TOWN OF NATURITA, COLORADO

FINANCIAL STATEMENTS AND REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

December 31, 2018

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INDEPENDENT AUDITOR'S REPORT

June 14, 2019

Honorable Mayor and Board of Trustees
Town of Naturita, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of Naturita, 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 Unites States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion 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, and each major fund of the Town of Naturita, Colorado, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and Major Special Revenue Funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

2499 Hwy 6 & 50
Grand Junction, CO 81505-1106
www.csdcpa.com
e-mail info@csdcpa.com
970/245-3000
Fax 970/242-4716
Toll Free 877/245-8080

Board of Trustees
Town of Naturita
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Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 8 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Naturita's basic financial statements. The enterprise fund budget to actual schedule and the local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Chadwick, Steinkirchner, Davis & Co., P.C.

This management's discussion and analysis of the Town of Naturita financial statements provides an overview of the Town's financial activities for the fiscal year ended December 31, 2018. The intent of this discussion and analysis is to look at the Town's financial performance as a whole; it should be read in conjunction with the basic financial statements and notes to enhance the reader's understanding of the Town's overall financial performance.

USING THE BASIC FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis* (this section), the *basic financial statements,* and *supplementary information.* The basic financial statements include two types of information on the same statement that present different views of the Town:

- G*overnment-wide financial statements* that provide both *long-term* and *short-term* information about the Town's *overall* financial status.
- F*und financial statements* that focus on *individual parts* of the Town government, reporting the Town's operations *in more detail* than the government-wide statements.

The financial statements also include *notes* that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of *supplementary information* that further explains and supports the information in the financial statements.

Government-wide Statements

The government-wide statements consist of the Statement of Net Position and the Statement of Activities. These statements report information about the Town as a whole and include *all* assets, liabilities, and deferred inflows using the *accrual basis of accounting,* which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Town's *net position* and changes in it. The Town's net position – the difference of assets, liabilities, and deferred inflows – are one way to measure the Town's financial health, or *financial position.* Over time, *increases or decreases* in the Town's net position are one indicator of whether its *financial health* is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base and the condition of the infrastructure, are needed to assess the *overall health* of the Town.

Fund Financial Statements

The fund financial statements provide more detailed information about the Town's *funds*, focusing on its most significant funds – not the Town as a whole. The Town's major governmental funds include the General Fund, the Conservation Trust Fund, and the Lodging Tax Fund. Unlike government-wide financial statements, the focus of the fund financial statements is directed to specific activities of the Town rather than the Town as a whole. Except for the General Fund, a specific fund is established to satisfy managerial control over resources or to satisfy finance-related legal requirements established by external parties or governmental statutes or regulations.

Governmental funds – The Town's activities are reported in three governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending in future periods. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental funds financial statements provide a detailed *short-term view* of the Town's general government operations, cultural and recreational services, and the basic services they provide. Governmental fund information helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. The relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental *funds* is provided in reconciliations following the fund financial statements.

THE TOWN AS A WHOLE

Statement of Net Position

The perspective of the Statement of Net Position is of the Town as a whole. Following is a summary of the Town's net position for the fiscal years 2017 and 2018.

	2017			2018		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Current and other assets	727,046	310,622	1,037,668	484,941	430,501	915,442
Capital assets	1,314,081	1,459,862	2,773,943	1,368,037	1,395,354	2,763,391
Total Assets	**2,041,127**	**1,770,484**	**3,811,611**	**1,852,978**	**1,825,855**	**3,678,833**
Long-term liabilities outstanding	-	93,068	93,068	-	87,073	87,073
Other liabilities	291,233	61,559	352,792	11,394	73,145	84,539
Deferred Inflows	39,095	-	39,095	38,258	-	38,258
Total liabilities/deferred inflows	**330,328**	**154,627**	**484,955**	**49,652**	**160,218**	**209,870**
Net Position:						
Net Investment in capital assets	1,314,081	1,366,794	2,680,875	1,368,037	1,308,281	2,676,318
Restricted for marketing & promotion	56,981	-	56,981	60,241	-	60,241
Restricted for emergencies	25,144	-	25,144	15,649	-	15,649
Unrestricted	314,593	249,063	563,656	359,399	357,356	716,755
Total net position	**1,710,799**	**1,615,857**	**3,326,656**	**1,803,326**	**1,665,637**	**3,468,963**

The Town shows a positive balance in net position. The most significant items on the statement of net position are the capital assets and these are described in more depth in *Note D* to the financial statements.

Statement of Activities

The perspective of the Statement of Activities is of the Town as a whole. The Statement of Activities reflects the cost of program services and the charges for services and sales, grants and contributions offsetting those services. The following detail reflects the total cost of services supported by program revenues, sales taxes, and general property taxes, as well as other general revenues, resulting in the overall change in net position for the fiscal years 2017 and 2018.

