of Directors of the prospective effective date of its withdrawal.

The Town recognizes an expense for coverage for the amount paid to CIRSA annually. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the Town.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of CIRSA. The Board of Directors of the Agency is composed of seven directors elected by the members at the annual meeting to be scheduled in December of each year.

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Claims have not exceeded coverage in any of the last three fiscal years.

Note 8 - Retirement Plans

Defined Contribution Plan

The Town has a defined contribution plan for its employees which is administered by Colorado County Officials and Employees Retirement Association (CCOERA). In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Employees are eligible to participate six months from the date of employment. Both the employees and the Town make a basic contribution of 4% of the employee's salary. Employees may make additional voluntary contributions not to exceed 10% of compensations. Participants vest in employer contributions and in earnings, losses and changes in fair market value of Plan assets at a rate of 20% per year. Any nonvested Town contributions forfeited by an employee who leaves the Town's employment are remitted to the Town.

The Town's total payroll in 2017 was \$ 1,081,291. The total payroll covered by the plan was \$ 810,550. Contributions consisted of the Town's contribution of \$32,422 and the employee's contributions of \$32,422.

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 9 - Capital Assets

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

	Balance January 1, 2017	Additions	Dispositions	Balance December 31, 2017
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,662,500	\$ 277,962	\$ -	\$ 1,940,462
Construction in progress	2,319,179	776,767	(2,679,680)	416,266
Total	<u>3,981,679</u>	<u>1,054,729</u>	<u>(2,679,680)</u>	<u>2,356,728</u>
Capital assets being depreciated				
Buildings	379,468	53,556	-	433,024
Vehicles and equipment	400,953	-	-	400,953
Equipment - culture and recreation	120,061	-	-	120,061
Infrastructure	2,107,509	2,773,218	-	4,880,727
Less accumulated depreciation	(1,202,336)	(130,698)	-	(1,333,034)
Capital assets being depreciated, net	<u>1,805,655</u>	<u>2,696,076</u>	<u>-</u>	<u>4,501,731</u>
Total Governmental Activities capital assets	<u><u>\$ 5,787,334</u></u>	<u><u>\$ 3,750,805</u></u>	<u><u>\$ (2,679,680)</u></u>	<u><u>\$ 6,858,459</u></u>
	Balance January 1, 2017	Additions	Dispositions	Balance December 31, 2017
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 2,036,258	\$ -	\$ -	\$ 2,036,258
	<u>2,036,258</u>	<u>-</u>	<u>-</u>	<u>2,036,258</u>
Capital assets being depreciated				
Buildings	20,668	-	-	20,668
Improvements other than buildings	4,567,197	98,236	-	4,665,433
Vehicles and equipment	355,061	-	-	355,061
Less accumulated depreciation	(2,232,297)	(113,496)	-	(2,345,793)
Capital assets being depreciated, net	<u>2,710,629</u>	<u>(15,260)</u>	<u>-</u>	<u>2,695,369</u>
Total Business-Type Activities Capital Assets	<u><u>\$ 4,746,887</u></u>	<u><u>\$ (15,260)</u></u>	<u><u>-</u></u>	<u><u>\$ 4,731,627</u></u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2017

Note 9 - Capital Assets (continued)

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

General government	\$ 14,078	Water	\$ 70,496
Public safety	3,964	Sewer	42,999
Culture and recreation	24,628		<u>\$ 113,495</u>
Public works, including depreciation of general infrastructure assets	<u>88,028</u>		
Total depreciation expenses	<u>\$ 130,698</u>		

Note 10 - Long-Term Liabilities

	Balance January 1, 2017	Additions	Reductions	Balance December 31, 2017	Due Within One Year
Governmental Activities					
Accrued compensated absences	\$ 101,336	\$ -	\$ -	\$ 101,336	\$ 101,336
G.O Bonds Series 2014	1,250,000	-	(80,000)	1,170,000	80,000
Loan payable	36,485	-	(17,817)	18,668	18,668
Total	<u>\$ 1,387,821</u>	<u>\$ -</u>	<u>\$ (97,817)</u>	<u>\$ 1,290,004</u>	<u>\$ 200,004</u>
Enterprise Activities					
Bank loan	\$ 37,929	\$ -	\$ (15,389)	\$ 22,540	\$ 14,000
CWCB loan	593,262	-	(13,119)	580,143	13,513
CWCB loan	28,139	-	(6,727)	21,412	6,928
Loan payable	183,732	-	(16,807)	166,925	17,363
CWRPDA loan	303,750	-	(22,500)	281,250	22,500
Total	<u>\$ 1,146,812</u>	<u>\$ -</u>	<u>\$ (74,542)</u>	<u>\$ 1,072,270</u>	<u>\$ 74,304</u>

