
Town of Ridgway
Financial Statements
and
Report of Independent Auditor
December 31, 2018

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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, 2018, 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, 2018, 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
May 16, 2019

TOWN OF RIDGWAY
Management's Discussion and Analysis
Fiscal Year Ended December 31, 2018

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, 2018. 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 \$ 12,317,704 (i.e. net position) as of December 31, 2018, an increase of \$ 316,273 in comparison to the prior year.
- Governmental funds reported combined ending fund balances of \$ 1,424,373, decrease of \$ 15,061 in comparison with the prior year.
- The Town's fund balance for the General Fund was \$1,386,891, increase of \$ 62,794 in comparison to the prior year.
- Total long-term liabilities decreased by \$ 174,915 during the 2018 fiscal year with no new debt issued.
- General property tax, sales tax, and other tax totaled \$ 1,617,076 or 87% 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, 2018, the Town's combined assets exceeded liabilities by \$ 12,317,704. Of this amount, \$ 2,737,126 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 \$ 9,481,278 (77% 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 2018:

	Governmental Activities		Business Type Activities		Totals	
	2017	2018	2017	2018	2017	2018
Assets						
Current and other assets	\$ 1,724,254	\$ 1,713,514	\$ 1,322,189	\$ 1,502,375	\$ 3,046,443	\$ 3,215,889
Capital assets	6,858,459	6,914,978	4,731,627	4,652,323	11,590,086	11,567,301
Total assets	<u>\$ 8,582,713</u>	<u>\$ 8,628,492</u>	<u>\$ 6,053,816</u>	<u>\$ 6,154,698</u>	<u>\$ 14,636,529</u>	<u>\$ 14,783,190</u>
Current liabilities	\$ 123,327	\$ 114,076	\$ 114,623	\$ 109,598	\$ 237,950	\$ 223,674
Non-current liabilities						
Compensated absences	49,020	49,107	-	-	49,020	49,107
Bond and loans payables	1,090,000	1,005,000	997,967	927,640	2,087,967	1,932,640
Total liabilities	<u>1,262,347</u>	<u>1,168,183</u>	<u>1,112,590</u>	<u>1,037,238</u>	<u>2,374,937</u>	<u>2,205,421</u>
Deferred inflow of resources						
Deferred property taxes	<u>260,161</u>	<u>260,065</u>	<u>-</u>	<u>-</u>	<u>272,000</u>	<u>260,065</u>
Net assets						
Investment in capital assets,						
net of related debt	5,669,791	5,824,978	3,659,356	3,656,300	9,329,147	9,481,278
Restricted	82,721	99,300	-	-	82,721	99,300
Unrestricted	<u>1,307,693</u>	<u>1,275,966</u>	<u>1,281,870</u>	<u>1,461,160</u>	<u>2,589,563</u>	<u>2,737,126</u>
Total net assets	<u>\$ 7,060,205</u>	<u>\$ 7,200,244</u>	<u>\$ 4,941,226</u>	<u>\$ 5,117,460</u>	<u>\$ 12,001,431</u>	<u>\$ 12,317,704</u>

An additional portion of net position, \$ 99,300, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$ 2,737,126 (22% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position

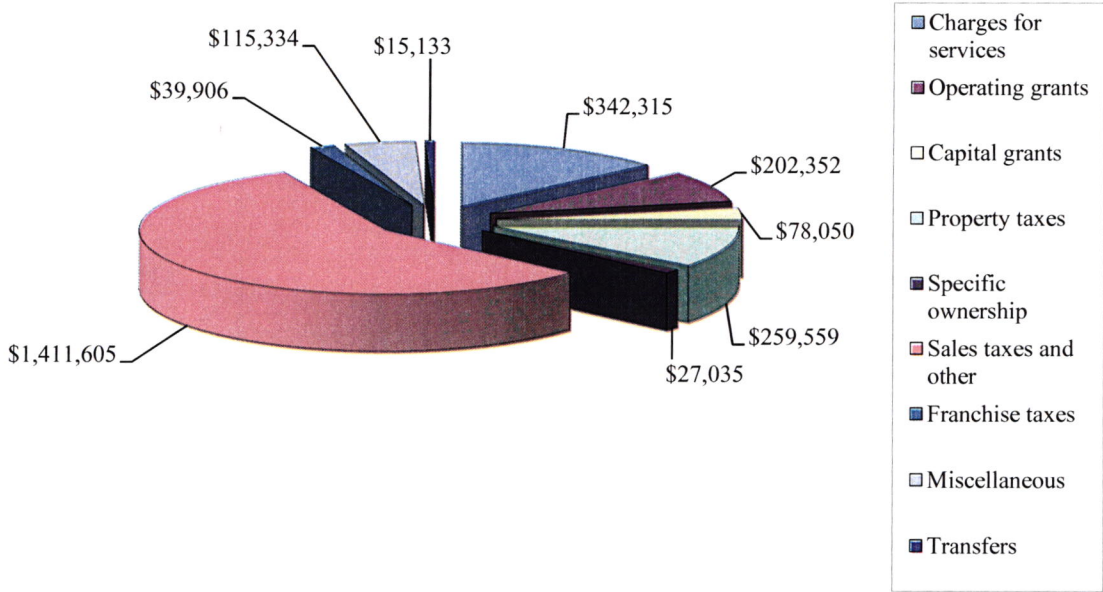
Governmental and business-type activities increased the Town's net position by \$ 316,273 in 2018.