	2017			2018		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
REVENUES:						
Program revenues:						
Charges for Services	14,155	394,185	408,340	13,296	413,526	426,822
Grants and Contributions	461,598	-	461,598	151,162	-	151,162
General revenues:						
Taxes	366,159	-	366,159	361,505	-	361,505
Interest, other revenue, transfers	4,880	14,782	19,662	1,177	41,499	42,676
Total revenues	**846,792**	**408,967**	**1,255,759**	**527,140**	**455,025**	**982,165**
EXPENSES:						
General government	302,555	-	302,555	228,057	-	228,057
Public Safety	108,696	-	108,696	65,895	-	65,895
Public Works	34,477	-	34,477	101,452	-	101,452
Culture and recreation	25,195	-	25,195	39,208	-	39,208
Utility operations	-	355,486	355,486	-	405,245	405,245
Total expenses	**470,923**	**355,486**	**826,409**	**434,612**	**405,245**	**839,857**
Increase (decrease) in net position	**375,869**	**53,481**	**429,350**	**92,527**	**49,780**	**142,307**
Net position January 1	**1,334,930**	**1,562,376**	**2,897,306**	**1,710,799**	**1,615,857**	**3,326,656**
Net position December 31	**1,710,799**	**1,615,857**	**3,326,656**	**1,803,326**	**1,665,637**	**3,468,963**

The Town's primary sources of revenue are from taxes and utility fees. These revenues are used to pay the cost of the general government and the cost of the utility activity expenses.

The Town operated at an increase in net position for governmental activities in 2017 and 2018; the primary increase in 2017 was due to a Colorado Department of Local Affairs flood recovery grant which was used to construct additional infrastructure to help protect the Town from future flooding.

The Town reported an increase in net position for business-type activities in 2017 as well as a very slight increase in 2018. The Town is in the process of implementing a Capital Improvement Plan and Rate Study. It was completed by Element Engineers in September of 2018. Several grants and loans will be needed to help construct and improve its water and wastewater treatments systems. The Town increased rates in April 2014 and in 2015 to cover operating costs. No increase was implemented in 2016, 2017 or 2018.

THE TOWN'S FUNDS

The fund level financial statements focus on how services were financed in the short-term as well as what remains for future spending. The fund level financial statements are reported on the modified accrual basis of accounting for governmental funds.

At the fund level, under the modified accrual basis of accounting, depreciable assets and their related depreciation expense are not reflected as they are not a current period financial resource or use. In addition, at the fund level, inflows from operating loans, if any, are presented as a revenue item while outflows for capital outlay and debt service payments, if any, are presented as an expenditure item, as these items represent current period financial resources and uses.

For the year ended 12/31/2018, governmental fund balances were increased by $38,571. This is due to a decrease of $355,813 in our expenditures.

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note A* of the financial statements. No amended budgets were adopted by the Town during fiscal year 2018. Much of the Town's activities during 2018 were driven by managing a Capital Improvement Plan and DOLA Grant for it; a Master Plan for our park through GOCO; interior improvements to our Community Building with a Small Change Grant through Region 10; and a replacement of a suspended sewer line over the river with a Community Funds Grant from Montrose County and an Energy Impact Grant from DOLA. We were also working with the University Technical Assistance Program to design and beautify our Main Street.

General Fund Resources (Inflows)

The Town's final actual revenues in the amount of $505,472 were greater than budget expectations of $344,655 by $160,817 primarily because of greater sales and use taxes received as well as intergovernmental grants as noted above.

General Fund Charges to Appropriations (Outflows)

The Town's final actual expenditures of $461,575 were $52 less than the final appropriated balance of $461,627. No explanation needed.

UTILITY FUND BUDGETARY HIGHLIGHTS

The Town's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note A* of the financial statements. No amended budgets were adopted by the Town during fiscal year 2018.

Utility Fund Resources (Inflows)

The Town's final actual revenues in the amount of $455,025 were over budget expectations of $425,115 by $29,910 primarily due to increased usage of water and sewer services. Additional grant funding was also received.

Utility Fund Charges to Appropriations (Outflows)

The Town's final actual budgetary basis expenditures of $345,547 were $42,980 less than the final appropriated balance of $388,527. Public Works Sewer/Water did not receive any raises in pay. Personal services expenses were less.

CONSERVATION TRUST FUND BUDGETARY HIGHLIGHTS

The Town's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note A* of the financial statements. No amended budgets were adopted by the Town during fiscal year 2018.

Conservation Trust Fund Resources (Inflows)

The Town's final actual revenues in the amount of $5,476 were under budget expectations of $5,550 by $74.

Conservation Trust Fund Charges to Appropriations (Outflows)

The Town's final expenditures of $0 were $18,000 less than the final appropriated balance of $18,000 as the Park Construction Grant from GOCO was denied. We did not spend the match.

LODGING FUND BUDGETARY HIGHLIGHTS

The Town's procedures in establishing budgetary data reflected in the financial statements are summarized in *Note A* of the financial statements. No amended budgets were adopted by the Town during fiscal year 2018.