Required Supplementary Information

**Town of Ridgway
General Fund
Schedule of Revenues-Budget and Actual
December 31, 2017**

Revenues	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Taxes:				
General property taxes	\$ 236,615	\$ 236,615	\$ 235,484	\$ (1,131)
Property taxes-debt service	54,588	54,588	53,420	(1,168)
Specific Ownership taxes	24,000	24,000	26,803	2,803
General sales taxes	1,000,776	1,000,776	1,158,517	157,741
Franchise taxes	42,000	42,000	35,666	(6,334)
Lodging tax	60,000	60,000	73,283	13,283
Interest on delinquent taxes	250	250	814	564
Delinquent taxes	100	100	19	(81)
Sales tax-penalty and interest	2,000	2,000	7,638	5,638
Excise Development Tax	9,000	9,000	3,000	(6,000)
Total taxes	<u>1,429,329</u>	<u>1,429,329</u>	<u>1,594,644</u>	<u>165,315</u>
Licenses and permits:				
Liquor licenses	3,500	3,500	8,218	4,718
Other	14,730	14,730	22,831	8,101
Sales tax and license	10,000	10,000	2,862	(7,138)
Building permit fees	70,000	70,000	84,250	14,250
Total licenses and permits	<u>98,230</u>	<u>98,230</u>	<u>118,161</u>	<u>19,931</u>
Intergovernmental revenues				
Grants	28,000	28,000	29,763	1,763
State shared revenue:				
Lottery funds	11,000	11,000	9,632	(1,368)
Cigarette taxes	2,200	2,200	2,725	525
Motor vehicle registration fees	6,200	6,200	7,255	1,055
Mineral leasing and other	5,000	5,000	8,083	3,083
Road and bridge apportionment	20,505	20,505	20,505	-
Highway user's taxes	51,533	51,533	50,540	(993)
Total intergovernmental revenues	<u>124,438</u>	<u>124,438</u>	<u>128,503</u>	<u>4,065</u>
Fines and forfeits	<u>18,000</u>	<u>18,000</u>	<u>16,075</u>	<u>(1,925)</u>
Miscellaneous revenues:				
Interest	4,000	4,000	7,656	3,656
Consulting services	10,000	10,000	15,975	5,975
P & Z applications	5,000	5,000	3,550	(1,450)
Reimbursements and refunds	26,250	26,250	35,691	9,441
Other	41,350	41,350	63,992	22,642
Total miscellaneous revenues	<u>86,600</u>	<u>86,600</u>	<u>126,864</u>	<u>40,264</u>
Charges for services-trash	<u>120,000</u>	<u>120,000</u>	<u>124,396</u>	<u>4,396</u>
Transfers in	-	-	-	-
Total revenues	<u><u>\$ 1,876,597</u></u>	<u><u>\$ 1,876,597</u></u>	<u><u>\$ 2,108,643</u></u>	<u><u>\$ 232,046</u></u>

Town of Ridgway
General Fund
Schedule of Expenditures-Budget and Actual
December 31, 2017