	Governmental Activities		Business Type Activities		Total	
	2017	2018	2017	2018	2017	2018
Revenues						
Program revenues						
Charges for services	\$ 262,182	\$ 342,315	\$ 734,072	\$ 760,090	\$ 996,254	\$ 1,102,405
Operating grants	117,695	202,352	-	-	117,695	202,352
Capital grants	748,224	78,050	237,534	118,790	985,758	196,840
General revenues						
Property taxes	288,904	259,559	-	-	288,904	259,559
Specific ownership	26,803	27,035	-	-	26,803	27,035
Sales taxes and other	1,180,796	1,411,605	-	-	1,180,796	1,411,605
Franchise taxes	35,666	39,906	-	-	35,666	39,906
Transfers	27,593	-	(27,593)	-	-	-
Miscellaneous	188,941	115,334	-	-	188,941	115,334
Interest income	7,656	15,133	9,037	21,372	16,693	36,505
Totals	<u>2,884,460</u>	<u>2,491,289</u>	<u>953,050</u>	<u>900,252</u>	<u>3,837,510</u>	<u>3,391,541</u>
Expenses						
General government	855,131	983,473	-	-	855,131	983,473
Public safety	362,155	416,358	-	-	362,155	416,358
Public works	410,264	604,254	753,141	724,018	1,163,405	1,328,272
Culture and recreation	426,708	347,165	-	-	426,708	347,165
Total expenses	<u>2,054,258</u>	<u>2,351,250</u>	<u>753,141</u>	<u>724,018</u>	<u>2,807,399</u>	<u>3,075,268</u>
Increase in net position	830,202	140,039	199,909	176,234	1,030,111	316,273
Beginning	<u>6,230,003</u>	<u>7,060,205</u>	<u>4,741,317</u>	<u>4,941,226</u>	<u>10,971,320</u>	<u>12,001,431</u>
Ending	<u>\$ 7,060,205</u>	<u>\$ 7,200,244</u>	<u>\$ 4,941,226</u>	<u>\$ 5,117,460</u>	<u>\$ 12,001,431</u>	<u>\$ 12,317,704</u>

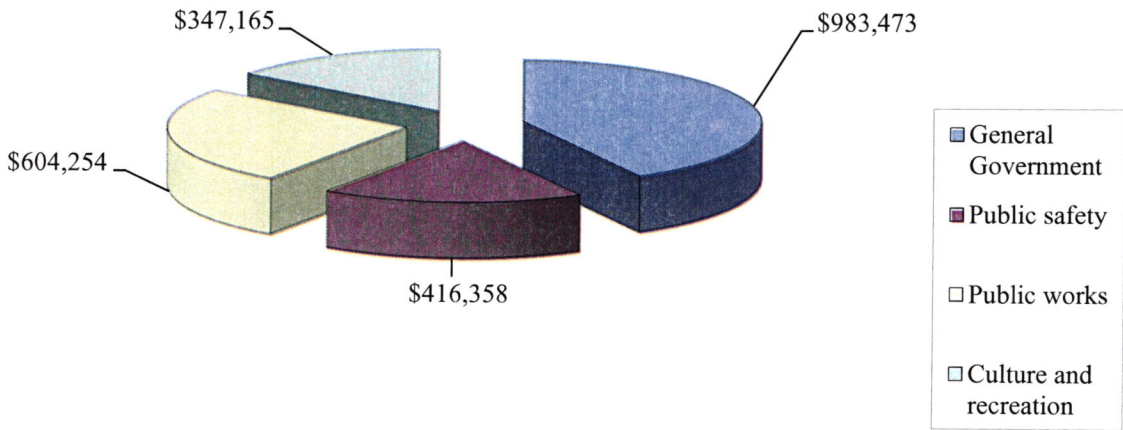
Governmental Activities

Governmental activities increased the Town's net position by \$ 140,039.

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 \$ 176,234. Charges for services accounted for 84% 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 2018, the Town's governmental funds reported combined ending fund balances of \$ 1,424,373, decrease of \$ 15,061 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 90% of this total amount, \$ 1,287,591, 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, \$99,300 and for capital improvements of \$37,482.

The Town has one major governmental fund, the General Fund, which is the primary operating fund for the Town. At the end of 2018, unassigned fund balance of the General Fund was \$ 1,287,591, while the total fund balance was \$ 1,386,891. 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 increased by \$ 62,794 during 2018.

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 2018, these funds represented the following net position amounts:

	<u>Water</u>	<u>Sewer</u>
Unrestricted net position	\$ 561,429	\$ 899,731
Total net position	\$ 3,219,552	\$ 1,897,908
Increase (decrease) in net position	\$ 89,035	\$ 87,199

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted \$ 2,675,031 for 2018 expenditures. Actual expenditures were \$ 2,350,445. 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, 2018, was \$ 11,567,301. As required by GASB 34, the investment in capital assets includes land, buildings, building improvements, and equipment.

	Balance January 1, 2018	Additions	Dispositions	Balance December 31, 2018
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,940,462	\$ -	\$ -	\$ 1,940,462
Construction in progress	416,266	150,000	(416,266)	150,000
	<u>2,356,728</u>	<u>150,000</u>	<u>(416,266)</u>	<u>2,090,462</u>
Capital assets being depreciated				
Buildings	433,024	-	-	433,024
Vehicles and equipment	400,953	78,314	-	479,267
Equipment-culture and recreation	120,061	14,371	-	134,432
Infrastructure	4,880,727	416,266	-	5,296,993
Less accumulated depreciation	<u>(1,333,034)</u>	<u>(186,166)</u>	<u>-</u>	<u>(1,519,200)</u>
Capital assets being depreciated, net	<u>4,501,731</u>	<u>322,785</u>	<u>-</u>	<u>4,824,516</u>
Total Governmental Activities Capital Assets	<u>\$ 6,858,459</u>	<u>\$ 472,785</u>	<u>\$ (416,266)</u>	<u>\$ 6,914,978</u>
	Balance January 1, 2018	Additions	Dispositions	Balance December 31, 2018
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	4,665,433	29,419	-	4,694,852
Vehicles and equipment	355,061	10,500	-	365,561
Less accumulated depreciation	<u>(2,345,793)</u>	<u>(119,223)</u>	<u>-</u>	<u>(2,465,016)</u>
Capital assets being depreciated, net	<u>2,695,369</u>	<u>(79,304)</u>	<u>-</u>	<u>2,616,065</u>
Total Business-Type Activities Capital Assets	<u>\$ 4,731,627</u>	<u>\$ (79,304)</u>	<u>\$ -</u>	<u>\$ 4,652,323</u>

Long-term Debt

As of December 31, 2018, the Town had long-term debt as follows:

	Balance January 1, 2018	Additions	Reductions	Balance December 31, 2018	Due Within One Year
Governmental Activities					
Accrued compensated absences	\$ 49,020	\$ 87	\$ -	\$ 49,107	\$ 49,107
G.O Bonds Series 2014	1,170,000	-	(80,000)	1,090,000	85,000
Loan payable	18,668	-	(18,668)	-	-
Total	<u>\$ 1,237,688</u>	<u>\$ 87</u>	<u>\$ (98,668)</u>	<u>\$ 1,139,107</u>	<u>\$ 134,107</u>
Enterprise Activities					
Bank loan	\$ 22,540	\$ -	\$ (15,943)	\$ 6,597	\$ 6,597
CWCB loan	580,143	-	(13,513)	566,630	13,919
CWCB loan	21,412	-	(6,928)	14,484	7,136
Loan payable	166,925	-	(17,363)	149,562	18,231
CWRPDA loan	281,250	-	(22,500)	258,750	22,500
Total	<u>\$ 1,072,270</u>	<u>\$ -</u>	<u>\$ (76,247)</u>	<u>\$ 996,023</u>	<u>\$ 68,383</u>