Lodging Tax Fund Resources (Inflows)

The Town's final actual revenues in the amount of $16,191 were higher than budget expectations of $10,125 by $6,066 due to an extremely busy year for the local hotels because of the workers in town for the replacement of a power line.

Lodging Tax Fund Charges to Appropriations (Outflows)

The Town's final expenditures of $26,993 were $7,357 less than the final appropriated balance of $34,350 as the local Chamber of Commerce did not request funding.

CAPITAL ASSETS

At the end of 2018, the Town had a total of $1,368,037 invested in net capital assets of governmental activities. The amount of capital assets for business-type activities totaled $1,395,354 after accumulated depreciation, a decrease of $64,508 over 2017. There were no retirements in 2018 in the business-type activities; there were no retirements in governmental activities. *See Note D, Capital Assets.*

LONG-TERM DEBT

During 2012, the Town entered into a loan to assist in the renovation of the Town's sewer system. The loan was for $700,000 with $500,000 forgiven at closing. The remaining balance on the loan at December 31, 2018 was $87,073. *See Note E, Long-term Liabilities.*

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Utility Fund 2019 Budget anticipates that revenues will increase as the Town implemented a $10 rate increase for sewer service and a $5 rate increase for water service effective January 1, 2019.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our residents, customers, taxpayers, investors, and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions regarding this report or need additional financial information, please contact the:

Town of Naturita
Attn: Kathy Cooper, Town Treasurer
PO Box 505
Naturita CO 81422
Tel: (970) 865-2286
Fax: (970) 865-2815
E-mail: thnaturita@nntcwireless.com

Town of Naturita, Colorado

STATEMENT OF NET POSITION

December 31, 2018

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	$ 370,817	$ 370,740	$ 741,557
Receivables			
Accounts	-	44,049	44,049
Property taxes	38,258	-	38,258
Intergovernmental	55,171	36,407	91,578
Interfund accounts	20,695	(20,695)	-
Capital assets (net of accumulated depreciation):			
Land and water shares	147,215	77,870	225,085
Construction in progress	69,750	-	69,750
Infrastructure, net	1,029,212	-	1,029,212
Buildings and improvements, net	71,163	1,316,546	1,387,709
Equipment, net	50,697	938	51,635
Total assets	1,852,978	1,825,855	3,678,833
LIABILITIES			
Accounts payable	11,394	38,673	50,067
Customer deposits	-	34,472	34,472
Long-term liabilities			
Note payable due within one year	-	6,055	6,055
Note payable due after one year	-	81,018	81,018
Total liabilities	11,394	160,218	171,612
DEFERRED INFLOWS			
Property taxes	38,258	-	38,258
Total deferred inflows	38,258	-	38,258
Total liabilities and deferred inflows	49,652	160,218	209,870
NET POSITION			
Net investment in capital assets	1,368,037	1,308,281	2,676,318
Restricted for marketing and promotion	60,241	-	60,241
Restricted for emergency reserves	15,649	-	15,649
Unrestricted	359,399	357,356	716,755
Total net position	$ 1,803,326	$ 1,665,637	$ 3,468,963

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

STATEMENT OF ACTIVITIES

Year ended December 31, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Total
Primary government:							
Governmental activities:							
General government	$ 228,057	$ 9,463	$ 35,500	$ 6,383	$ (176,711)	$ -	$ (176,711)
Public safety	65,895	3,564	-	-	(62,331)	-	(62,331)
Public works	101,452	-	-	47,621	(53,831)	-	(53,831)
Culture and recreation	39,208	270	56,250	5,407	22,719	-	22,719
Total governmental activities	434,612	13,296	91,750	59,412	(270,154)	-	(270,154)
Business-type activities:							
Utility fund	405,245	413,526	-	-	-	8,281	8,281
Total primary government	$ 839,857	$ 426,822	$ 91,750	$ 59,412	(270,154)	8,281	(261,873)
General revenues:							
Property taxes					44,835	-	44,835
Sales and use taxes					316,670	-	316,670
Grants and contributions not restricted to specific programs					629	36,408	37,037
Gain on slae of assets					-	4,000	4,000
Investment earnings					548	1,091	1,639
Total general revenues					362,682	41,499	404,181
Change in net position					92,527	49,780	142,307
Net position - beginning					1,710,799	1,615,857	3,326,656
Net position - ending					$ 1,803,326	$ 1,665,637	$ 3,468,963