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
General Government				
Personnel				
Salary and wages	\$ 438,200	\$ 438,200	\$ 422,250	\$ 15,950
Employee benefits	130,991	130,991	116,261	14,730
Council and Mayor	18,600	18,600	18,600	-
P and Z compensation	13,200	13,200	13,200	-
Town Attorney	60,000	60,000	56,663	3,337
Total personnel	660,991	660,991	626,974	34,017
Administration				
Treasurer fees	5,000	5,000	4,778	222
Audit and budget	5,400	5,400	5,600	(200)
Insurance and bonds	5,200	5,200	5,367	(167)
Printing and publishing	1,500	1,500	1,032	468
Office supplies and postage	5,500	5,500	5,344	156
Utilities	1,600	1,600	1,414	186
Telephone	3,800	3,800	2,509	1,291
Repairs and maintenance	200	200	-	200
Elections	2,000	2,000	618	1,382
Janitor services	6,800	6,800	6,800	-
Conference and school	12,500	12,500	6,971	5,529
Dues	2,600	2,600	2,459	141
Consulting services	800	800	1,197	(397)
Miscellaneous	200,544	200,544	56,331	144,213
Reimbursable bonds and permits	4,500	4,500	5,922	(1,422)
Tourism promotion	42,000	42,000	50,119	(8,119)
Leases	2,200	2,200	2,110	90
Meeting and community events	10,000	10,000	9,598	402
Website	3,000	3,000	740	2,260
Filing and recording	750	750	709	41
Total administrative	315,894	315,894	169,618	146,276
Capital outlay				
Office equipment	5,000	5,000	5,250	(250)
Records management	250	250	186	64
Total capital outlay	5,250	5,250	5,436	(186)
Total general government	\$ 982,135	\$ 982,135	\$ 802,028	\$ 180,107

Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2017

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Public Safety				
Personal				
Salary and wages	\$ 151,636	\$ 151,636	\$ 136,247	\$ 15,389
Municipal Judge	1,440	1,440	1,570	(130)
Court Clerk	3,600	3,600	3,600	-
Employee benefits	77,548	77,548	55,735	21,813
Juvenile diversion	5,000	5,000	5,000	-
Total personnel	<u>239,224</u>	<u>239,224</u>	<u>202,152</u>	<u>37,072</u>
Administration				
Utilities	2,500	2,500	1,414	1,086
Gas and oil	6,000	6,000	3,781	2,219
Telephone	3,500	3,500	3,482	18
Uniforms	1,000	1,000	2,430	(1,430)
Radio and radar repair	750	750	126	624
Office supplies	1,200	1,200	2,103	(903)
Dues and schools	1,225	1,225	4,827	(3,602)
Equipment purchases	500	500	8,543	(8,043)
Traffic and investigations	1,000	1,000	1,657	(657)
Dispatch services	33,090	33,090	33,168	(78)
Testing and examinations	200	200	-	200
Contractual services	10,000	10,000	74,924	(64,924)
Other	3,550	3,550	2,588	962
Vehicle maintenance	4,500	4,500	5,973	(1,473)
Computer services	2,000	2,000	2,401	(401)
Total administration	<u>71,015</u>	<u>71,015</u>	<u>147,417</u>	<u>(76,402)</u>
Other				
Weed control	500	500	330	170
Mosquito control	12,000	12,000	8,292	3,708
Total other	<u>12,500</u>	<u>12,500</u>	<u>8,622</u>	<u>3,878</u>
Total public safety	<u>\$ 322,739</u>	<u>\$ 322,739</u>	<u>\$ 358,191</u>	<u>\$ (35,452)</u>

Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2017

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Public Works				
Personnel				
Salaries	\$ 119,995	\$ 119,995	\$ 103,211	\$ 16,784
Employee benefits	40,655	40,655	34,600	6,055
Total personnel	<u>160,650</u>	<u>160,650</u>	<u>137,811</u>	<u>22,839</u>
Administration				
Repairs and maintenance	10,000	10,000	4,150	5,850
Supplies	8,000	8,000	1,388	6,612
Gas, oil and diesel	7,000	7,000	4,178	2,822
Tools	1,500	1,500	122	1,378
Utilities	2,400	2,400	1,799	601
Telephone	1,300	1,300	1,257	43
Safety equipment	1,400	1,400	723	677
Street signs	3,000	3,000	4,708	(1,708)
Consulting services	8,500	8,500	358	8,142
Street lighting	2,300	2,300	3,949	(1,649)
Miscellaneous	15,900	15,900	15,710	190
Computer services	2,500	2,500	2,204	296
Total administration	<u>63,800</u>	<u>63,800</u>	<u>40,546</u>	<u>23,254</u>
Capital Outlay				
Storm Drainage	15,000	15,000	16,382	(1,382)
Gravel and paving	45,000	45,000	19,108	25,892
Equipment Leases	6,955	6,955	6,342	613
Dust prevention	35,000	35,000	35,564	(564)
Equipment purchase	2,000	2,000	5,597	(3,597)
Total capital outlay	<u>103,955</u>	<u>103,955</u>	<u>82,993</u>	<u>20,962</u>
Total public works	<u>328,405</u>	<u>328,405</u>	<u>261,350</u>	<u>67,055</u>
Trash removal	<u>\$ 120,000</u>	<u>\$ 120,000</u>	<u>\$ 124,190</u>	<u>\$ (4,190)</u>

Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2017

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Culture and recreation				
KVNF radio	\$ 500	\$ 500	\$ 500	-
Voyage after school program	7,000	7,000	7,000	-
Other donations	24,500	24,500	12,320	12,180
Community events	8,000	8,000	12,000	(4,000)
Uncompahgre Volunteer Legal Aid	1,000	1,000	1,000	-
Ouray County partners program	1,000	1,000	1,000	-
Eco Action Partners	5,000	5,000	5,000	-
Second chance humane society	6,000	6,000	6,000	-
Region 10	-	-	40,570	(40,570)
Affordable housing incentives	2,000	2,000	-	2,000
Total culture and recreation	<u>55,000</u>	<u>55,000</u>	<u>85,390</u>	<u>(30,390)</u>
Community Center				
Utilities	1,600	1,600	1,414	186
Maintenance and repairs	90,000	90,000	73,176	16,824
Janitorial services	6,800	6,800	6,800	-
Supplies	4,000	4,000	2,165	1,835
Total community center	<u>102,400</u>	<u>102,400</u>	<u>83,555</u>	<u>18,845</u>
Parks				
Personnel				
Salaries and benefits	123,093	123,093	100,203	22,890
Employee benefits	30,138	30,138	22,619	7,519
Total personnel	<u>153,231</u>	<u>153,231</u>	<u>122,822</u>	<u>30,409</u>
Administration				
Utilities	4,000	4,000	4,263	(263)
Gas and oil	2,500	2,500	1,001	1,499
Repairs and maintenance	14,000	14,000	2,796	11,204
Janitorial	3,000	3,000	3,000	-
Supplies and materials	12,000	12,000	13,317	(1,317)
Insurance	5,444	5,444	5,444	-
Urban forest management	10,000	10,000	11,325	(1,325)
River Corridor maintenance	2,500	2,500	-	2,500
Events and festivals	57,500	57,500	44,271	13,229
Other	8,950	8,950	5,246	3,704
Total administration	<u>119,894</u>	<u>119,894</u>	<u>90,663</u>	<u>29,231</u>
Capital outlay	<u>64,500</u>	<u>64,500</u>	<u>19,650</u>	<u>44,850</u>
Total parks	<u>337,625</u>	<u>337,625</u>	<u>233,135</u>	<u>104,490</u>
Debt service	<u>124,930</u>	<u>124,930</u>	<u>119,025</u>	<u>5,905</u>
Transfers	<u>437,400</u>	<u>437,400</u>	<u>363,992</u>	<u>73,408</u>
Total expenditures	<u>\$ 2,810,634</u>	<u>\$ 2,810,634</u>	<u>\$ 2,430,856</u>	<u>\$ 379,778</u>

Town of Ridgway
Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2017

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 856,840	\$ 856,840	\$ 748,224	\$ (108,616)
Donations	14,000	14,000	-	\$ (14,000)
Total revenues	<u>870,840</u>	<u>870,840</u>	<u>748,224</u>	<u>(122,616)</u>
Expenditures				
Current:				
Public works				
Capital outlay	1,473,877	1,473,877	878,374	595,503
Culture and recreation				
Capital outlay	350,238	350,238	277,962	72,276
Total expenditures	<u>1,824,115</u>	<u>1,824,115</u>	<u>1,156,336</u>	<u>667,779</u>
Excess (deficiency) of revenues over expenditures	(953,275)	(953,275)	(408,112)	545,163
Other financing sources (uses)				
Transfers in (out)	101,993	101,993	391,585	289,592
Fund balance, January 1	131,864	131,864	131,864	-
Fund balance, December 31	<u>\$ (719,418)</u>	<u>\$ (719,418)</u>	<u>\$ 115,337</u>	<u>\$ 834,755</u>