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, 2018**

	Governmental Activities	Business -Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 300,322	\$ 307,791	\$ 608,113
Investments	998,344	1,121,304	2,119,648
Taxes receivable	138,209	-	138,209
Property taxes receivable	260,065	-	260,065
Accounts receivable	16,574	73,280	89,854
Capital assets			
Nondepreciable	2,090,462	2,036,258	4,126,720
Depreciable, net of accumulated depreciation	4,824,516	2,616,065	7,440,581
Total assets	<u>8,628,492</u>	<u>6,154,698</u>	<u>14,783,190</u>
LIABILITIES			
Accounts payable	7,807	4,049	11,856
Accrued payroll costs	475	-	475
Accrued payroll	20,794	5,636	26,430
Accrued compensated absences	49,107	-	49,107
Accrued interest payable	-	1,530	1,530
Deferred revenue	-	30,000	30,000
Non current liabilities			
Due within one year	85,000	68,383	153,383
Due in more than one year	1,005,000	927,640	1,932,640
Total liabilities	<u>1,168,183</u>	<u>1,037,238</u>	<u>2,205,421</u>
Deferred inflows of resources			
Deferred property taxes	<u>260,065</u>	<u>-</u>	<u>260,065</u>
NET POSITION			
Invested in capital assets, net of related debt	5,824,978	3,656,300	9,481,278
Restricted for:			
Emergencies	99,300	-	99,300
Unrestricted	1,275,966	1,461,160	2,737,126
Total net position	<u>\$ 7,200,244</u>	<u>\$ 5,117,460</u>	<u>\$ 12,317,704</u>

The accompanying notes are an integral part of this statement.

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

Functions/Programs	Expenses	Program Revenues		
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 983,473	\$ 53,405	\$ 98,788	\$ -
Public Safety	416,358	10,716	-	-
Public Works	604,254	278,194	93,276	-
Culture and Recreation	347,165	-	10,288	78,050
Total governmental activities	<u>2,351,250</u>	<u>342,315</u>	<u>202,352</u>	<u>78,050</u>
Business-type activities:				
Water	422,670	443,676	-	60,150
Sewer	301,348	316,414	-	58,640
Total business- type activities	<u>724,018</u>	<u>760,090</u>	<u>-</u>	<u>118,790</u>
Total primary government	<u>\$ 3,075,268</u>	<u>\$ 1,102,405</u>	<u>\$ 202,352</u>	<u>\$ 196,840</u>

General Revenues

Taxes:

Property taxes

Specific ownership

Sales taxes and miscellaneous

Lodging tax

Franchise taxes

Miscellaneous

Investment earnings

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
\$ (831,280)	\$ -	\$ (831,280)
(405,642)	-	(405,642)
(232,784)	-	(232,784)
(258,827)	-	(258,827)
<u>(1,728,533)</u>	<u>-</u>	<u>(1,728,533)</u>
-	81,156	81,156
-	73,706	73,706
-	154,862	154,862
<u>(1,728,533)</u>	<u>154,862</u>	<u>(1,573,671)</u>
259,559	-	259,559
27,035	-	27,035
1,330,482	-	1,330,482
81,123	-	81,123
39,906	-	39,906
115,334	-	115,334
15,133	21,372	36,505
<u>1,868,572</u>	<u>21,372</u>	<u>1,889,944</u>
140,039	176,234	316,273
7,060,205	4,941,226	12,001,431
<u>\$ 7,200,244</u>	<u>\$ 5,117,460</u>	<u>\$ 12,317,704</u>

The accompanying notes are an integral part of this statement.

**Town of Ridgway
Governmental Funds
Balance Sheet
December 31, 2018**

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 262,840	\$ 37,482	\$ 300,322
Investments	998,344	-	998,344
Taxes receivable	138,209	-	138,209
Property taxes receivable	260,065		260,065
Due from other funds	-	-	-
Accounts receivable	16,574	-	16,574
Total assets	<u>\$ 1,676,032</u>	<u>\$ 37,482</u>	<u>\$ 1,713,514</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 7,807	\$ -	\$ 7,807
Accrued payroll costs	475	-	475
Accrued payroll	20,794	-	20,794
Total liabilities	<u>29,076</u>	<u>-</u>	<u>29,076</u>
Deferred inflows of resources			
Deferred property taxes	<u>260,065</u>	<u>-</u>	<u>260,065</u>
Fund balances:			
Reserve for emergencies	99,300	-	99,300
Reserve for capital improvements	-	37,482	37,482
Unreserved	1,287,591	-	1,287,591
Total fund balance	<u>1,386,891</u>	<u>37,482</u>	<u>1,424,373</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 1,676,032</u>	<u>\$ 37,482</u>	<u>\$ 1,713,514</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, 2018

Total Fund Balance, Governmental Funds \$ 1,424,373

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	\$ 8,434,178	
Less accumulated depreciation	<u>(1,519,200)</u>	6,914,978

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

Bond payables	\$ (1,090,000)	
Compensated absences	<u>(49,107)</u>	(1,139,107)

Net Position - Governmental Activities		<u><u>\$ 7,200,244</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, 2018

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
Taxes	\$ 1,722,601	\$ -	\$ 1,722,601
Fees and fines	10,716	-	10,716
Licenses and permits	130,509	-	130,509
Intergovernmental	217,856	78,050	295,906
Charges for services	195,590	-	195,590
Miscellaneous	135,967	-	135,967
Total revenues	<u>2,413,239</u>	<u>78,050</u>	<u>2,491,289</u>
Expenditures			
Current:			
General government	969,017	-	969,017
Public safety	401,965	-	401,965
Public works	451,591	-	451,591
Culture and recreation	338,606	-	338,606
Debt service payments	116,553	-	116,553
Capital outlay	72,713	155,905	228,618
Total expenditures	<u>2,350,445</u>	<u>155,905</u>	<u>2,506,350</u>
Excess of revenues over expenditures	<u>62,794</u>	<u>(77,855)</u>	<u>(15,061)</u>
Fund balance, January 1	1,324,097	115,337	1,439,434
Fund balance, December 31	<u><u>\$ 1,386,891</u></u>	<u><u>\$ 37,482</u></u>	<u><u>\$ 1,424,373</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, 2018