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2018

	General	Lodging Tax Fund	Conservation Trust Fund	Total
ASSETS				
Cash and investments	$ 261,452	$ 60,241	$ 49,124	$ 370,817
Due from other funds	20,695	-	-	20,695
Receivables				
Property taxes	38,258	-	-	38,258
Intergovernmental	55,171	-	-	55,171
Total assets	375,576	60,241	49,124	484,941
LIABILITIES				
Accounts payable	11,394	-	-	11,394
Total liabilities	11,394	-	-	11,394
DEFERRED INFLOWS				
Property taxes	38,258	-	-	38,258
Total deferred inflows	38,258	-	-	38,258
Total liabilities and deferred inflows	49,652	-	-	49,652
FUND BALANCES				
Restricted for marketing and promotion	-	60,241	-	60,241
Restricted for conservation	-	-	49,124	49,124
Restricted for emergencies	15,649	-	-	15,649
Unassigned	310,275	-	-	310,275
Total fund balances	$ 325,924	$ 60,241	$ 49,124	$ 435,289

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balance per above	$ 435,289
Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The cost of the assets is $1,779,719 and the accumulated depreciation is $411,682.	1,368,037
Total net position - governmental activities	$ 1,803,326

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

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

Year ended December 31, 2018

	General	Lodging Tax Fund	Conservation Trust Fund	Total
Revenues				
Taxes				
General property	$ 39,070	$ -	$ -	$ 39,070
Specific ownership	5,765	-	-	5,765
Sales and use	324,396	16,107	-	340,503
Severance	9,653	-	-	9,653
Licenses and permits	4,398	-	-	4,398
Intergovernmental	118,252	-	5,407	123,659
Fines and forfeitures	3,233	-	-	3,233
Miscellaneous	705	84	69	858
Total revenues	505,472	16,191	5,476	527,139
Expenditures				
Current				
General government	171,890	26,993	-	198,883
Public safety	65,276	-	-	65,276
Public works	58,661	-	-	58,661
Culture and recreation	36,585	-	-	36,585
Capital outlay	129,163	-	-	129,163
Total expenditures	461,575	26,993	-	488,568
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	43,897	(10,802)	5,476	38,571
Other financing sources (uses)				
Transfers in (out)	(14,062)	14,062	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	29,835	3,260	5,476	38,571
Fund balances beginning of year	296,089	56,981	43,648	396,718
Fund balances end of year	$ 325,924	$ 60,241	$ 49,124	$ 435,289

Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balances per above	$ 38,571
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 ($99,989 - $46,033).	53,956
Change in net position of governmental activities	$ 92,527

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

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

Year ended December 31, 2018

	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes				
General property	$ 39,345	$ 39,345	$ 39,070	$ (275)
Specific ownership	4,500	4,500	5,765	1,265
Sales and use	279,300	279,300	324,396	45,096
Severance	15,000	15,000	9,653	(5,347)
Licenses and permits	3,500	3,500	4,398	898
Intergovernmental	-	-	118,252	118,252
Fines and forfeitures	1,600	1,600	3,233	1,633
Miscellaneous	1,410	1,410	705	(705)
Total revenues	344,655	344,655	505,472	160,817
Expenditures				
Current				
General government	146,472	146,472	171,890	(25,418)
Public safety	74,100	74,100	65,276	8,824
Public works	71,876	71,876	58,661	13,215
Culture and recreation	58,679	58,679	36,585	22,094
Contingency	13,000	13,000	-	13,000
Capital outlay	97,500	97,500	129,163	(31,663)
Total expenditures	461,627	461,627	461,575	52
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(116,972)	(116,972)	43,897	160,869
Other financing sources/uses				
Transfers out	-	-	(14,062)	(14,062)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	(116,972)	(116,972)	29,835	146,807
Fund balance beginning of year	306,883	306,883	296,089	(10,794)
Fund balance end of year	$ 189,911	$ 189,911	$ 325,924	$ 136,013

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
LODGING TAX SPECIAL REVENUE FUND - BUDGET AND ACTUAL

Year ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes				
Sales and use	$ 10,000	$ 10,000	$ 16,107	$ 6,107
Interest	125	125	84	(41)
Total revenues	10,125	10,125	16,191	6,066
Expenditures				
Current - general government	34,350	34,350	26,993	7,357
Total expenditures	34,350	34,350	26,993	7,357
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(24,225)	(24,225)	(10,802)	13,423
Other financing sources (uses)				
Transfers in (out)	-	-	14,062	14,062
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	(24,225)	(24,225)	3,260	27,485
Fund balance beginning of year	24,225	24,225	56,981	32,756
Fund balance end of year	$ -	$ -	$ 60,241	$ 60,241

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE CONSERVATION TRUST SPECIAL REVENUE FUND - BUDGET AND ACTUAL

Year ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 5,500	$ 5,500	$ 5,407	$ (93)
Miscellaneous	50	50	69	19
Total revenues	5,550	5,550	5,476	(74)
Expenditures				
Current				
Culture and recreation	18,000	18,000	-	18,000
Total expenditures	18,000	18,000	-	18,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(12,450)	(12,450)	5,476	17,926
Fund balance beginning of year	47,582	47,582	43,648	(3,934)
Fund balance end of year	$ 35,132	$ 35,132	$ 49,124	$ 13,992