Town of Ridgway
Water Fund-(non GAAP Budgetary Basis)
Schedule of Revenues and Expenditures-Budget and Actual
December 31, 2017

	Budgeted			Variable Favorable (Unfavorable)
Revenues	Original	Final	Actual	
Charges for services	\$ 414,000	\$ 414,000	\$ 404,683	\$ (9,317)
Tap fees and contributions	52,500	52,500	117,420	64,920
Investment income	1,400	1,400	3,076	1,676
Other	20,100	20,100	24,164	4,064
Total revenues	488,000	488,000	549,343	61,343
Expenditures				
Salaries and fringe benefits	198,393	198,393	175,723	22,670
Supplies	13,000	13,000	16,413	(3,413)
Insurance	6,260	6,260	6,144	116
Professional fees	14,800	14,800	4,028	10,772
Repairs and maintenance	65,000	65,000	98,737	(33,737)
Vehicle expense	12,000	12,000	5,696	6,304
GIS mapping	1,500	1,500	4,119	(2,619)
Testing and permits	5,650	5,650	5,373	277
Capital outlay	1,000	1,000	553	447
Consulting and engineering	3,500	3,500	3,177	323
Utilities and telephone	14,200	14,200	11,143	3,057
Plant Expenses	22,000	22,000	19,800	2,200
Computer services	3,100	3,100	3,164	(64)
Other	31,158	31,158	20,573	10,585
Equipment Lease	6,305	6,305	6,342	(37)
Debt service-CWCB	7,571	7,571	7,571	-
Debt service-Montrose Bank	17,160	17,160	17,160	-
Debt service-CWRPD	22,500	22,500	22,500	-
Debt service-DOLA	9,795	9,795	9,795	-
Debt service- CWCB	30,918	30,918	30,917	1
Transfers	23,300	23,300	23,300	-
Total expenditures	509,110	509,110	492,228	16,882
Excess of revenues over expenditures	(21,110)	(21,110)	57,115	78,225
Available Resources-January 1	443,493	443,493	445,369	1,876
Available Resources-December 1	\$ 422,383	\$ 422,383	\$ 502,484	\$ 80,101

Town of Ridgway
Sewer Fund-(Non GAAP Budgetary Basis)
Schedule of Revenues and Expenditures-Budget and Actual
December 31, 2017

	Budgeted			Variable Favorable (Unfavorable)
Revenues	Original	Final	Actual	
Charges for services	\$ 299,000	\$ 299,000	\$ 305,174	\$ 6,174
Tap fees and contributions	55,000	55,000	120,114	65,114
Investment income	3,800	3,800	5,961	2,161
Miscellaneous	7,600	7,600	51	(7,549)
Total revenues	365,400	365,400	431,300	65,900
Expenditures				
Salaries and fringe benefits	168,963	168,963	147,124	21,839
Consulting and engineering	3,000	3,000	3,177	(177)
Repairs and maintenance	85,000	85,000	91,764	(6,764)
Vehicle expense	11,000	11,000	5,414	5,586
GIS mapping	11,500	11,500	4,119	7,381
Testing and permits	3,750	3,750	3,750	-
Insurance	6,260	6,260	6,144	116
Professional fees	9,300	9,300	3,112	6,188
Supplies	7,000	7,000	3,974	3,026
Utilities and telephone	43,400	43,400	41,618	1,782
Computer services	2,500	2,500	2,822	(322)
Plant improvements	16,000	16,000	-	16,000
Debt service-DOLA	15,915	15,915	15,915	-
Other	22,963	22,963	13,739	9,224
Capital outlay	1,000	1,000	553	447
Transfers	4,293	4,293	4,293	-
Total expenditures	411,844	411,844	347,518	64,326
Excess of revenues over expenditures	(46,444)	(46,444)	83,782	130,226
Available Resources-January 1	691,792	691,792	699,658	7,866
Available Resources-December 1	\$ 645,348	\$ 645,348	\$ 783,440	\$ 138,092

Steps for printing your content and returning to 'Edit Mode

1. Click Ctrl + A on a Windows machine or Command + A on a Mac to select all data.
2. Right-click your mouse and select Print.
3. Confirm that print settings are correct - make sure "selection only" isn't checked.
4. Print hard copy or to PDF.
5. Click "Edit Mode" to return to modifying your data.
6. Remember to click "Save" to save any changes.