Net Change in Fund Balances - Total Governmental Funds \$ (15,061)

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	\$ 242,685	
Depreciation expense	(186,166)	
Excess of capital outlay over depreciation		56,519

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		98,668
Compensated absences		(87)

Change in Net Position of Governmental Funds \$ 140,039

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Net Position
Enterprise Funds
December 31, 2018

	Enterprise Funds		
	Water	Sewer	Total Enterprise Funds
Assets			
Current assets:			
Equity in pooled cash and investments	\$ 551,699	\$ 877,396	\$ 1,429,095
Receivables-net	45,002	28,278	73,280
Total current assets	<u>596,701</u>	<u>905,674</u>	<u>1,502,375</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	2,771,820	1,923,032	4,694,852
Vehicles and equipment	218,678	146,883	365,561
Less: Accumulated depreciation	<u>(1,510,774)</u>	<u>(954,242)</u>	<u>(2,465,016)</u>
Utility plant in service-net	<u>3,531,257</u>	<u>1,121,066</u>	<u>4,652,323</u>
Total assets	<u><u>\$ 4,127,958</u></u>	<u><u>\$ 2,026,740</u></u>	<u><u>\$ 6,154,698</u></u>
Liabilities and fund equity			
Current liabilities			
Accounts payable	\$ 642	\$ 3,407	\$ 4,049
Accrued payroll	3,100	2,536	5,636
Deferred revenue	30,000	-	30,000
Accrued interest payable	1,530	-	1,530
Current portion of long-term debt	<u>58,613</u>	<u>9,770</u>	<u>68,383</u>
Total current liabilities	<u>93,885</u>	<u>15,713</u>	<u>109,598</u>
Long-term debt-net	<u>814,521</u>	<u>113,119</u>	<u>927,640</u>
Net Position			
Invested in capital assets, net of related debt	2,658,123	998,177	3,656,300
Unrestricted	<u>561,429</u>	<u>899,731</u>	<u>1,461,160</u>
Total net position	<u><u>\$ 3,219,552</u></u>	<u><u>\$ 1,897,908</u></u>	<u><u>\$ 5,117,460</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, 2018

	Enterprise Funds		Total Enterprise Funds
	Water	Sewer	
Operating revenues			
Charges for services	\$ 426,870	\$ 312,679	\$ 739,549
Other	16,806	3,735	20,541
Total operating revenues	<u>443,676</u>	<u>316,414</u>	<u>760,090</u>
Operating expenses			
Salaries and fringe benefits	166,649	137,391	304,040
Maintenance and repairs	54,562	21,442	76,004
Material and Supplies	16,810	11,220	28,030
Utilities and telephone	12,478	39,445	51,923
Professional fees	3,000	2,900	5,900
Depreciation	73,745	45,479	119,224
Miscellaneous	45,563	17,420	62,983
Consulting and engineering	22,065	12,990	35,055
Insurance	6,958	6,451	13,409
Total operating expenses	<u>401,830</u>	<u>294,738</u>	<u>696,568</u>
Operating income or (loss)	41,846	21,676	63,522
Non operating revenues (expenses)			
Investment income	7,879	13,493	21,372
Interest expense	(20,840)	(6,610)	(27,450)
Total non operating revenues (expenses)	<u>(12,961)</u>	<u>6,883</u>	<u>(6,078)</u>
Income (loss) before transfers and capital contributions	28,885	28,559	57,444
Capital contributions-Tap fees	<u>60,150</u>	<u>58,640</u>	<u>118,790</u>
Change in net position	89,035	87,199	176,234
Total net position, January 1	<u>3,130,517</u>	<u>1,810,709</u>	<u>4,941,226</u>
Total net position, December 31	<u><u>\$3,219,552</u></u>	<u><u>\$1,897,908</u></u>	<u><u>\$ 5,117,460</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, 2018**

	Water Fund	Sewer Fund	Total Enterprise Funds
Cash Flows From Operating Activities			
Cash received from charges for services	\$ 431,568	\$ 315,282	\$ 746,850
Cash payments for goods and services	(162,184)	(111,804)	(273,988)
Cash payments to employees for services	(166,649)	(136,687)	(303,336)
Net cash provided (used) by operating activities	<u>102,735</u>	<u>66,791</u>	<u>169,526</u>
Cash Flows from Capital and Related Financing Activities			
Tap fees	60,150	58,640	118,790
Acquisition of capital assets	(34,669)	(5,250)	(39,919)
Transfers	-	-	-
Principal paid on loans and leases	(66,943)	(9,305)	(76,248)
Interest expense	(20,840)	(6,610)	(27,450)
Net cash provided (used) by capital and related financing activities	<u>(62,302)</u>	<u>37,475</u>	<u>(24,827)</u>
Cash Flows from Investing Activities			
Interest on investments	<u>7,879</u>	<u>13,493</u>	<u>21,372</u>
Net increase (decrease) in cash and equivalents	48,312	117,759	166,071
Cash balances, January 1	<u>503,387</u>	<u>759,637</u>	<u>1,263,024</u>
Cash balances, December 31	<u><u>\$ 551,699</u></u>	<u><u>\$ 877,396</u></u>	<u><u>\$ 1,429,095</u></u>
Reconciling of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	<u>\$ 41,846</u>	<u>\$ 21,676</u>	<u>\$ 63,522</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	73,745	45,479	119,224
Assets (increase) decrease:			
Accounts receivables	(12,983)	(1,132)	(14,115)
Liabilities increase (decrease):			
Accounts payable	(748)	64	(684)
Accrued wages	875	704	1,579
Total adjustments	<u>60,889</u>	<u>45,115</u>	<u>106,004</u>
Net cash provided (used) by operating activities	<u><u>\$ 102,735</u></u>	<u><u>\$ 66,791</u></u>	<u><u>\$ 169,526</u></u>

The accompanying notes are an integral part of this statement.

**Town of Ridgway
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2018**

	Trust and Agency Fund
Assets	
Cash and cash equivalents	\$ 34,834
Net Position	
Held in trust for benefits and other purposes	\$ 34,834

The accompanying notes are an integral part of this statement.