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

STATEMENT OF NET POSITION
PROPRIETARY FUND

December 31, 2018

		Utility Enterprise Fund
ASSETS		
Current assets		
Cash and investments		$ 370,740
Accounts receivable, net of allowance		44,049
Grants receivable		36,407
	Total current assets	451,196
Noncurrent assets		
Capital assets, net of accumulated depreciation		1,395,354
	Total assets	$ 1,846,550
LIABILITIES AND NET POSITION		
Liabilities		
Current liabilities		
Accounts payable		$ 38,673
Due to other funds		20,695
Customer deposits		34,472
Current portion of long-term debt		6,055
	Total current liabilities	99,895
Long-term note payable, less current portion		81,018
	Total liabilities	180,913
Net position		
Net investment in capital assets		1,308,281
Unrestricted		357,356
	Total net position	1,665,637
	Total liabilities and net position	$ 1,846,550

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND

Year ended December 31, 2018

		Utility Enterprise Fund
Operating revenues		
Charges for services		$ 413,526
	Total operating revenues	413,526
Operating expenses		
Personal services		78,276
Operating expenses		122,253
Purchased services		133,398
Other charges		4,769
Depreciation		65,633
	Total operating expenses	404,329
Operating income (loss)		9,197
Nonoperating revenues (expenses)		
Interest income		1,091
Grants		36,408
Gain on sale of assets		4,000
Interest expense		(916)
	Total nonoperating revenues (expenses)	40,583
Change in net position		49,780
Net position at beginning of year		1,615,857
Net position at end of year		$ 1,665,637

The accompanying notes are an integral part of this statement.

Town of Naturita, Colorado

STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS

Year ended December 31, 2018

		Utility Enterprise Fund
Cash flows from operating activities:		
Cash received from customers	$	412,767
Cash paid to suppliers		(246,510)
Cash paid to employees		(78,276)
Net cash provided (used) by operating activities		87,981
Cash flows from noncapital financing activities:		
Change in due to other funds		(8,016)
Net cash provided (used) by noncapital financing activities		(8,016)
Cash flows from investing activities:		
Interest earned		1,091
Net cash provided (used) by investing activities		1,091
Cash flows from capital and related financing activities:		
Purchase of capital assets		(1,125)
Proceeds from sale of capital assets		4,000
Debt payments		(5,995)
Interest paid		(916)
Net cash provided (used) by financing activities		(4,036)
Net increase (decrease) in cash		77,020
Cash at beginning of year		293,720
Cash at end of year	$	370,740
Reconciliation of net operating income (loss) to net cash provided (used) by operating activities:		
Net operating income (loss)	$	9,197
Adjustments to reconcile net operating income to net cash provided (used) by operating activities		
Depreciation		65,633
Changes in assets and liabilities:		
Decrease in accounts receivable		1,565
Increase in accounts payable		13,910
Decrease in customer deposits		(2,324)
Total adjustments		78,784
Net cash provided (used) by operating activities	$	87,981

The accompanying notes are an integral part of this statement.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Reporting Entity

The Town of Naturita, Colorado was formed in September 1950. The governing body of the Town is an elected seven-member Board of Trustees, headed by a Mayor.

The Town's financial statements include the accounts and operations of all Town functions including, but not limited to, public safety, street construction and maintenance, water and sanitation, culture and general administration as provided by the Town charter.

The accounting policies of the Town of Naturita conform to generally accepted accounting principles (GAAP) as applicable to governments and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principals.

2. Government-wide and Fund Financial Statements

The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements summarize information of the governmental and business-type activities of the Town. Governmental activities, which are are generally financed by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from Business-type activities, which are financed in whole or in part by fees and charges made to external parties.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants 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 meet the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among the program revenues are reported as general revenues.

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.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

3. Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement focus applied.

Government-Wide and Proprietary Statements:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. All assets, liabilities, deferred inflows, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, 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.

Governmental Fund Financial Statements:

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "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. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Major revenues that are determined to be susceptible to accrual include sales and use taxes, property taxes, utility franchise fees, grants-in-aid earned, interest, rentals and charges for services. Major revenues that are determined to not be susceptible to accrual, because they are either not available soon enough to pay liabilities of the current period or are not objectively measurable, include licenses, permits, fines and forfeitures.

Expenditures generally are recorded when the liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The Town reports the following major governmental funds:

The General Fund is the general operating fund of the Town. It accounts for all activities of the general government except those required to be accounted for in another fund.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

The Lodging Tax Fund is a special revenue fund that accounts for lodging tax revenues, which must be expended on advertising and marketing local tourism, as required by C.R.S. 30-11-107.5.

The Conservation Trust Fund is a special revenue fund that accounts for the proceeds of lottery funds received from the State of Colorado.

The Town reports the following major proprietary fund:

The Utility Fund accounts for all activities associated with providing water and sewer services to customers within the water and sewer service area.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Interfund activity has not been eliminated in the fund financial statements, if any.