ANNUAL HIGHWAY FINANCE REPORT - CY17

Email address: pkraft@town.ridgway.co.us

City/County: Ridgway

II - RECEIPTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Receipts from local sources

2. General Fund Appropriations:	\$	643,012.47
3. Other local imposts: <i>from A.3. Total' below)</i>	\$	28,383.49
4. Miscellaneous local receipts: <i>from A.4. Total' below)</i>	\$	16,075.00
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	534,287.00
c. Notes:	\$	0.00

SubTotal: \$ 1,221,757.96

B. Private Contributions

\$ 0.00

II - RECEIPTS FOR ROAD AND STREET PURPOSES (Detail)

Please no commas or dollar signs for the input

A.3. Other local imposts

a. Property Taxes and Assessments	\$	0.00
b. Other Local Imposts		
1. Sales Taxes:	\$	0.00
2. Infrastructure and Impact Fees:	\$	0.00

3. Liens:	\$	0.00
4. Licenses:	\$	1,580.00
5. Specific Ownership and/or Other:	\$	26,803.49
Total: (a + b) carried to 'Other local imposts' above)	\$	28,383.49

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$	0.00
b. Traffic fines & Penalties:	\$	16,075.00
c. Parking Garage Fees:	\$	0.00
d. Parking Meter Fees:	\$	0.00
e. Sale of Surplus Property:	\$	0.00
f. Charges for Services:	\$	0.00
g. Other Misc. Receipts:	\$	0.00
h. Other:	\$	0.00
Total: (a through h) carried to 'Misc local receipts' above)	\$	16,075.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$	50,423.98
3. Other State funds:		
c. Motor Vehicle Registrations:	\$	7,255.00
d. Other (Specify):		
Comments: DOLA	\$	208,276.44
e. Other (Specify):		
Comments: CDOT	\$	294,743.77
Total: (1+3c,d,e)	\$	560,699.19

D. Receipts from Federal Government

Please no commas or dollar signs for the input

2. Other Federal Agencies		
a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	0.00
Total: (2a-f)	\$	0.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: (from A.1.d, Total Capital Outlay below)	\$	1,418,134.35
2. Maintenance:	\$	139,289.14
3. Road and street services		
a. Traffic control operations:	\$	4,708.09
b. Snow and ice removal:	\$	31,321.85
c. Other:	\$	23,310.22
4. General administration & miscellaneous	\$	0.00
5. Highway law enforcement and safety	\$	165,693.50

Total: (A.1-5) \$ 1,782,457.15

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	\$	0.00
b. Redemption	\$	0.00
2. Notes		
a. Interest	\$	0.00
b. Redemption	\$	0.00

SubTotal: (1+2) \$ 0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	\$	0.00
D. Payments to Toll Facilities:	\$	0.00

Total Disbursements: (A+B+C+D) \$ 1,782,457.15

Please no commas or dollar signs for the input

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES - (Detail)

Please no commas or dollar signs for the input

	A. ON NATIONAL HIGHWAY SYSTEM	B. OFF NATIONAL HIGHWAY SYSTEM	C. TOTAL
A.1. Capital Outlay			
a. Right-Of-Way Costs:	\$ 0.00	\$ 0.00	\$ 0.00
b. Engineering Costs:	\$ 0.00	\$ 0.00	\$ 0.00
c. Construction			
1. New Facilities:	\$ 0.00	\$ 0.00	\$ 0.00
2. Capacity Improvements:	\$ 0.00	\$ 0.00	\$ 0.00
3. System Preservation:	\$ 0.00	\$ 1,418,134.35	\$ 1,418,134.35
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:			\$ 1,418,134.35
d. Total Capital Outlay: (Lines A.1.a. + 1.b. + 1.c.5)			\$ 1,418,134.35

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
1. Bonds (Refunding Portion)		\$ 0.00	\$ 0.00	\$ 0.00
B. Notes (Total):	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C.Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 1,782,457.15	\$ 1,782,457.15	\$ 0.00	\$ 0.00

Notes & Comments:

undefined

Please enter your name: Pam Kraft

Please provide a telephone number where you may be reached: 970-626-5308

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