TOWN OF NEDERLAND, COLORADO

BASIC FINANCIAL STATEMENTS

December 31, 2018

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FINANCIAL SECTION

Honorable Mayor and Members of the Board of Trustees
Town of Nederland
Nederland, Colorado

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Nederland, 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, business-type activities, each major fund, and the aggregate remaining fund information of the Town of Nederland, 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.

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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 and budgetary comparison schedules on pages 26 and 27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund schedules and State Compliance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund schedules are fairly stated in all material respects in relation to the financial statements as a whole.

John Cutler & Associates, LLC

July 31, 2019

Town of Nederland, Colorado
Management's Discussion and Analysis

Fiscal Year Ending December 31, 2018

This Management's Discussion and Analysis (MD&A) of the Town of Nederland's 2018 financial statements is offered to provide an overview and analysis of the government's financial activities. The MD&A should be read in conjunction with the Town's basic financial statements.

The Town of Nederland is a Statutory Municipality incorporated in 1874. The Town has seven elected officials who are responsible for all policy decisions that affect the government's financial condition. The appointed Town Administrator is responsible for preparing the annual budget which is adopted by the Board of Trustees every December. The Town Administrator and appointed Town Treasurer are responsible for financial reporting to the Town's Board of Trustees and to the public at large. The Town maintains six separate funds, which are as follows:

A) General Fund
B) Community Center Fund
C) Conservation Trust Fund
D) Water Fund
E) Sewer Fund
F) Street Fund

Additionally, the Town maintains a Downtown Development Authority (DDA) Fund which acts as a component unit and is reflected as a non major fund in Town's financial statements.

<u>Overview of the Financial Statements</u>

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

Government-wide Financial Statements:
The government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, give readers a broad overview of the entire Town's financial position and changes in financial position in a manner similar to a private-sector business. These statements report information about the Town as a whole and include all assets and liabilities using the accrual basis of accounting, which reports all of the current year's revenues and expenses regardless of when the cash is received or paid.

The ***statement of net position*** presents information on all of the Town's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating. Other non-financial factors, however, such as changes in the Town's property tax base, are needed to assess the overall financial condition of the Town.

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 (accrual basis of accounting). Thus, some revenues and expenses reported in this statement will result in cash flows in future periods (e.g., uncollected taxes).

The government-wide financial statements distinguish the different functions of the Town that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from the other functions that are intended to recover all or a significant portion of their costs through user fees or charges for services (Business Type Activities). The Governmental Activities of the Town of Nederland include general government, administration and finance, municipal court, public safety, public works, and parks and recreation. The Business Type Activities include water and wastewater.

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. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary fund.

Governmental Funds - The activity of the Town's General, Community Center, Street, Downtown Development Authority, and Special Revenue (Conservation Trust) funds are reported as governmental funds, which are essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

The Town adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary (Business Like) Fund - The Town of Nederland maintains two proprietary (enterprise) funds, which reports the same functions as the business-type activities in the government-wide financial statements. The Town uses the proprietary funds to account for the activities associated with its water and sewer utilities that are financed and operated in a manner similar to private business enterprises. The intent of the governing body is that the costs, including depreciation, of providing goods or services to the public be financed or recovered primarily through user fees or charges.

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found immediately following the basic financial statements.

Other information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information and certain additional supplemental information.

Financial Highlights

Governmental Activities

- As of December 31, 2018 the governmental funds held $555,670 in assets that were readily convertible to cash and $247,773 in current liabilities.
- As of December 31, 2018 the Town's governmental activities fund held $6,526,266 in capital assets, a 4.2% decrease; and $661,942 in long-term liabilities, a 15% decrease.
- 2018 Nederland sales tax revenue was up 12% compared to fiscal year 2017.
- 2018 use tax revenue increased by 3.1% or $1,550 compared to fiscal year 2017.
- Total governmental activities net position increased by 4.2% or $281,826 during the 2018 fiscal year.

Business-type Activities

- As of December 31, 2018 total assets were $10,357,835, an increase of 4.9% over 2017. Current assets increased by $524,705, 39.9% Capital assets decreased by $44,653, 0.5%.
- Total liabilities increased by 3.5% or $163,513 during 2018.
- 2018 service revenue from the water and wastewater services increased by $66,737 or 6.7% compared to fiscal year 2017. 2018 total program revenues increased $260,489 or 22% over 2017 total revenue.
- 2018 expenses from the water and wastewater funds increased $79,260 or 5.5% compared to fiscal year 2017.
- Total business-type activities net position increased by $316,539 during the 2018 fiscal year.

Statement of Net Position

The following table reflects the condensed Statement of Net Position compared to the prior fiscal year.

	Government Activities		Business Type Activities		Total	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Current and other assets	$ 2,143,900	$ 2,061,912	$ 1,838,527	$ 1,313,822	$ 3,982,427	$ 3,375,734
Capital assets	6,526,266	6,812,956	8,519,308	8,563,961	15,045,574	15,376,917
Total assets	8,670166	8,874,868	10,357,835	9,877,783	19,028,001	18,752,651
Long-term debt outstanding	520,791	644,858	4,252,869	4,275,300	4,773,660	4,920,158
Other liabilities	341,522	774,034	559,695	373,751	901,217	1,147,785
Total liabilities	862,313	1,418,892	4,812,564	4,649,051	5,674,877	6,067,943
Deferred Inflows	816,130	746,079			816,130	746,079
Liabilities & Deferred Inflows	1,678,443	2,164,971	4,812,564	4,649,051	6,491,007	6,814,022
Net position:						
Net Investment in capital assets	5,864,324	6,032,809	3,996,741	4,029,372	9,861,065	10,062,181
Restricted	443,213	199,690	245,000	185,000	688,213	384,690
Unrestricted	684,186	477,398	1,303,530	1,014,360	1,987,716	1,491,758
Total net position	$6,991,723	$6,709,897	$5,545,271	$5,228,732	$12,536,994	$11,938,629

Normal Impacts

There are six basic (normal) transactions that will affect the comparability of the Statement of Net Position summary presentation:

Net Results of Activities – will impact (increase/decrease) current assets and unrestricted net position.
Borrowing for Capital – will increase current assets and long-term debt.
Spending Borrowed Proceeds on New Capital – will reduce current assets and increase capital assets. A second impact results in an increase in capital assets and an increase in related net debt which will not change the net investment in capital assets.
Spending of Non-borrowed Current Assets on New Capital – will (1) reduce current assets and increase capital assets and (2) will reduce restricted and or unrestricted net position and increase invested in capital assets, net of debt.
Principal Payment on Debt – will (1) reduce current assets and reduce long-term debt and (2) reduce unrestricted net position and increase the net invested in capital assets.
Reduction of Capital Assets Through Depreciation – will reduce capital assets and net investment in capital assets.

The Town's total net position for fiscal year 2018 increased by 5.0% or $598,365. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The Town's assets exceed liabilities by $12,536,994 (net position).

The net funds invested in Capital assets (e.g. land, buildings, equipment, etc.) make up 79% of net position. The Town uses these capital assets to provide services to citizens; therefore these assets are not available for future spending. Although the Town's investments in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to retire these liabilities.

The restricted net position (5.5%) represents resources that are subject to various debt provisions, contracts and contingencies on how they may be used. The remaining balance $1,987,716 is unrestricted and can be used to meet the Town's ongoing obligations to its citizens and creditors.

At the end of 2018, the Town is able to report positive balances in all net positions.

STATEMENT OF ACTIVITIES

The Statement of Activities takes into consideration the Town as a whole and reflects the change in net position for fiscal year 2018.