Amounts reported as program revenues include:

1. Charges to customers for goods and services

2. Operating grants and contributions

3. Capital grants and contributions

Internally dedicated resources are reported as general revenues rather than program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating 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 Town's enterprise fund are charges to customers for sales and services. Operating expenses for the enterprise fund include operating expenses, purchased services, other charges, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

4. Fund Equity and Fund Balances

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. In the fund financial statements the following classifications describe the relative strength of the spending constraints. Note that not all of these classifications may be used in a given year.

- *Non-spendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.
- *Committed fund balance* - The portion of fund balance constrained for specific purposes according to limitations imposed by the Town's highest level of decision making authority, the Board, prior to the end of the current fiscal year. The constraint may be removed or changed only through formal action of the Board.
- *Assigned fund balance* - The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum intended to be used for the purpose of that particular fund.
- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted assets first. Unrestricted fund balance will be used in the following order: committed, assigned, and unassigned.

5. Assets, Liabilities, and Net Position

Cash and Investments

Cash includes amounts in demand deposits.

For purposes of the statement of cash flows, the proprietary fund considers all highly liquid investments with original maturities of three months or less from the date of acquisition to be cash equivalents.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Colorado State Statutes limit the local governments to the following types of investments:

- Obligations of the United States or obligations unconditionally guaranteed by the United States
- Bonds of the State of Colorado and its political subdivisions
- Certain obligations secured by mortgages
- Bankers acceptances
- Commercial paper
- State investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investment contracts

Interfund Receivables and Payables

Receivables and payables classified as “due from other funds” or “due to other funds” on the balance sheet arise from negative equity in pooled cash and investments. Any residual balances outstanding between governmental activities and business-type activities are reported in the governmental-wide financial statement as “internal balances”.

Property Taxes

Property taxes as set by the Board of Trustees are collected by the County Treasurer. The County Treasurer remits property taxes collected to the Town by the 10th day of the month following collection. Property taxes receivable represent 2018 taxes collectible in 2019 and are also shown as deferred inflows. Following are details of the property tax calendar:

Levy date:	December 22 (prior year)
Lien date:	January 1 (current year)
First ½ installment due:	February 28
Second ½ installment due:	June 15
If paid in full:	April 30

Accounts Receivable

The Town considers accounts receivable for the Utility fund to be fully collectible because the Town can place liens on individual properties.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The Town has elected to apply the standards related to infrastructure assets prospectively. Capital assets are defined by the Town as assets with an initial, individual cost of $5,000 or more and an estimated life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated fixed assets are valued at their estimated fair value on the date donated.

Maintenance, repairs and renewals that neither materially add to the value of the property nor appreciably prolong its life are charged to expense as incurred. Gains or losses on dispositions of property and equipment are included in income.

Improvements are capitalized and depreciated over the remaining useful lives of the capital asset, as applicable.

Capital assets are depreciated using the straight-line method. Depreciation expense is reflected as an operating expense in the government-wide statement of activities. Estimated useful lives for asset types are as follows:

	Estimated lives
Building and improvements	40 years
Utility plant and system	15 to 50 years
Equipment	3 to 10 years
Infrastructure	40 years

Long-Term Liabilities

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

Contraband Seizures

The Town received no seizure funds in 2018.

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – CONTINUED

Use of Estimates

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

NOTE B – STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgetary Information

Annual appropriated expenditure budgets are adopted for all governmental funds on the modified accrual basis of accounting. An annual appropriation budget is also adopted for the proprietary fund on the accrual basis modified to include capital expenditures and debt service principal payments and to exclude depreciation. The budget is prepared by the Town Clerk. The appropriations are adopted, and may not be exceeded, on a total fund basis. The details of the budget calendar follow:

October 15	Statutory deadline for submission of proposed budget to Board of Trustees
December 15	Statutory deadline for certification of all mill levies to the Board of County Commissioners
December 22	Statutory deadline for Board of County Commissioners to levy all taxes and certify the levies

On or before December 31, the Board of Trustees enacts an ordinance appropriating the budgets for the ensuing fiscal year. The Board of Trustees may amend the appropriation at any time during the year, as a result of any casualty, accident, or unforeseen contingency.

The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. Even though the budget enacted by the Board of Trustees is at the fund level, the Town prepares a line item budget by department and cost center for control at the line item level. Budget reallocation between funds requires the Board of Trustees approval through a supplemental appropriation.

Excess of Expenditures Over Appropriations

Colorado statutes prohibit expenditures on a total fund basis in excess of amounts appropriated. The Town did not have any funds with actual expenditures that exceeded the board approved appropriations for 2018.

NOTE C – CASH AND INVESTMENTS

Colorado State Statutes require that all deposits be secured by federal deposit insurance or secured by collateral. Statutes require a financial institution to deposit collateral with another financial institution securing 102% of the aggregate amount of public funds held which exceed the amount insured by federal deposit insurance. Deposits must be made in financial institutions in the State of Colorado.