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

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, 2018

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, 2018

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, 2018

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, 2018

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, 2018

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, 2018

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, 2018

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, 2018, the bank balance of the Town's deposits was \$ 719,400 of which \$ 478,113 was covered by federal depository insurance and \$ 241,287 was collateralized under PDPA.

The composition of all cash and cash investments held by the Town at December 31, 2018 is as follows

Cash on hand and with county treasurer	\$ 1,560
Cash in bank	606,553
CSAFE	1,078,336
ColoTrust	<u>1,041,312</u>
Total cash and investments	<u>\$ 2,727,761</u>
 Ridgway General Improvement District # 1	 <u>\$ 34,834</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 \$ 2,119,648 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, 2018

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.

\$ 6,597

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.

\$ 14,484

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%

\$ 26,673

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%.

\$ 122,889

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.

\$1,090,000

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

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% \$ 258,750

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% \$ 566,630

Total long term debt \$ 2,086,023

Debt service requirements to maturity are as follows:

General obligation water bonds

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 6,597	\$ 313	\$ 6,910
	<u>\$ 6,597</u>	<u>\$ 313</u>	<u>\$ 6,910</u>

Colorado water conservancy board-contracts payable

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 7,136	\$ 435	\$ 7,571
2020	7,348	222	7,570
	<u>\$ 14,484</u>	<u>\$ 657</u>	<u>\$ 15,141</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>
2019	\$ 8,461	\$ 1,334	\$ 9,795
2020	8,884	911	9,795
2021	9,328	467	9,795
	<u>\$ 26,673</u>	<u>\$ 2,712</u>	<u>\$ 29,385</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

Note 6- Long-Term Liabilities (continued)

EIA 2008 Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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	11,876	4,039	15,915
2024 to 2028	68,902	10,672	79,574
	<u>\$ 122,889</u>	<u>\$ 36,258</u>	<u>\$ 159,147</u>

CWRPDA Loan Water Lines

	<u>Principal</u>
2019	\$ 22,500
2020	22,500
2021	22,500
2022	22,500
2023	22,500
2024 to 2028	112,500
2029 to 2030	33,750
Total	<u>\$ 258,750</u>

General Obligation Notes, Series 2014

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 85,000	\$ 33,681	\$ 118,681
2020	85,000	31,055	116,055
2021	90,000	28,428	118,428
2022	95,000	25,647	120,647
2023	95,000	22,712	117,712
2024 to 2028	525,000	67,362	592,362
2027 to 2029	115,000	3,553	118,553
	<u>\$ 1,090,000</u>	<u>\$ 212,438</u>	<u>\$ 1,302,438</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

Note 6- Long-Term Liabilities (continued)

Colorado Water Conservation Board

	Principal	Interest	Total
2020	\$ 13,919	\$ 16,999	\$ 30,918
2021	14,336	16,581	30,917
2022	14,766	16,151	30,917
2023	15,209	15,708	30,917
2024	15,666	15,252	30,918
2025 to 2029	85,667	68,922	154,589
2030 to 2034	99,311	55,277	154,588
2035 to 2039	115,129	39,460	154,589
2040 to 2044	133,466	21,123	154,589
2045 to 2046	59,161	2,675	61,836
	<u>\$ 566,630</u>	<u>\$ 268,148</u>	<u>\$ 834,778</u>

	Balance January 1, 2018	Additions	Reductions	Balance December 31, 2018	Due Within One Year
Governmental Activities					
Accrued compensated absences	\$ 49,020	\$ 87	\$ -	\$ 49,107	\$ 49,107
G.O Bonds Series 2014	1,170,000	-	(80,000)	1,090,000	85,000
Loan payable	18,668	-	(18,668)	-	-
Total	<u>\$ 1,237,688</u>	<u>\$ 87</u>	<u>\$ (98,668)</u>	<u>\$ 1,139,107</u>	<u>\$ 134,107</u>
Enterprise Activities					
Bank loan	\$ 22,540	\$ -	\$ (15,943)	\$ 6,597	\$ 6,597
CWCB loan	580,143	-	(13,513)	566,630	13,919
CWCB loan	21,412	-	(6,928)	14,484	7,136
Loan payable	166,925	-	(17,363)	149,562	18,231
CWRPDA loan	281,250	-	(22,500)	258,750	22,500
Total	<u>\$ 1,072,270</u>	<u>\$ -</u>	<u>\$ (76,247)</u>	<u>\$ 996,023</u>	<u>\$ 68,383</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

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.

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.

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

Note 8 - Retirement Plans (continued)

Defined Contribution Plan

The Town's total payroll in 2018 was \$ 1,081,291. The total payroll covered by the plan was \$ 777,200. Contributions consisted of the Town's contribution of \$31,088 and the employee's contributions of \$55,163.

Note 9 - Capital Assets

Capital assets activity for the year ended December 31, 2018 was as follows:

	Balance January 1, 2018	Additions	Dispositions	Balance December 31 2018
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,940,462	\$ -	\$ -	\$ 1,940,462
Construction in progress	416,266	150,000	(416,266)	150,000
Total	<u>2,356,728</u>	<u>150,000</u>	<u>(416,266)</u>	<u>2,090,462</u>
Capital assets being depreciated				
Buildings	433,024	-	-	433,024
Vehicles and equipment	400,953	78,314	-	479,267
Equipment - culture and recreation	120,061	14,371	-	134,432
Infrastructure	4,880,727	416,266	-	5,296,993
Less accumulated depreciation	<u>(1,333,034)</u>	<u>(186,166)</u>	-	<u>(1,519,200)</u>
Capital assets being depreciated, net	<u>4,501,731</u>	<u>322,785</u>	<u>-</u>	<u>4,824,516</u>
Total Governmental Activities capital assets	<u>\$ 6,858,459</u>	<u>\$ 472,785</u>	<u>\$ (416,266)</u>	<u>\$ 6,914,978</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2018

Note 9 - Capital Assets (continued)

	Balance January 1, 2018	Additions	Dispositions	Balance December 31, 2018
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	4,665,433	29,419	-	4,694,852
Vehicles and equipment	355,061	10,500	-	365,561
Less accumulated depreciation	(2,345,793)	(119,223)	-	(2,465,016)
Capital assets being depreciated, net	<u>2,695,369</u>	<u>(79,304)</u>	<u>-</u>	<u>2,616,065</u>
 Total Business-Type Activities Capital Assets	 <u>\$ 4,731,627</u>	 <u>\$ (79,304)</u>	 <u>-</u>	 <u>\$ 4,652,323</u>

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

General government	\$ 14,369	Water	\$ 73,745
Public safety	14,393	Sewer	45,478
Culture and recreation	22,626		<u>\$ 119,223</u>
Public works, including depreciation of general infrastructure assets	<u>134,778</u>		
Total depreciation expenses	<u>\$ 186,166</u>		

Note 8 – Restatement of financial statements

The beginning fund balances and retained earnings were reinstated for accrued payroll of \$11,966 and compensated absences of \$(52,316). Total net position was reinstated from \$11,961,081 to \$12,001,431 or increase of \$40,350 at the end of December 31, 2017.