	Government Activities		Business Type Activities		Total	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Program Revenue						
Charges for Services	$ 341,607	$ 313,447	$ 1,069,220	$ 1,002,483	$ 1,410,827	$ 1,315,930
Operating Grants & Contributions	109,760	224,456			109,760	224,456
Capital Grants & Contributions	47,159	253,442	360,834	167,082	407,993	420,524
Total Program Revenue	498,526	791,345	1,430,054	1,169,565	1,928,580	1,960,910
General Revenues:						
Property Taxes	2,043,995	1,775,225	371,028	342,606	2,415,023	2,117,831
Franchise Taxes	50,452	52,548			50,452	52,548
Investment Income	11,023	2,725	10,907	4,639	21,930	7,364
Other Revenues	22,961	46,570	15,089	27,750	38,050	74,320
Total General Revenues	2,128,431	1,877,068	397,024	374,995	2,525,455	2,252,063
TOTAL REVENUES	**2,626,957**	**2,668,413**	**1,827,078**	**1,544,560**	**4,454,035**	**4,212,973**
Program Expenses:						
General Government	782,370	831,812			782,370	831,812
Public Safety	575,101	481,508			575,101	481,508
Public Works	557,183	555,673			557,183	555,673
Parks and Recreation	411,996	376,427			411,996	376,427
Interest on Long Term Debt	18,481	21,833	60,096	$63,755	78,577	85,588
Water and Wastewater			1,450,443	1,367,524	1,450,443	1,367,524
TOTAL EXPENSES	**2,345,131**	**2,267,253**	**1,510,539**	**1,431,279**	**3,855,670**	**3,698,532**
Change in Net Position	**$ 281,826**	**$ 401,160**	**$ 316,539**	**$ 113,281**	**$ 598,365**	**$ 514,441**
Net Position, Beginning	*6,709,897*	*6,308,737*	*5,228,732*	*5,115,451*	*11,938,629*	*11,424,188*
Net Position, Ending	*6,991,723*	*6,709,897*	*5,545,271*	*5,228,732*	*12,536,994*	*11,938,629*

Governmental Activities

At the end of fiscal year 2018, The Town's governmental activities reported a combined ending net position of $6,991,723, an increase of $281,826 during fiscal year 2018. The reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of governmental funds to the Statement of Activities can be found on page 5 of the Basic Financial Statements. On the Statement of Revenues, Expenditures and Changes in Fund Balance, the total fund balance for governmental funds is $1,127,399, an increase of $450,311 over 2017 fund balance.

Revenue was down $41,456 or 1.6% in 2018 compared to 2017 due to additional grant revenue received in 2017. In 2018, tax related revenue of $2,043,995 comprised 77.8% of total revenues from governmental activities. The Town's major sources of revenue are sales tax, use tax, ownership tax, franchise taxes and grants.

The cost of governmental activities in 2018 was $2,345,131 compared to $2,267,253 in 2017, a 3.4% increase.

Expenses by Type – Governmental Activities

General Government includes Town Board of Trustees, Town Administrator, Town Clerk, Finance and General Administration. Public Safety includes both Law Enforcement and Municipal Court. Parks & Recreation include expenses associated with the Town's Community Center and general park maintenance. Public Works accounts for streets and building maintenance. Planning & zoning accounts for costs associated with building permit and plan review activity.

Year-to-year changes by type of activity:

	2018	2017	*% Change*
General Government	782,370	831,812	-5.9%
Public Works	575,101	481,508	19.4%
Public Safety	557,183	555,673	0.3%
Parks and Recreation	411,996	376,427	9.4%
Interest on Long Term Debt	18,481	21,833	-15.4%
Total	**$ 2,345,131**	**$ 2,267,253**	**3.4%**

Fund Balance

At the end of 2018, the Town's governmental funds reported a combined (General, Community Center, Non-Major) fund balance of $1,127,399. This is an increase of $450,311 compared to the prior year's ending balance.

Business Type Activities

At year-end, the business-type activities reported total net position of $5,545,271, an increase of $316,539.

Budgetary Highlights

For the General Fund, revenue was $933,678 less than budgeted primarily due to grant revenue budgeted in the General Fund but correctly recorded in the Sewer Fund. Tax revenue was $48,000 higher than budgeted. Expenditures for the General Fund were $1,099,269 less than budget primarily due to budgeted grant expenditures properly recorded to the Sewer Fund.

The Community Center revenues were higher than budget by $4,050 primarily due to additional fitness center fees collected and room rental charges. Expenditures were $13,837 under budget due to savings in multiple operating expense lines.

Sewer Fund revenues were higher than budget by $200,602 primarily due to grant revenue for the Biosolids facility improperly budgeted in the General Fund. Total expenditures were $666,855 higher than budgeted due to capital outlay for the Biosolids project that is funded primarily through a grant and 0% interest loan that was budgeted for in the General Fund and the reporting of negative contra accounts for capital asset additions and debt service payments – a variance noted on the audit report.

Water Fund revenues were higher than budget by $104,745 primarily due to higher than budgeted Plant Investment Fees (PIFs) revenue. Total expenditures $139,833 more than budgeted primarily due to the reporting of the reporting of negative contra accounts for capital asset additions and debt service payments – a variance noted on the audit report.

Voters approved a 0.25% sales tax increase in April 2018 to support in town road improvements. The revenue and expenditures were not included in the 2018 budget but received town and board approval for receipt and spending of the funds.

The Downtown Development Authority revenues were $87,556 overbudget and expenses were $96,262 overbudget. Proceeds from Loans was $54,956. After the 2018 budget was approved, a supplemental approval was made by the Downtown Development Authority for the projects they would complete in 2018.

Capital Assets and Debt Administration

At year-end, the Town had $15,045,574 invested in a broad range of capital assets including land and improvements, buildings, parks and equipment, vehicles, equipment, and water and sewer plants and distribution and collection systems. This decrease of $331,340, or 2.2%, from the 2017 is primarily due to the additional depreciation recorded for 2018.

Capital Assets at Year-End

	Government Activities		Business Activities		Total	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**
Land	$ 719,364	$ 701,805	$ 11,436	$ 11,436	$ 730,800	$ 713,241
Water Rights			35,000	35,000	35,000	35,000
Construction in Process	-	-	558,049	97,346	558,049	97,346
Plant, Land & Building	8,440,084	8,382,562	11,947,888	11,917,405	20,387,972	20,299,967
Equipment	745,141	745,141	743,338	743,338	1,488,479	1,488,479
Transportation Equipment	201,404	221,405	326,729	299,703	528,133	521,108
Less Acc Depreciation	(3,579,727)	(3,237,957)	(5,103,132)	(4,540,267)	(8,682,859)	(7,778,224)
Total Capital Assets	**$ 6,526,266**	**$ 6,812,956**	**$ 8,519,308**	**$ 8,563,961**	**$ 15,045,574**	**$ 15,376,917**

During 2018, the Town completed a remodel of the Town Hall kitchen and updates to the office space and Public Works completed improvements to Chipeta Park. The DDA provided funds to update the Visitor Center. The Water and Sewer departments purchased a new truck. The Water department replaced the water main at the traffic circle. Construction began on the new waste water treatment facility for solids process and handling “biosolids”.

Significant 2018 Capital Asset Additions

Kitchen/Office Remodel	$ 17,560
Chipeta Park Improvements	31,728
DDA Visitor Center Improvements	25,793
Utilities Truck	27,026
Water Main Repair at the Traffic Circle	30,484
Waste Water Treatment Facility Construction	460,704
	$ 593,295

Financial Contact

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Department at: PO Box 396, Nederland, Colorado 80466; or telephone (303) 258-3266.

BASIC FINANCIAL STATEMENTS

TOWN OF NEDERLAND, COLORADO

STATEMENT OF NET POSITION
As of December 31, 2018

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTALS 2018	TOTALS 2017
ASSETS				
Cash and Investments	$ 725,526	$ 1,481,156	$ 2,206,682	$ 1,705,194
Receivables				
Taxes	984,349	-	984,349	889,040
Grants	53,350	-	53,350	340,055
Accounts	-	260,114	260,114	257,980
Other	6,469	460,703	467,172	165,664
Prepaid Expenses	-	-	-	7,041
Inventories	-	10,760	10,760	10,760
Interfund Amounts	374,206	(374,206)	-	-
Capital Assets, Not Depreciated	719,364	604,485	1,323,849	845,587
Capital Assets, Depreciated				
Net of Accumulated Depreciation	5,806,902	7,914,823	13,721,725	14,531,330
TOTAL ASSETS	8,670,166	10,357,835	19,028,001	18,752,651
LIABILITIES				
Accounts Payable	110,285	218,982	329,267	589,113
Accrued Liabilities	39,202	11,729	50,931	38,119
Unearned Revenue	696	2,197	2,893	8,576
Accrued Interest Payable	-	17,255	17,255	19,517
Deposits	50,188	-	50,188	58,206
Noncurrent Liabilities				
Due within One Year	141,151	309,532	450,683	434,254
Due in More Than One Year	520,791	4,252,869	4,773,660	4,920,158
TOTAL LIABILITIES	862,313	4,812,564	5,674,877	6,067,943
DEFERRED INFLOWS OF RESOURCES				
Deferred Property Tax Revenue	816,130	-	816,130	746,079
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,678,443	4,812,564	6,491,007	6,814,022
NET POSITION				
Net Investment in Capital Assets	5,864,324	3,996,741	9,861,065	10,062,181
Restricted for Downtown Development	353,213	-	353,213	119,690
Restricted for Emergencies	90,000	-	90,000	80,000
Restricted by Debt Covenant	-	245,000	245,000	185,000
Unrestricted	684,186	1,303,530	1,987,716	1,491,758
TOTAL NET POSITION	$ 6,991,723	$ 5,545,271	$ 12,536,994	$ 11,938,629

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF ACTIVITIES
Year Ended December 31, 2018

		PROGRAM REVENUES		
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
PRIMARY GOVERNMENT				
Governmental Activities				
General Government	$ 305,806	$ 49,523	$ 7,393	$ -
Administration and Finance	352,578	-	-	-
Municipal Court	21,287	5,252	-	-
Law Enforcement	553,814	56,339	-	-
Planning and Zoning	123,986	115,201	25,420	-
Highway and Streets	557,183	-	76,947	-
Parks and Recreation	411,996	115,292	-	47,159
Interest on Long Term Debt	18,481	-	-	-
Total Governmental Activities	2,345,131	341,607	109,760	47,159
Business-Type Activities				
Sewer	789,057	573,825	-	250,608
Water	661,386	495,395	-	110,226
Interest on Long-term Debt	60,096	-	-	-
Total Business-Type Activities	1,510,539	1,069,220	-	360,834
Total Primary Government	$ 3,855,670	$ 1,410,827	$ 109,760	$ 407,993

GENERAL REVENUES
Property Taxes
Specific Ownership Taxes
Sales and Use Taxes
Franchise Taxes
Interest
Miscellaneous

TOTAL GENERAL REVENUES

CHANGE IN NET POSITION

NET POSITION, Beginning

NET POSITION, Ending

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

NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS 2018	TOTALS 2017
$ (248,890)	$ -	$ (248,890)	$ (142,272)
(352,578)	-	(352,578)	(340,169)
(16,035)	-	(16,035)	(8,839)
(497,475)	-	(497,475)	(334,467)
16,635	-	16,635	(39,125)
(480,236)	-	(480,236)	(408,754)
(249,545)	-	(249,545)	(180,449)
(18,481)	-	(18,481)	(21,833)
(1,846,605)	-	(1,846,605)	(1,475,908)
-	35,376	35,376	(54,307)
-	(55,765)	(55,765)	(143,652)
-	(60,096)	(60,096)	(63,755)
-	(80,485)	(80,485)	(261,714)
(1,846,605)	(80,485)	(1,927,090)	(1,737,622)
746,763	-	746,763	455,449
27,881	-	27,881	26,849
1,269,351	371,028	1,640,379	1,635,533
50,452	-	50,452	52,548
11,023	10,907	21,930	7,364
22,961	15,089	38,050	74,320
2,128,431	397,024	2,525,455	2,252,063
281,826	316,539	598,365	514,441
6,709,897	5,228,732	11,938,629	11,424,188
$ 6,991,723	$ 5,545,271	$ 12,536,994	$ 11,938,629

TOWN OF NEDERLAND, COLORADO

BALANCE SHEET
GOVERNMENTAL FUNDS
As of December 31, 2018

	GENERAL FUND	COMMUNITY CENTER FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS 2018	TOTAL GOVERNMENTAL FUNDS 2017
ASSETS					
Cash and Investments	$ 135,138	$ 189,711	$ 400,677	$ 725,526	$ 611,545
Taxes Receivable	570,018	45,233	369,098	984,349	889,040
Grants Receivable	34,578	-	18,772	53,350	340,055
Other Receivables	6,469	-	-	6,469	75,137
Due from Other Funds	420,532	-	1,076	421,608	160,544
Prepaid Expenses	-	-	-	-	7,041
TOTAL ASSETS	$ 1,166,735	$ 234,944	$ 789,623	$ 2,191,302	$ 2,083,362
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ 75,490	$ 7,276	$ 27,519	$ 110,285	$ 551,595
Accrued Liabilities	34,051	5,151	-	39,202	28,944
Due to Other Funds	-	42,501	4,901	47,402	21,450
Unearned Revenues	-	696	-	696	-
Deposits	49,888	300	-	50,188	58,206
TOTAL LIABILITIES	159,429	55,924	32,420	247,773	660,195
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenues - Property Taxes	462,110	-	354,020	816,130	746,079
FUND BALANCES					
Nonspendable	-	-	-	-	7,041
Restricted for Emergencies	90,000	-	-	90,000	80,000
Restricted for Community Center	-	179,020	-	179,020	159,654
Restricted for Downtown Development	-	-	353,213	353,213	119,690
Restricted for Parks and Recreation	-	-	133	133	702
Unassigned	455,196	-	49,837	505,033	310,001
TOTAL FUND BALANCES	545,196	179,020	403,183	1,127,399	677,088
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES	$ 1,166,735	$ 234,944	$ 789,623		

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

	2018	2017
Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds.	6,526,266	6,812,956
Long-term liabilities are not due and payable in the current period and are not reported in the funds. These include long term obligation of ($457,260), capital lease payable ($160,269), and accrued compensated absences ($44,413).	(661,942)	(780,147)
Net position of governmental activities	$ 6,991,723	$ 6,709,897

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended December 31, 2018

	GENERAL FUND	COMMUNITY CENTER FUND	NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS 2018	TOTAL GOVERNMENTAL FUNDS 2017
REVENUES					
Taxes	$ 1,472,579	$ 278,586	$ 343,282	$ 2,094,447	$ 1,775,224
Licenses and Permits	115,201	-	-	115,201	150,302
Intergovernmental	115,388	-	41,531	156,919	477,899
Charges for Services	49,523	115,292	-	164,815	155,028
Fines and Forfeitures	61,591	-	-	61,591	60,665
Miscellaneous	21,056	1,280	625	22,961	46,570
Interest	7,157	-	3,866	11,023	2,725
TOTAL REVENUES	1,842,495	395,158	389,304	2,626,957	2,668,413
EXPENDITURES					
Current					
General Government	181,973	-	48,913	230,886	314,523
Administration and Finance	335,494	-	-	335,494	340,169
Municipal Court	21,287	-	-	21,287	13,952
Law Enforcement	547,296	-	-	547,296	455,581
Planning and Zoning	123,986	-	-	123,986	116,726
Highway and Streets	402,008	-	15,607	417,615	411,531
Parks and Recreation	-	271,232	-	271,232	224,839
Debt Service					
Principal	26,666	95,000	68,579	190,245	325,817
Interest	4,905	10,999	2,577	18,481	21,833
Capital Outlay	49,287	-	25,793	75,080	474,309
TOTAL EXPENDITURES	1,692,902	377,231	161,469	2,231,602	2,699,280
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	149,593	17,927	227,835	395,355	(30,867)
OTHER FINANCING SOURCES (USES)					
Proceeds from Issuance of Debt	-	-	54,956	54,956	200,000
Transfers In	-	-	-	-	1,076
Transfers Out	-	-	-	-	(1,076)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	54,956	54,956	200,000
NET CHANGE IN FUND BALANCES	149,593	17,927	282,791	450,311	169,133
FUND BALANCES, Beginning	395,603	161,093	120,392	677,088	477,539
Prior Period Adjustment	-	-	-	-	30,416
FUND BALANCES, Ending	$ 545,196	$ 179,020	$ 403,183	$ 1,127,399	$ 677,088

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

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

Year Ended December 31, 2018

Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Net Changes in Fund Balances - Total Governmental Funds	$ 450,311
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation ($361,770), exceeded capital outlay $75,080, in the current period.	(286,690)
Debt proceeds are reported as financing sources in the governmental funds and increase fund balance. In the government-wide financial statements, however, issuing debt increases long-term liabilities in the statement of net position and does not effect the statement of activities.	(54,956)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include debt payments of $190,245 and change in accrued compensated absences of ($17,084).	173,161
Change in Net Position of Governmental Activities	$ 281,826

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF NET POSITION
PROPRIETARY FUND TYPE
As of December 31, 2018

			TOTALS	
ASSETS	SEWER	WATER	2018	2017
Current Assets				
Cash and Investments	$ 432,397	$ 1,048,759	$ 1,481,156	$ 1,093,649
Accounts Receivable	140,381	119,733	260,114	257,980
Other Receivables	460,703	-	460,703	90,527
Inventories	-	10,760	10,760	10,760
Total Current Assets	1,033,481	1,179,252	2,212,733	1,452,916
Noncurrent Assets				
Capital Assets, net of accumulated depreciation	5,222,183	3,297,125	8,519,308	8,563,961
Total Noncurrent Assets	5,222,183	3,297,125	8,519,308	8,563,961
TOTAL ASSETS	6,255,664	4,476,377	10,732,041	10,016,877
LIABILITIES				
Current Liabilities				
Accounts Payable	208,782	10,200	218,982	37,518
Accrued Liabilities	5,864	5,865	11,729	9,175
Due to Other Funds	240,159	134,047	374,206	139,094
Unearned Revenue	-	2,197	2,197	8,576
Accrued Interest Payable	12,183	5,072	17,255	19,517
Current Portion of Long-term Debt	196,143	113,389	309,532	298,965
Total Current Liabilities	663,131	270,770	933,901	512,845
Noncurrent Liabilities				
Loans Payable	2,804,783	1,408,252	4,213,035	4,235,624
Loan Premium	25,232	-	25,232	27,198
Compensated Absences	7,301	7,301	14,602	12,478
Total Noncurrent Liabilities	2,837,316	1,415,553	4,252,869	4,275,300
TOTAL LIABILITIES	3,500,447	1,686,323	5,186,770	4,788,145
NET POSITION				
Net Investment in Capital Assets	2,221,257	1,775,484	3,996,741	4,029,372
Restricted	130,000	115,000	245,000	185,000
Unreserved	403,960	899,570	1,303,530	1,014,360
TOTAL NET POSITION	$ 2,755,217	$ 2,790,054	$ 5,545,271	$ 5,228,732

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
PROPRIETARY FUND TYPE
Year Ended December 31, 2018

	SEWER	WATER	TOTALS 2018	TOTALS 2017
OPERATING REVENUES				
Charges for Services	$ 573,825	$ 495,395	$ 1,069,220	$ 1,002,483
TOTAL OPERATING REVENUES	573,825	495,395	1,069,220	1,002,483
OPERATING EXPENSES				
Personnel	181,669	181,671	363,340	335,371
Operations	296,695	227,543	524,238	468,492
Depreciation	310,693	252,172	562,865	563,661
TOTAL OPERATING EXPENSES	789,057	661,386	1,450,443	1,367,524
OPERATING INCOME	(215,232)	(165,991)	(381,223)	(365,041)
NON-OPERATING REVENUES (EXPENSES)				
Sales and Use Taxes	185,514	185,514	371,028	342,606
Grants	173,760	-	173,760	87,944
Interest Income	3,202	7,705	10,907	4,639
Miscellaneous	1,796	13,293	15,089	27,750
Interest Expense	(27,993)	(32,103)	(60,096)	(63,755)
TOTAL NON-OPERATING REVENUES (EXPENSES)	336,279	174,409	510,688	399,184
INCOME (LOSS) BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	121,047	8,418	129,465	34,143
TRANSFERS AND CAPITAL CONTRIBUTIONS				
Transfers In	-	200	200	-
Transfers Out	(200)	-	(200)	-
Plant Investment Fees	67,848	96,226	164,074	74,638
Tap Fees	9,000	14,000	23,000	4,500
TOTAL CAPITAL CONTRIBUTIONS	76,648	110,426	187,074	79,138
CHANGE IN NET POSITION	197,695	118,844	316,539	113,281
NET POSITION, Beginning	2,557,522	2,671,210	5,228,732	5,145,867
Prior Period Adjustment	-	-	-	(30,416)
NET POSITION, Ending	$ 2,755,217	$ 2,790,054	$ 5,545,271	$ 5,228,732

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

TOWN OF NEDERLAND, COLORADO

STATEMENT OF CASH FLOWS
PROPRIETARY FUND TYPES
Year Ended December 31, 2018
Increase (Decrease) in Cash and Cash Equivalents

	SEWER	WATER	TOTALS 2018	TOTALS 2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	$ 571,260	$ 490,408	$ 1,061,668	$ 976,689
Cash Paid to Employees	(179,330)	(179,332)	(358,662)	(324,279)
Cash Paid to Suppliers	(465,893)	(248,018)	(713,911)	(945,115)
Net Cash Provided by Operating Activities	(73,963)	63,058	(10,905)	(292,705)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Sales Taxes Received	185,514	185,514	371,028	342,606
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Grants Received	173,760	-	173,760	217,485
Other Revenue Received	1,796	13,293	15,089	27,750
Capital Contributions	76,848	110,226	187,074	79,138
Purchase of Capital Assets	(474,216)	(43,996)	(518,212)	(282,622)
Payment Received from Downtown Development Authority	-	-	-	204,940
Proceeds from Issuance of Long-term Debt	286,944	-	286,944	-
Payments (to) from Other Funds	161,590	73,522	235,112	346,969
Loan Payments	(187,810)	(111,156)	(298,966)	(296,774)
Interest Payments	(30,818)	(33,506)	(64,324)	(65,719)
Net Cash Used by Capital and Related Financing Activities	8,094	8,383	16,477	231,167
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	3,202	7,705	10,907	4,639
Net Increase (Decrease) in Cash and Cash Equivalents	122,847	264,660	387,507	285,707
CASH AND CASH EQUIVALENTS, Beginning	309,550	784,099	1,093,649	807,942
CASH AND CASH EQUIVALENTS, Ending	$ 432,397	$ 1,048,759	$ 1,481,156	$ 1,093,649
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income	$ (215,232)	$ (165,991)	$ (381,223)	$ (365,041)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities				
Depreciation	310,693	252,172	562,865	563,661
Changes in Assets and Liabilities				
Accounts Receivable	(2,565)	431	(2,134)	(58,798)
Other Receivable	(371,137)	961	(370,176)	(39,748)
Accounts Payable	201,939	(20,475)	181,464	(412,447)
Accrued Liabilities	1,277	1,277	2,554	6,738
Unearned Revenue	-	(6,379)	(6,379)	8,576
Accrued Compensated Absences	1,062	1,062	2,124	4,354
Total Adjustments	141,269	229,049	370,318	72,336
Net Cash Provided by Operating Activities	$ (73,963)	$ 63,058	$ (10,905)	$ (292,705)

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

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

The Town of Nederland, Colorado (the "Town") was incorporated in 1874 and is governed by a Mayor and six-member council elected by the residents.

The accounting policies of the Town of Nederland, Colorado conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

In accordance with governmental accounting standards, the Town of Nederland has considered the possibility of inclusion of additional entities in its basic financial statements.

The definition of the reporting entity is based primarily on financial accountability. The Town is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if Town officials appoint a voting majority of the organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the Town. The Town may also be financially accountable for governmental organizations that are fiscally dependent upon it.

Based on the application of these criteria, the Town includes the following organization in its reporting entity:

Downtown Development Authority - The Nederland Downtown Development Authority (the Authority") was established by the Town's Board of Trustees to halt and prevent deterioration of property values within its district and to assist in the development and redevelopment of its district and to use its power to promote the general welfare of the district by use of its direct and supplemental powers. The Authority has a separate Board with members appointed by the Town's Board of Trustees. Although the Authority is legally separate from the Town, the Authority's primary revenue source, property taxes, can only be levied by the Town. The Authority is reported as a blended component unit of the Town.

Government-Wide and Fund Financial Statements

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

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Government-Wide and Fund Financial Statements (Continued)

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments 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 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*.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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. Revenues are recorded when earned and expenses are recorded when the 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 are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Town.

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

NOTE 1: *SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES* (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating 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.

When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as they are needed.

In the fund financial statements, the Town reports the following major governmental funds:

The *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.

The *Community Center Fund* accounts for the operations, capital improvements, and debt service for the Town's Community Center.

The Town reports the following major proprietary funds:

The *Sewer Fund* accounts for the financial activities associated with the provision of sewer services.

The *Water Fund* accounts for the financial activities associated with the provision of water services.

Cash and Investments

Cash equivalents include investments with original maturities of three months or less. Investments are recorded at fair value.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Infrastructure assets used to support governmental activities, which include streets, bridges, sidewalks, drainage systems and trails, are excluded from the financial statements except for additions since January 1, 2004. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

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

Property and equipment of the Town is depreciated using the straight-line method over the following estimated useful lives:

Land Improvements	20 years
Building	40 years
Utility Plants	20-50 years
Machinery and Equipment	5-10 years
Vehicles	5-10 years

Compensated Absences

Employees of the Town are allowed to accumulate paid time off to a maximum of 320 hours. Upon retirement or separation from the Town, employees will be paid for any accumulated paid time off.

These compensated absences are recognized as current salary costs when earned in the proprietary funds and when paid in the governmental funds. A liability has been recorded in the government-wide financial statements for the accrued compensated absences.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Long-Term Obligations

In the government-wide financial statements, and proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "Internal Amounts". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflow of resources*, represents a consumption of net position and fund balance that applies to future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to assets, the statement of financial position and balance sheets will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflow of resources*, represents an acquisition of net position and fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Property Taxes

Property taxes are levied on November 1 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits to the Town on a monthly basis.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

Net Position

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. The Town considers amounts required by the debt covenant to be restricted in the Water and Sewer Funds.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the Town is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable – This classification includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. At December 31, 2018, the Town reports prepaid expense balances as nonspendable.

- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The Town has classified Emergency Reserves and amounts held by the Community Center Fund, Conservation Trust Fund, and the Downtown Development Authority as being restricted because their use is restricted by State Statute for declared emergencies, and for parks and recreation, and for urban renewal.

NOTE 1: ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES*** (Continued)

Fund Balance Classification (Continued)

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Trustees. These amounts cannot be used for any other purpose unless the Board of Trustees removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The Town did not have any committed resources as of December 31, 2018.

- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

The Town would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the Town's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

NOTE 2: ***STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY***

Budgets and Budgetary Accounting

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

- In October, the Town staff submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.

- Public hearings are conducted to obtain taxpayer comments.

- Prior to December 31, the budget is legally enacted through passage of a resolution.

- The Town Administration is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the Board of Trustees.

- Budgets are legally adopted for all funds of the Town. Budgets for the General and Special Revenue Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).

- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of Trustees. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations at the fund level.

State Compliance

At December 31, 2018 actual expenditures in the DDA Fund exceeded budgeted amounts by $96,262. Actual expenditures in the Sewer Fund exceeded budgeted amounts by $666,855. Actual expenditures in the Water Fund exceeded budgeted amounts by $139,833. This may be a violation of State statute.

In addition, Town did not appropriate funds for the Street Fund, new in 2018, for the year ended December 31, 2018. This may be a violation of State statute.

NOTE 3: ***DEPOSITS AND INVESTMENTS***

A summary of deposits and investments as of December 31, 2018 follows:

Petty Cash	$ 562
Cash Deposits	2,206,120
Total	**$ 2,206,682**

Cash and investments are reported in the financial statements as follows:

Governmental Activities	$ 725,526
Business-type Activities	1,481,156
Total	**$ 2,206,682**

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. 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 regulations. At December 31, 2018, State regulatory commissioners have indicated that all financial institutions holding deposits for the Town are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits.

The Town has no policy regarding custodial credit risk for deposits.

At December 31, 2018, the Town had deposits with financial institutions with a carrying amount of $2,206,120. The bank balances with the financial institutions were $2,266,692. Of these balances, $500,000 was covered by federal depository insurance and $1,766,692 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

NOTE 3: *DEPOSITS AND INVESTMENTS* (Continued)

Investments

Interest Rate Risk

The Town has a formal investment policy that limits interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity and by investing operating funds primarily with durations of no longer than five years, money market mutual funds, or similar investment pools.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

- Obligations of the United States and certain U.S. government agency securities
- General obligation and revenue bonds of U.S. local government entities
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The above investments are authorized for all funds and fund types used by Colorado municipalities.

The Town had no investments at December 31, 2018.

NOTE 4: ***CAPITAL ASSETS***

Capital assets activity for the year ended December 31, 2018 is summarized below:

	Balances 12/31/17	Additions	Deletions	Balances 12/31/18
Governmental Activities				
Capital Assets, not depreciated				
Land and Sites	$ 701,805	$ -	$ -	$ 701,805
Construction in Process	-	17,559	-	17,559
Total Capital Assets, not depreciated	701,805	17,559	-	719,364
Capital Assets, depreciated				
Land Improvements	480,265	-	-	480,265
Infrastructure	2,510,671	31,728	-	2,542,399
Buildings	5,391,627	25,793	-	5,417,420
Transportation Equipment	221,404	-	20,000	201,404
Other Equipment	745,141	-	-	745,141
Total Capital Assets, depreciated	9,349,108	57,521	20,000	9,386,629
Less Accumulated Depreciation				
Land Improvements	252,864	23,171	-	276,035
Infrastructure	663,236	117,646	-	780,882
Buildings	1,695,524	186,711	-	1,882,235
Transportation Equipment	205,003	10,524	20,000	195,527
Other Equipment	421,330	23,718	-	445,048
Total Accumulated Depreciation	3,237,957	361,770	20,000	3,579,727
Total Capital Assets, depreciated, Net	6,111,151	(304,249)	-	5,806,902
Governmental Activities, Capital Assets, Net	**$ 6,812,956**	**$ (286,690)**	**$ -**	**$ 6,526,266**

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

Governmental Activities	
General Government	$ 74,920
Law Enforcement	6,518
Highway and Streets	139,568
Community Center	133,737
Parks and Recreation	7,027
Total	**$ 361,770**

NOTE 4: ***CAPITAL ASSETS*** (Continued)

	Balances 12/31/2017	Additions	Deletions	Balances 12/31/2018
Business-Type Activities				
Capital Assets, not depreciated				
Land	$ 11,436	$ -	$ -	$ 11,436
Water Rights	35,000	-	-	35,000
Construction in Process	97,346	460,703	-	558,049
Total Capital Assets, not depreciated	143,782	460,703	-	604,485
Capital Assets, depreciated				
Plant and Infrastructure	11,917,405	30,483	-	11,947,888
Equipment	743,338	-	-	743,338
Transportation Equipment	299,703	27,026	-	326,729
Total Capital Assets, depreciated	12,960,446	57,509	-	13,017,955
Less: Accumulated Depreciation				
Plant and Infrastructure	3,890,684	492,081	-	4,382,765
Equipment	387,069	46,772	-	433,841
Transportation Equipment	262,514	24,012	-	286,526
Total Accumulated Depreciation	4,540,267	562,865	-	5,103,132
Total Capital Assets, depreciated, Net	8,420,179	(505,356)	-	7,914,823
Business-Type Activities, Capital Assets, Net	**$ 8,563,961**	**$ (44,653)**	**$ -**	**$ 8,519,308**

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

Business-Type Activities	
Sewer Fund	$ 310,693
Water Fund	252,172
Total	**$ 562,865**

NOTE 5: *INTERFUND BALANCES AND TRANSFERS*

Advances to Other Funds

During 2018, the Town loaned the Downtown Development Authority $54,956. During 2018, the Downtown Development Authority paid $54,956, toward the balance. At December 31, 2018, the outstanding balance is $0.

Due to and Due from Other Funds

The balances reported as Due to and Due from Other Funds are the result the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur, transactions are recorded in the accounting system, and payments between funds are made. It is anticipated that these amounts will clear after year end.

Transfers

During the year ended December 31, 2018, the Sewer Fund transferred $200 to the Water Fund to cover operating expenditures.

NOTE 6: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2018.

	Balance 12/31/2017	Additions	Payments	Balance 12/31/2018	Due In One Year
2013 General Obligation Refunding Bonds	$ 525,000	$ -	$ 95,000	$ 430,000	$ 100,000
Land Purchase Note	40,883	-	13,623	27,260	14,485
Capital Lease	186,935	-	26,666	160,269	26,666
Compensated Absences	27,329	65,722	48,638	44,413	-
Total	**$ 780,147**	**$ 65,722**	**$ 183,927**	**$ 661,942**	**$ 141,151**

Accrued Compensated Absences are being paid from resources generated by the General Fund.

NOTE 6: ***LONG-TERM DEBT*** (Continued)

2013 General Obligation Refunding Bonds

In July 2013, the Town issued General Obligation Refunding Bonds in the amount of $960,000 to refund the 2003 General Obligation Bonds. Interest accrues on the bonds at a rate of 2.095% per annum. Interest payments are due on June 1 and December 1. Principal payments are due on December 1, through 2022.

Land Purchase Note

During 2000, the Town entered into a loan agreement to purchase land for $152,500. Quarterly principal and interest payments of $4,000 are required through October, 2020, including interest accruing at 6.3%. All payments will be made from the Conservation Trust Fund.

Capital Lease

In January 2017, the Town entered into a capital lease agreement for the purchase of equipment. The lease carries an interest rate of 2.72%. The Town is required to make semi-annual lease payments in the amount of $15,785 through January 2024.

Annual debt service requirements for the outstanding notes and bonds at December 31, 2018 are as follows:

Year Ended December 31,	Principal	Interest	Total
2019	$ 114,485	$ 10,523	$ 125,008
2020	117,775	8,745	126,520
2021	110,000	4,714	114,714
2022	115,000	2,409	117,409
Total Debt Service Requirements	**$ 457,260**	**$ 26,391**	**$ 483,651**

NOTE 6: ***LONG-TERM DEBT*** (Continued)

Following is a schedule of the future minimum lease payments required under the capital lease obligation at December 31, 2018:

Year Ended December 31,	
2019	$ 31,571
2020	31,571
2021	31,571
2022	31,571
2023	31,571
Thereafter	15,785
Less: Interest	(13,371)
Present Value of Minimum Lease Payments	**$ 160,269**

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2018:

	Balance 12/31/17	Additions	Payments	Balance 12/31/18	Due In One Year
CWRPDA Loan – Water	$ 1,632,797	$ -	$ 111,156	$ 1,521,641	$ 113,389
CWRPDA Loan – Sewer	2,901,792	-	187,809	2,713,983	187,810
CWRPDA Premium	27,198	-	1,966	25,232	-
CWRPDA Biosolids Loan – Sewer	-	286,943	-	286,943	8,333
Compensated Absences	12,478	24,708	22,584	14,602	-
Total	**$ 4,574,265**	**$ 311,651**	**$ 323,515**	**$ 4,562,401**	**$ 309,532**

CWRPDA Loan - Water

On January 30, 2009, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds were used to finance the cost of upgrades and improvements to the Town's water treatment facility. Payments of principal and interest are due semi-annually on May 1 and November 1, beginning on May 1, 2011, through November, 2030. Interest accrues at 2% per annum. This loan is payable from a 1% sales and use tax, and from revenues of the water utility system after deducting operation and maintenance expenses.

NOTE 6: *LONG-TERM DEBT* (Continued)

CWRPDA Loan - Sewer

In November 2011, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds were used to finance the cost of upgrades and improvements to the Town's wastewater treatment facility.

Payments of principal and interest are due semi-annually, beginning on February 2012, through August 2032. Interest accrues at an effective rate of 2.24% per annum on $1,961,090, which is reported net of a discount of $38,910. Interest does not accrue on the remaining $2,000,000. This loan is payable from a 1% sales and use tax, and from revenues of the sewer utility system after deducting operation and maintenance expenses.

CWRPDA Biosolids Loan - Sewer

In November 2018, the Town entered into a loan agreement with the Colorado Water Resources and Power Development Authority ("CWRPDA"). Loan proceeds up to a maximum principal amount of $2,000,000 will be used to finance the construction of biosolids improvements at the wastewater treatment plant. This loan will be made on a draw down basis as requested by the Town. As of December 31, 2018, the Town has requested $286,943.

Payments of principal and interest are due semi-annually, beginning on November 1, 2019, through May 2039. Interest does not accrue on the loan if the finally constructed project is certified as a Green Project. If the project is not certified as a Green Project, interest will accrue at a rate of 2%.

Future Debt Service Requirements

Annual debt service requirements for the outstanding bonds at December 31, 2018 are as follows:

Year Ended December 31,	Principal	Interest	Total
2019	$ 309,532	$ 59,106	$ 368,638
2020	360,400	55,718	416,118
2021	362,725	52,346	415,071
2022	365,097	49,037	414,134
2023	367,517	45,725	413,242
2024-2028	1,700,460	178,856	1,879,316
2029-2032	1,056,836	56,056	1,112,892
Total Debt Service Requirements	**$ 4,522,567**	**$ 496,844**	**$ 5,019,411**

NOTE 7: ***EMPLOYEE PENSION PLAN***

Deferred 457 Compensation Plan

The Town offers its employees a deferred compensation plan in accordance with Internal Revenue Code Section 457. The plan is available to all employees and permits them to defer a portion of their salary until future years. The Board of Trustees determines the Town's contributions to the plan, currently a matching contribution up to a maximum of 4% of each employee's salary. During the years ended December 31, 2018 and 2017, the Town contributed $30,816 and $38,643, respectively, to the plan. The plan is administered by the International City/County Management Association Retirement Corporation (ICMA-RC), and all plan assets are held in trust for the exclusive benefit of the participants.

NOTE 8: ***COMMITMENTS AND CONTINGENCIES***

Tabor Amendment

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 government. On November 5, 1996, voters within the Town approved the collection, retention and expenditure of the full revenues generated by the Town in 1996 and subsequent years for street improvement projects, capital projects, basic municipal services and/or lawful municipal purposes, notwithstanding the provisions of the Amendment.

The Town has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2018, the emergency reserve of $90,000 was recorded as a restriction of fund balance in the General Fund.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF NEDERLAND, COLORADO

GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	2018 ORIGINAL AND FINAL BUDGET	2018 ACTUAL	2018 VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Taxes	$ 1,425,032	$ 1,472,579	$ 47,547	$ 1,341,027
Licenses and Permits	103,125	115,201	12,076	97,754
Intergovernmental	1,119,950	115,388	(1,004,562)	436,949
Charges for Services	51,600	49,523	(2,077)	52,233
Fines and Forfeitures	70,475	61,591	(8,884)	60,665
Miscellaneous	5,500	21,056	15,556	24,684
Interest	500	7,157	6,657	1,931
TOTAL REVENUES	2,776,182	1,842,495	(933,687)	2,015,243
EXPENDITURES				
Current				
General Government	1,173,611	181,973	991,638	272,508
Administration and Finance	328,488	335,494	(7,006)	340,169
Municipal Court	27,525	21,287	6,238	13,952
Law Enforcement	611,854	547,296	64,558	455,581
Planning and Zoning	112,453	123,986	(11,533)	116,726
Highway and Streets	431,669	402,008	29,661	411,531
Capital Outlay	75,000	49,287	25,713	287,115
Debt Service				
Principal	26,666	26,666	-	13,065
Interest	4,905	4,905	-	2,720
TOTAL EXPENDITURES	2,792,171	1,692,902	1,099,269	1,913,367
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(15,989)	149,593	165,582	101,876
OTHER FINANCING SOURCES (USES)				
Proceeds from Issuance of Debt	-	-	-	200,000
Transfers Out	(1,200)	-	1,200	(1,076)
TOTAL OTHER FINANCING SOURCES (USES)	(1,200)	-	1,200	198,924
NET CHANGE IN FUND BALANCE	(17,189)	149,593	166,782	300,800
FUND BALANCES, Beginning	138,368	395,603	257,235	64,387
Prior Period Adjustment	-	-	-	30,416
FUND BALANCES, Ending	$ 121,179	$ 545,196	$ 424,017	$ 395,603

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

COMMUNITY CENTER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Sales and Use Taxes	$ 284,696	$ 278,586	$ (6,110)	$ 257,598
Intergovernmental	-	-	-	2,086
Charges for Services	105,872	115,292	9,420	102,795
Miscellaneous	500	1,280	780	14,886
TOTAL REVENUES	391,068	395,158	4,090	377,365
EXPENDITURES				
Community Center	285,069	271,232	13,837	224,839
Debt Service				
Principal	95,000	95,000	-	95,000
Interest	10,999	10,999	-	12,989
Capital Outlay	-	-	-	2,086
TOTAL EXPENDITURES	391,068	377,231	13,837	334,914
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	17,927	17,927	42,451
FUND BALANCE, Beginning	89,934	161,093	71,159	118,642
FUND BALANCE, Ending	$ 89,934	$ 179,020	$ 89,086	$ 161,093

See the accompanying independent auditors' report.

COMBINING AND INDIVIDUAL FUND SCHEDULES

TOWN OF NEDERLAND, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2018

	SPECIAL REVENUE			TOTALS	
	CONSERVATION TRUST FUND	STREET FUND	DOWNTOWN DEVELOPMENT AUTHORITY	2018	2017
ASSETS					
Cash and Investments	$ -	$ 41,272	$ 359,405	$ 400,677	$ 298,531
Property Taxes Receivable	-	15,078	354,020	369,098	294,384
Grants Receivable	-	-	18,772	18,772	76,345
Other Receivables	-	-	-	-	56
Due from Other Funds	1,076	-	-	1,076	1,076
TOTAL ASSETS	$ 1,076	$ 56,350	$ 732,197	$ 789,623	$ 670,392
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	$ -	$ 2,555	$ 24,964	$ 27,519	$ 268,048
Due to Other Funds	943	3,958	-	4,901	374
TOTAL LIABILITIES	943	6,513	24,964	32,420	268,422
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenues - Property Taxes	-	-	354,020	354,020	281,578
FUND BALANCES					
Restricted	133	49,837	353,213	403,183	120,392
TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES	$ 1,076	$ 56,350	$ 732,197	$ 789,623	$ 670,392

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
Year Ended December 31, 2018

	SPECIAL REVENUE			TOTALS	
	CONSERVATION TRUST FUND	STREET FUND	DOWNTOWN DEVELOPMENT AUTHORITY	2018	2017
REVENUES					
Taxes	$ -	$ 50,819	$ 292,463	$ 343,282	$ 229,147
Intergovernmental	15,431	14,625	11,475	41,531	38,864
Miscellaneous	-	-	625	625	7,000
Interest	-	-	3,866	3,866	794
TOTAL REVENUES	15,431	65,444	308,429	389,304	275,805
EXPENDITURES					
General Government	-	-	48,913	48,913	42,015
Highway and Streets	-	15,607	-	15,607	-
Debt Service					
Principal	13,623	-	54,956	68,579	217,752
Interest	2,377	-	200	2,577	6,124
Capital Outlay	-	-	25,793	25,793	185,108
TOTAL EXPENDITURES	16,000	15,607	129,862	161,469	450,999
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(569)	49,837	178,567	227,835	(175,194)
OTHER FINANCING SOURCES (USES)					
Proceeds from Loan	-	-	54,956	54,956	1,076
TOTAL OTHER FINANCING SOURCES (USES)	-	-	54,956	54,956	1,076
CHANGE IN FUND BALANCES	(569)	49,837	233,523	282,791	(174,118)
FUND BALANCES	702	-	119,690	120,392	294,510
FUND BALANCES, Ending	$ 133	$ 49,837	$ 353,213	$ 403,183	$ 120,392

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

CONSERVATION TRUST FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Intergovernmental	$ 14,800	$ 15,431	$ 631	$ 14,924
TOTAL REVENUES	14,800	15,431	631	14,924
EXPENDITURES				
Parks and Recreation	16,000	16,000	-	16,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,200)	(569)	631	(1,076)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,200	-	(1,200)	1,076
NET CHANGE IN FUND BALANCE	-	(569)	(569)	-
FUND BALANCE, Beginning	-	702	702	702
FUND BALANCE, Ending	$ -	$ 133	$ 133	$ 702

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

DOWNTOWN DEVELOPMENT AUTHORITY
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Taxes	$ 220,273	$ 292,463	$ 72,190	$ 229,147
Intergovernmental	-	11,475	11,475	23,940
Miscellaneous	-	625	625	7,000
Interest	600	3,866	3,266	794
TOTAL REVENUES	220,873	308,429	87,556	260,881
EXPENDITURES				
General Government	33,600	48,913	(15,313)	42,015
Debt Service				
Principal Payments	-	54,956	(54,956)	204,940
Interest Expense	-	200	(200)	2,936
Capital Outlay	-	25,793	(25,793)	185,108
TOTAL EXPENDITURES	33,600	129,862	(96,262)	434,999
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	187,273	178,567	(8,706)	(174,118)
OTHER FINANCING SOURCES (USES)				
Proceeds from Loan	-	54,956	54,956	-
TOTAL OTHER FINANCING SOURCES (USES)	-	54,956	54,956	-
NET CHANGE IN FUND BALANCE	187,273	233,523	46,250	(174,118)
FUND BALANCE, Beginning	6,825	119,690	112,865	293,808
FUND BALANCE, Ending	$ 194,098	$ 353,213	$ 159,115	$ 119,690

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

SEWER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Charges for Services	$ 546,220	$ 573,825	$ 27,605	$ 547,451
Sales and Use Taxes	189,323	185,514	(3,809)	171,303
Grants	-	173,760	173,760	87,944
Interest	800	3,202	2,402	469
Tap Fees	3,000	9,000	6,000	1,750
Plant Investment Fees	25,000	67,848	42,848	20,299
Miscellaneous	50,000	1,796	(48,204)	-
TOTAL REVENUES	814,343	1,014,945	200,602	829,216
EXPENDITURES				
Personnel	190,780	181,669	9,111	167,951
Operations	93,228	296,695	(203,467)	235,809
Capital Outlay	42,000	474,217	(432,217)	164,535
Depreciation Expense	240,645	310,693	(70,048)	307,991
Debt Service				
Principal	207,810	187,810	20,000	187,810
Interest and Fiscal Charges	37,959	27,993	9,966	29,462
Transfers Out	-	200	(200)	-
TOTAL EXPENDITURES	812,422	1,479,277	(666,855)	1,093,558
NET INCOME, Budget Basis	$ 1,921	(464,332)	$ (466,253)	(264,342)
GAAP BASIS ADJUSTMENTS				
Loan Principal Payments		187,810		187,810
Capital Outlay		474,217		164,535
NET INCOME, GAAP Basis		197,695		88,003
NET POSITION, Beginning		2,557,522		2,480,878
Prior Period Adjustment		-		(11,359)
NET POSITION, Ending		$ 2,755,217		$ 2,557,522

See the accompanying independent auditors' report.

TOWN OF NEDERLAND, COLORADO

WATER FUND
BUDGETARY COMPARISON SCHEDULE
Year Ended December 31, 2018

	2018			
	ORIGINAL AND FINAL BUDGET	ACTUAL	VARIANCE Positive (Negative)	2017 ACTUAL
REVENUES				
Charges for Services	$ 448,765	$ 495,395	$ 46,630	$ 455,032
Sales and Use Taxes	189,323	185,514	(3,809)	171,303
Interest	500	7,705	7,205	4,170
Tap Fees	2,000	14,000	12,000	2,750
Plant Investment Fees	15,000	96,226	81,226	54,339
Miscellaneous	52,000	13,293	(38,707)	27,750
Transfers In	-	200	200	-
TOTAL REVENUES	707,588	812,333	104,745	715,344
EXPENDITURES				
Personnel	189,780	181,671	8,109	167,420
Operations	79,719	227,543	(147,824)	232,683
Capital Outlay	91,000	43,997	47,003	118,087
Depreciation Expense	205,051	252,172	(47,121)	255,670
Debt Service				
Principal	111,155	111,155	-	108,964
Interest and Fiscal Charges	32,103	32,103	-	34,293
TOTAL EXPENDITURES	708,808	848,641	(139,833)	917,117
NET INCOME, Budget Basis	$ (1,220)	(36,308)	$ (35,088)	(201,773)
GAAP BASIS ADJUSTMENTS				
Principal Payments on Long Term Debt		111,155		108,964
Capital Outlay		43,997		118,087
NET INCOME, GAAP Basis		118,844		25,278
NET POSITION, Beginning		2,671,210		2,664,989
Prior Period Adjustment		-		(19,057)
NET POSITION, Ending		$ 2,790,054		$ 2,671,210

See the accompanying independent auditors' report.

STATE COMPLIANCE

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: acctg@nederlandco.org
City/County: Nederland

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:	$	549,828.00
3. Other local imposts: *from A.3. 'Total' below)*	$	25,806.00
4. Miscellaneous local receipts: *from A.4. 'Total' below)*	$	33,818.00
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:	$	609,452.00

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:	$	0.00
5. Specific Ownership and/or Other:	$	25,806.00
Total: *(a + b) carried to 'Other local imposts' above)*	$	25,806.00

A.4. Miscellaneous local receipts

Please no commas or dollar signs for the input

a. Interest on Investments:	$	0.00
b. Traffic fines & Penalities:	$	26,144.00
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:	$	7,674.00
h. Other:	$	0.00
Total: *(a through h) carried to 'Misc local receipts' above)*	$	33,818.00

C. Receipts from State Government

Please no commas or dollar signs for the input

1. Highway User Taxes:	$	68,647.00
3. Other State funds:		
c. Motor Vehicle Registrations:	$	110,913.00
d. Other (Specify): Comments: undefined	$	0.00
e. Other (Specify): Comments: undefined	$	0.00
Total: *(1+3c,d,e)*	$	179,560.00

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)*	$	0.00
2. Maintenance:	$	300,046.00
3. Road and street services		
a. Traffic control operations:	$	0.00
b. Snow and ice removal:	$	58,836.00
c. Other:	$	22,510.00
4. General administration & miscellaneous	$	51,877.00
5. Highway law enforcement and safety	$	355,743.00
Total: *(A.1-5)*	$	789,012.00

Please no commas or dollar signs for the input

B. Debt service on local obligations

1. Bonds		
a. Interest	$	0.00
b. Redemption	$	0.00
2. Notes		
a. Interest	$	0.00
b. Redemption	$	0.00
SubTotal: *(1+2)*	$	0.00

Please no commas or dollar signs for the input

C. Payments to State for Highways:	$ 0.00
D. Payments to Toll Facilities:	$ 0.00
Total Disbursements: *(A+B+C+D)*	$ 789,012.00

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

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	$ 789,012.00	$ 789,012.00	$ 0.00	$ 0.00

Notes & Comments:

undefined

Please enter your name: undefined

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

Save | Print Mode | Edit Mode

Please click on the "Save" button before viewing the data in a print format.

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