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

Cash on hand	$ 730
Insured by FDIC	250,000
Collateralized as noted above	489,014
	739,744
Plus reconciling items	1,813
Total cash and investments	$ 741,557

NOTE D – CAPITAL ASSETS

	Beginning Balance	Increase	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated				
CIP	$ –	$ 69,750	$ –	$ 69,750
Land	147,215	–	–	147,215
Total capital assets, not being depreciated	147,215	69,750	–	216,965
Capital assets, being depreciated:				
Buildings	238,481	–	–	238,481
Equipment	143,013	30,239	–	173,252
Infrastructure	1,151,021	–	–	1,151,021
Total capital assets, being depreciated	1,532,515	30,239	–	1,562,754
Less accumulated depreciation for:				
Buildings	(163,070)	(4,248)	–	(167,318)
Equipment	(109,950)	(12,605)	–	(122,555)
Infrastructure	(92,629)	(29,180)	–	(121,809)
Total accumulated depreciation	(365,649)	(46,033)	–	(411,682)
Total capital assets, being depreciated, net	1,166,866	(15,794)	–	1,151,072
Governmental activities capital assets, net	$1,314,081	$ 53,956	$ –	$1,368,037

NOTE D – CAPITAL ASSETS – CONTINUED

	Beginning Balance	Increase	Decreases	Ending Balance
Business-type Activities				
Capital assets, not being depreciated				
Land	$ 67,870	$ –	$ –	$ 67,870
Water shares	10,000	–	–	10,000
Total capital assets, not being depreciated	77,870	–	–	77,870
Capital assets, being depreciated:				
Buildings and systems	3,546,745	–	–	3,546,745
Equipment	39,780	1,125	–	40,905
Total capital assets, being depreciated	3,586,525	1,125	–	3,587,650
Less accumulated depreciation for:				
Buildings and systems	(2,164,753)	(65,446)	–	(2,230,199)
Equipment	(39,780)	(187)	–	(39,967)
Total accumulated depreciation	(2,204,533)	(65,633)	–	(2,270,166)
Total capital assets, being depreciated, net	1,381,992	(64,508)	–	1,317,484
Business-type activities capital assets, net	$1,459,862	$ (64,508)	$ –	$1,395,354

Depreciation expense was charged to functions/programs as follows:

Governmental Activities	
Public safety	$ 619
Public works	42,791
Culture and recreation	2,623
Total depreciation expense – governmental activities	$ 46,033

NOTE E – LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended December 31, 2018 were as follows:

	Balance 12/31/17	Additions	Reduction	Balance 12/31/18	Due Within One Year
Business-type Activities					
CWRPDA Sewer Loan	$ 93,068	$ –	$ 5,995	$ 87,073	$ 6,055

NOTE E – LONG-TERM LIABILITIES – CONTINUED

Sewer Plant Loan:
Colorado Water Resources & Power Development Authority (CWRPDA) loan, in the original issue amount of $700,000 with $500,000 forgiven at loan closing, was issued at the loan closing on June 4, 2012. The remaining loan was $200,000 with interest thereon at the rate of 1.0% per annum. The full amount of the loan of $200,000 was required to be recorded at closing, with the undistributed funds recorded as a grant receivable. Not all of the available loan was needed and an adjustment of $69,936 was made to the loan during 2014. Principal and interest are payable May 1 and November 1, with the final payment due May 1, 2032. The loan matures as follows:

	Principal	Interest	Total
2019	$ 6,055	$ 856	$ 6,911
2020	6,116	795	6,911
2021	6,177	734	6,911
2022	6,239	672	6,911
2023	6,302	609	6,911
2024-2028	32,470	2,085	34,555
2029-2032	23,714	477	24,191
	$ 87,073	$ 6,228	$ 93,301

The Town has the option to prepay the loan, in whole or in part, upon prior written notice. The Town has pledged the net revenues of the wastewater treatment system. The loan agreement requires the Town to maintain an operations and maintenance reserve in an amount equal to three months of operation and maintenance expenses and to meet a rate covenant. The calculations to verify these requirements have been defined by CWRPDA.

The operation and maintenance reserve calculation is that current assets minus current liabilities needs to be greater than the result of operating expenses less depreciation times .25. For 2018 the calculation is:

$451,196 - $93,840 = $357,356
$405,245 - $65,633 = $339,612 x .25 = $84,903
$357,356 > $84,903 Therefore, the operation and maintenance reserve requirement is met.

The rate covenant calculation is that total system revenues less operating expenses (without depreciation) divided by annual debt service needs to be greater than or equal to 1.10. For 2018 the calculation is:

$455,025 - $339,612 = $115,413/$6,911 = 16.70
16.70 > 1.10 Therefore, the rate covenant requirement is met.

The Town passed an ordinance during 2014 to increase rates over the next five years to allow continued compliance with this requirement. Rates were raised in 2015, but no rate increase was established for 2016, 2017 or 2018.