Required Supplementary Information

Town of Ridgway
General Fund
Schedule of Revenues-Budget and Actual
December 31, 2018

Revenues	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Taxes:				
General property taxes	\$ 260,161	\$ 260,161	\$ 259,559	\$ (602)
Specific Ownership taxes	24,000	24,000	27,035	3,035
General sales taxes	1,098,500	1,098,500	1,304,863	206,363
Franchise taxes	40,000	40,000	39,906	(94)
Lodging tax	72,000	72,000	81,123	9,123
Interest on delinquent taxes	500	500	769	269
Delinquent taxes	100	100	70	(30)
Sales tax-penalty and interest	2,000	2,000	9,276	7,276
Excise Development Tax	10,000	10,000	-	(10,000)
Total taxes	<u>1,507,261</u>	<u>1,507,261</u>	<u>1,722,601</u>	<u>215,340</u>
Licenses and permits:				
Liquor licenses	3,500	3,500	3,610	110
Other	26,230	26,230	25,725	(505)
Sales tax and license	17,000	17,000	18,570	1,570
Building permit fees	75,000	75,000	82,604	7,604
Total licenses and permits	<u>121,730</u>	<u>121,730</u>	<u>130,509</u>	<u>8,779</u>
Intergovernmental revenues				
Grants	132,386	132,386	98,788	(33,598)
State shared revenue:				
Lottery funds	9,275	9,275	10,288	1,013
Cigarette taxes	2,200	2,200	2,782	582
Motor vehicle registration fees	7,000	7,000	5,992	(1,008)
Mineral leasing and other	5,000	5,000	12,722	7,722
Road and bridge apportionment	22,575	22,575	22,575	-
Highway user's taxes	50,281	50,281	64,709	14,428
Total intergovernmental revenues	<u>228,717</u>	<u>228,717</u>	<u>217,856</u>	<u>(10,861)</u>
Fines and forfeits	<u>12,500</u>	<u>12,500</u>	<u>10,716</u>	<u>(1,784)</u>
Miscellaneous revenues:				
Interest	5,000	5,000	15,133	10,133
Consulting services	60,000	60,000	38,049	(21,951)
P & Z applications	5,000	5,000	5,500	500
Reimbursements and refunds	33,500	33,500	28,913	(4,587)
Other	38,530	38,530	48,372	9,842
Total miscellaneous revenues	<u>142,030</u>	<u>142,030</u>	<u>135,967</u>	<u>(6,063)</u>
Charges for services-trash	<u>125,000</u>	<u>125,000</u>	<u>195,590</u>	<u>70,590</u>
Transfers in	-	-	-	-
Total revenues	<u><u>\$ 2,137,238</u></u>	<u><u>\$ 2,137,238</u></u>	<u><u>\$ 2,413,239</u></u>	<u><u>\$ 276,001</u></u>

Town of Ridgway
General Fund
Schedule of Expenditures-Budget and Actual
December 31, 2018

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
General Government				
Personnel				
Salary and wages	\$ 438,500	\$ 438,500	\$ 434,778	\$ 3,722
Employee benefits	128,545	128,545	120,510	8,035
Council and Mayor	18,600	18,600	17,600	1,000
P and Z compensation	13,200	13,200	13,200	-
Town Attorney	60,000	60,000	53,275	6,725
Total personnel	<u>658,845</u>	<u>658,845</u>	<u>639,363</u>	<u>19,482</u>
Administration				
Treasurer fees	7,000	7,000	5,208	1,792
Audit and budget	5,600	5,600	5,900	(300)
Insurance and bonds	5,992	5,992	6,215	(223)
Printing and publishing	1,500	1,500	1,578	(78)
Office supplies and postage	7,000	7,000	6,836	164
Utilities	1,600	1,600	1,428	172
Telephone	3,500	3,500	1,999	1,501
Repairs and maintenance	200	200	-	200
Elections	2,000	2,000	45	1,955
Janitor services	6,800	6,800	6,800	-
Conference and school	23,000	23,000	3,607	19,393
Dues	2,600	2,600	1,848	752
Consulting services	176,225	176,225	137,253	38,972
Miscellaneous	177,500	177,500	73,025	104,475
Reimbursable bonds and permits	6,000	6,000	9,221	(3,221)
Tourism promotion	50,400	50,400	55,837	(5,437)
Leases	2,400	2,400	3,192	(792)
Meeting and community events	14,000	14,000	6,369	7,631
Website	3,000	3,000	-	3,000
Filing and recording	850	850	235	615
Total administrative	<u>497,167</u>	<u>497,167</u>	<u>326,596</u>	<u>170,571</u>
Capital outlay				
Office equipment	5,000	5,000	2,755	2,245
Records management	250	250	303	(53)
Total capital outlay	<u>5,250</u>	<u>5,250</u>	<u>3,058</u>	<u>2,192</u>
Total general government	<u>\$ 1,161,262</u>	<u>\$ 1,161,262</u>	<u>\$ 969,017</u>	<u>\$ 192,245</u>

Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2018

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Public Safety				
Personnel				
Salary and wages	\$ 209,390	\$ 209,390	\$ 212,768	\$ (3,378)
Municipal Judge	1,656	1,656	1,518	138
Court Clerk	4,140	4,140	4,140	-
Employee benefits	89,325	89,325	78,407	10,918
Juvenile diversion	5,000	5,000	5,000	-
Total personnel	<u>309,511</u>	<u>309,511</u>	<u>301,833</u>	<u>7,678</u>
Administration				
Utilities	1,600	1,600	1,428	172
Gas and oil	5,000	5,000	7,434	(2,434)
Telephone	4,000	4,000	4,090	(90)
Uniforms	3,000	3,000	2,144	856
Radio and radar repair	750	750	371	379
Office supplies	1,500	1,500	1,524	(24)
Dues and schools	6,750	6,750	6,373	377
Equipment purchases	7,600	7,600	5,484	2,116
Traffic and investigations	2,500	2,500	67	2,433
Dispatch services	36,666	36,666	35,530	1,136
Testing and examinations	500	500	-	500
Contractual services	8,980	8,980	6,983	1,997
Other	15,500	15,500	11,496	4,004
Vehicle maintenance	8,000	8,000	5,758	2,242
Computer services	2,235	2,235	2,170	65
Total administration	<u>104,581</u>	<u>104,581</u>	<u>90,852</u>	<u>13,729</u>
Capital Outlay				
Vehicle purchase	<u>75,000</u>	<u>75,000</u>	<u>72,713</u>	<u>2,287</u>
Total capital outlay	<u>75,000</u>	<u>75,000</u>	<u>72,713</u>	<u>2,287</u>
Other				
Weed control	500	500		500
Mosquito control	<u>12,000</u>	<u>12,000</u>	<u>9,280</u>	<u>2,720</u>
Total other	<u>12,500</u>	<u>12,500</u>	<u>9,280</u>	<u>3,220</u>
Total public safety	<u>\$ 501,592</u>	<u>\$ 501,592</u>	<u>\$ 474,678</u>	<u>\$ 26,914</u>

**Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2018**

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Public Works				
Personnel				
Salaries	\$ 110,400	\$ 110,400	\$ 101,455	\$ 8,945
Employee benefits	36,796	36,796	31,421	5,375
Total personnel	<u>147,196</u>	<u>147,196</u>	<u>132,876</u>	<u>14,320</u>
Administration				
Repairs and maintenance	11,500	11,500	7,512	3,988
Supplies	27,100	27,100	1,709	25,391
Gas, oil and diesel	5,500	5,500	5,033	467
Tools	500	500	171	329
Utilities	2,400	2,400	2,092	308
Telephone	1,300	1,300	1,211	89
Safety equipment	1,000	1,000	600	400
Street signs	3,000	3,000	2,097	903
Consulting services	22,550	22,550	17,207	5,343
Street lighting	5,000	5,000	4,098	902
Miscellaneous	13,620	13,620	18,161	(4,541)
Computer services	2,500	2,500	2,199	301
Total administration	<u>95,970</u>	<u>95,970</u>	<u>62,090</u>	<u>33,880</u>
Capital Outlay				
Storm Drainage	7,500	7,500	4,950	2,550
Gravel and paving	35,000	35,000	9,612	25,388
Equipment Leases	4,729	4,729	6,306	(1,577)
Dust prevention	40,000	40,000	29,050	10,950
Equipment purchase	38,833	38,833	11,117	27,716
Total capital outlay	<u>126,062</u>	<u>126,062</u>	<u>61,035</u>	<u>65,027</u>
Total public works	<u>369,228</u>	<u>369,228</u>	<u>256,001</u>	<u>113,227</u>
Trash removal	<u>\$ 125,000</u>	<u>\$ 125,000</u>	<u>\$ 195,590</u>	<u>\$ (70,590)</u>

**Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2018**

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Culture and recreation				
KVNF radio	\$ 1,000	\$ 1,000	\$ 1,000	-
Voyage after school program	7,000	7,000	7,000	-
Other donations	30,900	30,900	23,965	6,935
Uncompahgre Volunteer Legal Aid	3,000	3,000	3,000	-
Ouray County partners program	1,000	1,000	1,000	-
Eco Action Partners	5,000	5,000	5,000	-
Second chance humane society	6,500	6,500	6,500	-
Region 10	-	-	62,396	(62,396)
Affordable housing incentives	4,000	4,000	-	4,000
Total culture and recreation	<u>58,400</u>	<u>58,400</u>	<u>109,861</u>	<u>(51,461)</u>
Community Center				
Utilities	1,600	1,600	1,428	172
Maintenance and repairs	31,000	31,000	14,807	16,193
Janitorial services	6,800	6,800	6,800	-
Supplies	4,000	4,000	3,001	999
Total community center	<u>43,400</u>	<u>43,400</u>	<u>26,036</u>	<u>17,364</u>
Parks				
Personnel				
Salaries and benefits	116,500	116,500	69,644	46,856
Employee benefits	30,921	30,921	10,905	20,016
Total personnel	<u>147,421</u>	<u>147,421</u>	<u>80,549</u>	<u>66,872</u>
Administration				
Utilities	4,000	4,000	3,656	344
Gas and oil	1,400	1,400	1,052	348
Repairs and maintenance	10,000	10,000	1,648	8,352
Janitorial	3,000	3,000	3,000	-
Supplies and materials	26,000	26,000	26,867	(867)
Insurance	6,000	6,000	6,000	-
Urban forest management	10,000	10,000	10,000	-
River Corridor maintenance	5,000	5,000	7,365	(2,365)
Events and festivals	59,000	59,000	50,446	8,554
Other	11,775	11,775	8,126	3,649
Total administration	<u>136,175</u>	<u>136,175</u>	<u>118,160</u>	<u>18,015</u>
Capital outlay	<u>6,000</u>	<u>6,000</u>	<u>4,000</u>	<u>2,000</u>
Total parks	<u>289,596</u>	<u>289,596</u>	<u>202,709</u>	<u>86,887</u>
Debt service	<u>116,553</u>	<u>116,553</u>	<u>116,553</u>	<u>-</u>
Transfers	<u>10,000</u>	<u>10,000</u>		<u>10,000</u>
Total expenditures	<u>\$ 2,675,031</u>	<u>\$ 2,675,031</u>	<u>\$ 2,350,445</u>	<u>\$ 324,586</u>

Town of Ridgway
Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 904,500	\$ 904,500	\$ 78,050	\$ (826,450)
Donations	35,220	35,220	-	\$ (35,220)
Total revenues	<u>939,720</u>	<u>939,720</u>	<u>78,050</u>	<u>(861,670)</u>
Expenditures				
Current:				
Culture and recreation				
Capital outlay	1,038,905	1,038,905	155,905	883,000
Total expenditures	<u>1,038,905</u>	<u>1,038,905</u>	<u>155,905</u>	<u>883,000</u>
Excess (deficiency) of revenues over expenditures	(99,185)	(99,185)	(77,855)	21,330
Other financing sources (uses)				
Transfers in (out)	10,000	10,000	-	(10,000)
Fund balance, January 1	89,185	89,185	115,337	26,152
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 37,482</u>	<u>\$ 37,482</u>

Town of Ridgway
Water Fund-(non GAAP Budgetary Basis)
Schedule of Revenues and Expenditures-Budget and Actual
December 31, 2018

	Budgeted		Actual	Variable
	Original	Final		Favorable (Unfavorable)
Revenues				
Charges for services	\$ 414,000	\$ 414,000	\$ 426,870	\$ 12,870
Tap fees and contributions	60,000	60,000	60,150	150
Investment income	2,900	2,900	7,879	4,979
Other	32,500	32,500	16,806	(15,694)
Total revenues	<u>509,400</u>	<u>509,400</u>	<u>511,705</u>	<u>2,305</u>
Expenditures				
Salaries and fringe benefits	185,460	185,460	166,649	18,811
Supplies	22,000	22,000	16,804	5,196
Insurance	6,653	6,653	6,958	(305)
Professional fees	10,000	10,000	3,000	7,000
Repairs and maintenance	95,000	95,000	55,974	39,026
Vehicle expense	11,000	11,000	8,207	2,793
GIS mapping	8,000	8,000	4,450	3,550
Testing and permits	6,150	6,150	3,958	2,192
Capital outlay	38,833	38,833	5,256	33,577
Consulting and engineering	46,900	46,900	22,065	24,835
Utilities and telephone	14,300	14,300	12,478	1,822
Plant Expenses	22,000	22,000	19,800	2,200
Computer services	2,800	2,800	3,188	(388)
Other	35,900	35,900	27,662	8,238
Equipment Lease	4,729	4,729	6,306	(1,577)
Debt service-CWCB	7,571	7,571	7,571	-
Debt service-Montrose Bank	17,000	17,000	17,000	-
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	30,918	-
Total expenditures	<u>597,509</u>	<u>597,509</u>	<u>450,539</u>	<u>146,970</u>
Excess of revenues over expenditures	(88,109)	(88,109)	61,166	149,275
Available Resources-January 1	<u>433,514</u>	<u>433,514</u>	<u>500,263</u>	<u>66,749</u>
Available Resources-December 1	<u>\$ 345,405</u>	<u>\$ 345,405</u>	<u>\$ 561,429</u>	<u>\$ 216,024</u>

Town of Ridgway
Sewer Fund-(Non GAAP Budgetary Basis)
Schedule of Revenues and Expenditures-Budget and Actual
December 31, 2018

	Budgeted			Variable Favorable (Unfavorable)
Revenues	Original	Final	Actual	
Charges for services	\$ 309,000	\$ 309,000	\$ 312,679	\$ 3,679
Tap fees and contributions	60,000	60,000	58,640	(1,360)
Investment income	5,700	5,700	13,493	7,793
Miscellaneous	3,100	3,100	3,735	635
Total revenues	<u>377,800</u>	<u>377,800</u>	<u>388,547</u>	<u>10,747</u>
Expenditures				
Salaries and fringe benefits	155,066	155,066	137,391	17,675
Consulting and engineering	32,750	32,750	12,990	19,760
Repairs and maintenance	22,000	22,000	16,010	5,990
Vehicle expense	10,500	10,500	5,432	5,068
GIS mapping	8,000	8,000	4,523	3,477
Testing and permits	4,400	4,400	4,060	340
Insurance	6,653	6,653	6,451	202
Professional fees	9,400	9,400	2,900	6,500
Supplies	7,000	7,000	4,911	2,089
Utilities and telephone	43,450	43,450	39,445	4,005
Computer services	2,500	2,500	2,913	(413)
Debt service-DOLA	15,915	15,915	15,915	-
Other	23,529	23,529	5,924	17,605
Capital outlay	38,833	38,833	11,561	27,272
Total expenditures	<u>379,996</u>	<u>379,996</u>	<u>270,426</u>	<u>109,570</u>
Excess of revenues over expenditures	(2,196)	(2,196)	118,121	120,317
Available Resources-January 1	<u>698,534</u>	<u>698,534</u>	<u>781,610</u>	<u>83,076</u>
Available Resources-December 1	<u>\$ 696,338</u>	<u>\$ 696,338</u>	<u>\$ 899,731</u>	<u>\$ 203,393</u>

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 - CY18

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:	\$	173,992.19
3. Other local imposts: <i>from A.3. 'Total' below</i>	\$	28,534.84
4. Miscellaneous local receipts: <i>from A.4. 'Total' below</i>	\$	10,716.00
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:	\$	0.00
c. Notes:	\$	0.00

SubTotal: \$ 213,243.03

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:	\$ 1,500.00
5. Specific Ownership and/or Other:	\$ 27,034.84

Total: (a + b) carried to 'Other local imposts' above \$ 28,534.84

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	\$ 0.00
b. Traffic fines & Penalties:	\$ 10,716.00
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 \$ 10,716.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	\$ 65,402.86
3. Other State funds:	
c. Motor Vehicle Registrations:	\$ 5,991.64
d. Other (Specify):	
Comments: undefined	\$ 0.00
e. Other (Specify):	
Comments: CDOT	\$ 75,549.72

Total: (1+3c,d,e) \$ 146,944.22

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)	\$	2,329.90
2. Maintenance:	\$	124,723.05
3. Road and street services		
a. Traffic control operations:	\$	2,097.00
b. Snow and ice removal:	\$	36,880.35
c. Other:	\$	15,962.60
4. General administration & miscellaneous	\$	0.00
5. Highway law enforcement and safety	\$	178,194.35
Total: (A.1-5)	\$	360,187.25

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
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D. Payments to Toll Facilities:

\$ 0.00

Total Disbursements: (A+B+C+D) \$ 360,187.25

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	\$ 2,329.90	\$ 2,329.90
4. System Enhancement:	\$ 0.00	\$ 0.00	\$ 0.00
5. Total Construction:			\$ 2,329.90
d. Total Capital Outlay: (Lines A. 1.a. + 1.b. + 1.c.5)			\$ 2,329.90

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	\$ 360,187.25	\$ 360,187.25	\$ 0.00	\$ 0.00

Notes & Comments:

undefined

Please enter your name: undefined

Please provide a telephone number where you may be reached: undefined

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