NOTE F – TAX, SPENDING AND DEBT LIMITATIONS

In November of 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which added a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations, and certain election requirements, which apply to the State of Colorado and all local governments. TABOR is complex and subject to interpretation. The Town believes it is in compliance with the provisions of TABOR as it is understood from judicial interpretations, legal opinions and commonly accepted practices. The amendment also requires 3% emergency reserve to be set up on all Town expenditures covered by the amendment. The Town has set this required emergency reserve for all amendment expenditures in the General Fund Balance under Restricted for emergencies.

NOTE G – RISK MANAGEMENT

The Town is one of several local governments which are members of the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA is an organization created by intergovernmental agreement in 1982 solely to provide property and casualty coverage to its members. Coverage is provided through pooling of self-insured losses and the purchase of stop-loss insurance coverage. CIRSA is governed by a seven-member board elected by and from its members. The governing board is autonomous as to budgeting and fiscal matters.

The Town is self-insured for property and liability insurance. CIRSA has a legal obligation for claims against its members to the extent that funds are available in its annually established loss fund and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds and amounts recoverable from excess insurance are direct liabilities of the participating members. CIRSA has indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs, although it is not legally required to do so.

CIRSA provides property and casualty insurance coverage to the Town. The coverage is provided through joint self-insurance, insurance and reinsurance, or any combination thereof. CIRSA's rate setting policies are established by the Board of Directors, in consultation with independent actuaries. The Town is subject to a supplemental assessment in the event of deficiencies, and may receive credit on future contributions in the event of a surplus.

CIRSA has entered into various excess insurance contracts to limit large losses and minimize exposure on large risks. Excess of loss contracts in effect limit CIRSA's per occurrence exposure to $250,000 for property coverage and $150,000 for casualty coverage, and provide coverage to specified upper limits.

The Town's 2018 contributions were $18,707.

NOTE H – INTERFUND BALANCES AND TRANSFERS

The Utility fund owes the General fund $20,695 for services paid for on behalf of the Utility fund.

The General fund transferred $14,062 of grant revenue to the Lodging Tax fund to assist in paying marketing expenses.

NOTE I – DEFINED CONTRIBUTION PLAN

In October 2018 the Town started providing retirement benefits for all full-time employees through a defined contribution plan administered by the 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. Under the defined contribution plan, the Town has agreed to pay $150 per month into the plan for qualifying employees. Employees are eligible to participate in the plan following one year of employment. The plan provides retirement benefits based upon the employee's vested account. A participant becomes 100% vested upon completion of five years of covered service. Amounts forfeited by employees who leave employment before they become fully vested are divided up among the remaining participants in the plan. Under the plan, employees direct the investment of the contributions among several investment options available through an outside plan administrator.

For the year ended December 31, 2018, the Town contributed $750 to the plan.

SUPPLEMENTARY INFORMATION

Town of Naturita, Colorado

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
UTILITY ENTERPRISE FUND - (NON-GAAP) BUDGET AND ACTUAL

Year ended December 31, 2018

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 391,700	$ 391,700	$ 413,526	$ 21,826
Grant proceeds	33,050	33,050	36,408	3,358
Other	365	365	5,091	4,726
Total revenues	425,115	425,115	455,025	29,910
Expenses				
Personal services	165,847	165,847	78,276	87,571
Operating expenses	77,300	77,300	112,275	(34,975)
Purchased services	117,650	117,650	133,398	(15,748)
Other services	9,815	9,815	4,769	5,046
Interest and principal	6,915	6,915	6,851	64
Capital outlay	5,000	5,000	9,978	(4,978)
Contingency	6,000	6,000	-	6,000
Total expenses	388,527	388,527	345,547	42,980
EXCESS OF REVENUES OVER (UNDER) EXPENSES	36,588	36,588	109,478	72,890
Other financing sources				
Transfers in	3,000	3,000	-	(3,000)
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENSES	$ 39,588	$ 39,588	109,478	$ 69,890
Add: Loan principal			5,935	
Add: Capital asset additions			1,125	
Deduct: Depreciation			(65,633)	
CHANGE IN NET POSITION			$ 49,780	

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

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

LOCAL HIGHWAY FINANCE REPORT	City or County: TOWN OF NATURITA
	YEAR ENDING : December 2018
This Information From The Records of Town of Naturita	Prepared By: Kathy Cooper Phone:970-865-2286

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	0
4. Miscellaneous local receipts (from page 2)	3,198
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	3,198
B. Private Contributions	
C. Receipts from State government (from page 2)	29,894
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	33,092

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	2,214
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other	131
d. Total (a. through c.)	131
4. General administration & miscellaneous	
5. Highway law enforcement and safety	52,968
6. Total (1 through 5)	55,313
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	55,313

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	33,092	55,313		(22,221)

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

Blank536-CY18 (1)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2018

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalities	3,198
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	0	h. Other	
c. Total (a. + b.)	0	i. Total (a. through h.)	3,198
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	27,621	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	2,273	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	2,273	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	29,894	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: