

CITY OF DELTA, COLORADO
FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITORS' REPORT
DECEMBER 31, 2018

TABLE OF CONTENTS

PAGE NO.

Financial Section

Management's Discussion and Analysis (Required Supplementary Information) i - vi

Independent Auditors' Report 1 - 3

Government-Wide Financial Statements

Statement of Net Position 4

Statement of Activities 5

Fund Financial Statements

Balance Sheet – Governmental Funds 6

Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position 7

Statement of Revenues, Expenditures, and Changes in
Fund Balances – Governmental Funds 8

Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the Statement of Activities 9

Statement of Net Position – Proprietary Funds 10

Statement of Revenues, Expenses, and Changes in
Fund Net Position – Proprietary Funds 11

Statement of Cash Flows – Proprietary Funds 12

Notes to Financial Statements 13 - 31

Required Supplementary Information

Budgetary Comparison Schedule – General Fund 32 - 33

Budgetary Comparison Schedule – Parks and Recreation Center Fund 34

Budgetary Comparison Schedule – City-Wide Capital Improvement Fund 35

TABLE OF CONTENTS

(Continued)

PAGE NO.

Other Supplementary Information

Combining Fund Statements and Schedules:

Combining Balance Sheet – Nonmajor Governmental Funds 36

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances – Nonmajor Governmental Funds 37

Budgetary Comparison Schedules:

Conservation Trust Fund 38

Delta Urban Renewal Authority Fund 39

Perpetual Care Fund 40

Combining Schedule of Net Position – Nonmajor Enterprise Funds 41

Combining Schedules of Revenues, Expenses and Changes in Net Position – Nonmajor Enterprise Funds 42

Combining Schedules of Cash Flows – Nonmajor Enterprise Funds 43

Schedules of Revenues, Expenditures and Transfers - Actual and Budget - Budget Basis of Accounting:

Municipal Light and Power Fund 44

Sewer Fund 45

Water Fund 46

Refuse Fund 47

Golf Course Fund 48

Combining Statement of Net Position – Internal Service Funds 49

Combining Statement of Revenues, Expenses, and
Changes in Fund Net Position – Internal Service Funds 50

Combining Statement of Cash Flows – Internal Service Funds 51

Internal Service Fund 52

TABLE OF CONTENTS

(Continued)

PAGE NO.

Employee's Dental Insurance Fund	53
Local Highway Finance Report (State Compliance)	54 - 55
Supplemental Schedules Required Pursuant to Bond Agreements	56 - 61

FINANCIAL SECTION

INTENTIONALLY LEFT BLANK

**Management's Discussion and Analysis
(Required Supplementary Information)**

Management's Discussion and Analysis

As management of the City of Delta, we offer readers of the City of Delta's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2018.

Financial Highlights

As of the close of the year, the City had \$17,562,461 in combined ending cash and investment balances compared to \$16,173,799 in combined ending cash and investment balances for the previous year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City'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.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the City's assets and liabilities, with the difference between the two reported as net position. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The statement of activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the government-wide financial statements distinguish functions of the City of Delta that are principally supported by taxes and intergovernmental revenues from other functions that are intended to recover all or a significant portion of their costs through user fees and charges. The governmental activities of the City include general government, public safety, public works, health and safety and parks & recreation. The business-type activities of the City include the Electric, Sewer, Water, Golf and Refuse operations.

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 City uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, parks & recreation center fund, and the city-wide capital improvement fund, which are considered to be major funds. Data from four other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in the report.

The City adopts an annual appropriated budget for all funds. A budgetary comparison statement has been provided for the general fund, Parks & recreation center fund, and the citywide capital improvement fund to demonstrate compliance with the budget.

The basic governmental fund financial statements can be found on pages 6 through 9 of this report.

Proprietary funds. The City maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its utility funds and the golf course fund operation. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its fleet of vehicles and employees' dental insurance benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the funds. Conversely, the internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 10 through 12 of this report.

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 on pages 13 through 31 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's budgetary comparisons for the general fund, parks & recreation center fund and the city-wide capital improvement fund. Required supplementary information can be found on pages 32 through 35 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds, internal service funds and budgetary comparison schedules are presented immediately following the required supplementary information on budgetary comparisons. Combining and individual fund statements and schedules can be found on pages 36 through 53 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. The City's assets exceeded liabilities by \$56,261,172 at the close of the year 2018.

The largest portion of the City's net position reflects its investment in the capital assets (e.g. land, buildings, infrastructure and equipment); less any related debt used to acquire those assets that are still outstanding. The resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Delta's Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Current & other assets	\$6,336,430	\$7,190,936	\$12,199,207	\$12,761,661	\$18,535,637	\$19,952,597
Capital assets	\$46,674,276	\$43,365,980	\$21,257,139	\$20,248,705	\$67,931,415	\$63,614,685
Total assets	<u>\$53,010,706</u>	<u>\$50,556,916</u>	<u>\$33,456,346</u>	<u>\$33,010,366</u>	<u>\$86,467,052</u>	<u>\$83,567,282</u>
Long-term liabilities	\$21,189,462	\$20,637,368	\$5,607,165	\$5,174,806	\$26,796,627	\$25,812,174
Other liabilities	\$710,659	\$673,879	\$1,072,784	\$727,210	\$1,783,443	\$1,401,089
Total liabilities	<u>\$21,900,121</u>	<u>\$21,311,247</u>	<u>\$6,679,949</u>	<u>\$5,902,016</u>	<u>\$28,580,070</u>	<u>\$27,213,263</u>
Deferred inflows of resources	<u>\$ 88,460</u>	<u>\$ 86,297</u>	<u>\$ 2,045</u>	<u>\$ 6,550</u>	<u>\$ 90,505</u>	<u>\$ 92,847</u>
Net position:						
Net investment in capital assets	\$25,785,288	\$23,068,949	\$15,851,752	\$15,251,924	\$41,637,040	\$38,320,873
Nonspendable	-	53,513	-	-	-	-
Restricted	3,591,454	3,967,862	-	-	3,591,454	3,967,862
Unrestricted	<u>\$1,645,383</u>	<u>\$2,069,048</u>	<u>\$10,922,600</u>	<u>\$11,849,876</u>	<u>\$12,567,983</u>	<u>\$13,918,924</u>
Total net position	<u>\$31,022,125</u>	<u>\$29,159,372</u>	<u>\$26,774,352</u>	<u>\$27,101,800</u>	<u>\$57,796,477</u>	<u>\$56,261,172</u>

The restricted portion the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

City of Delta's Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Revenues:						
Program revenues:						
Charges for						
services	\$ -	\$ -	\$ 10,708,283	\$ 11,015,889	\$ 10,708,283	\$ 11,015,889
Fees and fines	872,129	871,146	-	-	872,129	871,146
Grants	1,572,005	1,193,313	187,336	180,700	1,759,341	1,374,013
General revenues:						
Taxes:						
Sales tax	6,120,467	6,474,672	-	-	6,120,467	6,474,672
Franchise and						
Occupational tax	145,825	169,086	-	-	145,825	169,086
Cigarette	18,628	18,803	-	-	18,628	18,803
Investment	37,255	80,258	109,481	214,789	146,736	295,047
Miscellaneous	76,647	90,381	243,930	445,643	320,577	536,024
Accounting and						
administration	801,613	801,613	(445,570)	(522,490)	356,043	279,123
Franchise tax						
equivalents	508,607	522,490	(508,607)	(445,570)	-	76,920
Total revenue	<u>10,153,176</u>	<u>10,221,762</u>	<u>10,294,853</u>	<u>10,888,961</u>	<u>20,448,029</u>	<u>21,110,723</u>
Expenses:						
General government	882,700	1,519,774	-	-	882,700	1,519,774
Public safety	2,061,783	2,129,524	-	-	2,061,783	2,129,524
Public works	6,538,377	5,631,190	-	-	6,538,377	5,631,190
Parks and recreation	3,175,628	3,089,369	-	-	3,175,628	3,089,369
Municipal Light & Power	-	-	5,531,164	5,806,923	5,531,164	5,806,923
Sewer	-	-	1,274,332	1,342,658	1,274,332	1,342,658
Water	-	-	1,736,676	1,778,883	1,736,676	1,778,883
Refuse	-	-	484,367	533,195	484,367	533,195
Golf	-	-	772,264	814,512	772,264	814,512
Total expenses	<u>12,658,488</u>	<u>12,369,857</u>	<u>9,798,803</u>	<u>10,276,171</u>	<u>22,457,291</u>	<u>22,646,028</u>
Increase in net assets						
before transfers	(2,505,312)	(2,148,095)	496,050	612,790	(2,009,262)	(1,535,305)
Transfers	(6,520)	285,342	6,520	(285,342)	-	-
Increase (decrease) in	(2,511,832)	(1,862,753)	502,570	327,448	(2,009,262)	(1,535,305)
net position						
Prior Period Adjustment			34,339		34,339	
Net position - January 1st	<u>33,533,957</u>	<u>31,022,125</u>	<u>26,237,443</u>	<u>26,774,352</u>	<u>59,771,400</u>	<u>57,796,477</u>
Net position - December 31st	<u>\$ 31,022,125</u>	<u>\$ 29,159,372</u>	<u>\$ 26,774,352</u>	<u>\$ 27,101,800</u>	<u>\$ 57,796,477</u>	<u>\$ 56,261,172</u>

General Fund Budgetary Highlights

A positive item to note on page 32 regarding the General Fund variance column is a 5.32% increase in sales and uses taxes received over the amount budgeted.

Financial Analysis of the City's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

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

Capital Asset and Debt Administration

Capital assets. The City's investment in capital assets for its governmental and business type activities as of December 31, 2018, amounts to \$63,614,685 (net of accumulated depreciation). This investment in capital assets includes land, buildings and system improvements, machinery and equipment, and roads and bridges.

City of Delta Capital Assets
(net of depreciation)

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Land	\$ 3,709,250	\$ 3,709,250	\$ 952,610	\$ 952,610	\$ 4,661,860	\$ 4,661,860
Construction in Progress	58,681	82,606	520,340	239,240	579,021	321,846
Improvements other than buildings	3,592,078	3,209,010	-	-	3,592,078	3,209,010
Infrastructures	35,952,558	33,254,726	-	-	35,952,558	33,254,726
Buildings	2,085,452	1,945,873	394,338	350,317	2,479,790	2,296,190
Water rights and storage Treatment and generation facilities	-	-	484,990	479,273	484,990	479,273
Collection, transmission and distribution systems	-	-	3,169,813	2,935,872	3,169,813	2,935,872
Street lighting system	-	-	15,568,683	14,797,655	15,568,683	14,797,655
Vehicles and equipment	-	-	76,313	421,599	76,313	421,599
	1,276,257	1,164,515	90,052	72,139	1,366,309	1,236,654
Total	\$ 46,674,276	\$ 43,365,980	\$ 21,257,139	\$ 20,248,705	\$ 67,931,415	\$ 63,614,685

Additional information on the City of Delta's capital assets can be found in note 3 on pages 22 through 24 of this report.

Long-term debt. At the end of the current fiscal year, the City of Delta had total bonded debt and note payable outstanding of \$25,191,499. Of this amount, \$20,200,000 is backed by Sales and Use Tax Revenue collections and the remaining \$4,991,499 debt is secured by specified revenue sources.

City of Delta's Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2017	2018	2017	2018	2017	2018
Sales & use tax revenue bonds	\$ 20,790,000	\$ 20,200,000	\$ -	\$ -	\$ 20,790,000	\$ 20,200,000
Notes payable	-	-	5,368,507	4,991,499	5,368,507	4,991,499
Total	\$ 20,790,000	\$ 20,200,000	\$ 5,368,507	\$ 4,991,499	\$ 26,158,507	\$ 25,191,499

Additional information on the City's long-term debt can be found in note 6 on pages 26 through 28 of this report.

Economic Factors and Future Year's Budgets

The economic condition and outlook for the City in the upcoming year should be stable. The 2019 budget projects a 2% increase for sales tax. The City's 3% sales tax revenue is designated to three funds; 1% General Fund, 1% City Wide Capital Improvement Fund and 1% Parks & Recreation Center Fund. The City Wide Capital Improvement Fund has bond requirements and specific restrictions on how the Sales Tax Revenue can be spent. The Parks & Recreation Center Fund has specific restrictions on how the Sales Tax Revenue can be spent. These plus other factors were considered in preparing the City of Delta's budget for the 2018 fiscal year.

Requests for Information

This financial report is designed to provide a general overview of the City of Delta's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to the City of Delta, Office of the Finance Director, 360 Main Street, Delta, CO 81416.

Mayberry & Company, LLC

Certified Public Accountants

Member of the American Institute of Certified Public Accountants
Governmental Audit Quality Center
and Private Company Practice Section

INDEPENDENT AUDITORS' REPORT

City Council
City of Delta
Delta, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Delta, Colorado, as of and for the year ended December 31, 2018, and the related notes to the financial statements which collectively comprise the City'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.

Auditors' 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, each major fund, and the aggregate remaining fund information of the City of Delta, Colorado, as of December 31, 2018, and the respective changes in financial position, and, where applicable, cash flows, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Report on Summarized Comparative Information

We have previously audited the City of Delta's 2017 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated May 16, 2018. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2017 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Matters

Required Supplementary Information – Management's Discussion and Analysis

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages i-vi 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 Management's Discussion and Analysis 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.

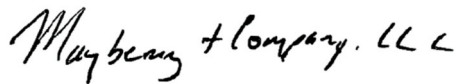
Required Supplementary Information – Budgetary Comparison Schedules and Other Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules on pages 32 - 35 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. In addition, the combining and budgetary comparison statements and schedules listed as other supplementary information on pages 36 - 53 are presented for purposes of additional analysis and are not a required part of the financial statements. The 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.

Such 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 basic 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 information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Other Legal and Regulatory Requirements

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The *Local Highway Finance Report* pages 54 - 55 and the supplemental schedules required pursuant to bond agreements on pages 56 - 61 are presented for purposes of legal compliance and is 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 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 financial statements as a whole.

A handwritten signature in black ink that reads "Mayberry + Company, LLC". The signature is written in a cursive, flowing style.

Englewood, Colorado
April 18, 2019

CITY OF DELTA, COLORADO

STATEMENT OF NET POSITION
DECEMBER 31, 2018

	GOVERNMENTAL ACTIVITIES	BUSINESS TYPE ACTIVITIES	TOTAL
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 946,279	\$ 474,855	\$ 1,421,134
Investments	3,138,069	10,840,133	13,978,202
Restricted Cash and Investments	2,163,125	-	2,163,125
Receivables			
Accounts Receivable	817,014	1,026,059	1,843,073
Other Receivables	24,568	29,310	53,878
Inventory	100,593	390,707	491,300
Prepaid Expenses	1,288	597	1,885
Total Current Assets	<u>7,190,936</u>	<u>12,761,661</u>	<u>19,952,597</u>
Noncurrent Assets			
Capital Assets not being Depreciated	3,791,856	1,191,850	4,983,706
Capital Assets being Depreciated	97,328,523	45,826,215	143,154,738
Accumulated Depreciation	<u>(57,754,399)</u>	<u>(26,769,360)</u>	<u>(84,523,759)</u>
Total Noncurrent Assets	<u>43,365,980</u>	<u>20,248,705</u>	<u>63,614,685</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 50,556,916</u>	<u>\$ 33,010,366</u>	<u>\$ 83,567,282</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 171,481	\$ 643,536	\$ 815,017
Accrued Liabilities	4,442	-	4,442
Accrued Salaries and Benefits	215,708	75,401	291,109
Deposits and Escrow	185,217	-	185,217
Accrued Interest Payable	97,031	8,273	105,304
Total Current Liabilities	<u>673,879</u>	<u>727,210</u>	<u>1,401,089</u>
Noncurrent Liabilities			
Due within one year	605,000	398,358	1,003,358
Due in more than one year	<u>20,032,368</u>	<u>4,776,448</u>	<u>24,808,816</u>
Total Noncurrent Liabilities	<u>20,637,368</u>	<u>5,174,806</u>	<u>25,812,174</u>
TOTAL LIABILITIES	<u>21,311,247</u>	<u>5,902,016</u>	<u>27,213,263</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES			
Bond Premiums	73,670	-	73,670
Other Deferred Inflows	<u>12,627</u>	<u>6,550</u>	<u>19,177</u>
TOTAL DEFERRED INFLOWS	<u>86,297</u>	<u>6,550</u>	<u>92,847</u>
NET POSITION			
Net Investment in Capital Assets	23,068,949	15,251,924	38,320,873
Restricted Net Position	2,226,659	-	2,226,659
Unrestricted Net Position	<u>3,863,764</u>	<u>11,849,876</u>	<u>15,713,640</u>
TOTAL NET POSITION	<u>29,159,372</u>	<u>27,101,800</u>	<u>56,261,172</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 50,556,916</u>	<u>\$ 33,010,366</u>	<u>\$ 83,567,282</u>

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

CITY OF DELTA

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2018

	PROGRAM REVENUES			
	EXPENSES	CHARGES FOR SERVICES	OPERATING	CAPITAL
				GRANTS AND CONTRIBUTIONS
FUNCTIONS/PROGRAMS				
Government Activities				
Current:				
General Government	\$ 1,519,774	\$ 871,146	\$ 276,848	\$ -
Public Safety	2,129,524	41,115	-	-
Public Works	5,631,190	95,272	828,263	-
Culture and Recreation	3,092,896	726,072	88,202	-
Capital Outlay - Non Capitalized	14,243	-	-	-
Interest on Debt	(17,770)	-	-	-
TOTAL GOVERNMENT ACTIVITIES	12,369,857	1,733,605	1,193,313	-
Business-type Activities				
Current:				
Municipal Light & Power	6,222,162	6,471,229	-	-
Sewer	1,505,014	1,330,140	-	119,900
Water	1,972,072	2,019,250	-	60,800
Refuse	653,628	695,174	-	-
Golf Course	891,355	500,096	-	-
TOTAL BUSINESS-TYPE ACTIVITIES	11,244,231	11,015,889	-	180,700
TOTAL GOVERNMENT	\$ 23,614,088	\$ 12,749,494	\$ 1,193,313	\$ 180,700
GENERAL REVENUES				
Sales and Use Taxes				
Franchise and In Lieu of Taxes				
Other Taxes				
Interest Income				
Gain (Loss) on Disposal of Capital Assets				
Insurance Proceeds				
Other Revenues				
TRANSFERS				
TOTAL GENERAL REVENUES AND TRANSFERS				
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

CHANGES IN NET POSITION

GOVERNMENT ACTIVITIES	BUSINESS - TYPE ACTIVITES	TOTAL
\$ (371,780)	\$ -	\$ (371,780)
(2,088,409)	-	(2,088,409)
(4,707,655)	-	(4,707,655)
(2,278,622)	-	(2,278,622)
(14,243)	-	(14,243)
17,770	-	17,770
<u>(9,442,939)</u>	<u>-</u>	<u>(9,442,939)</u>
-	249,067	249,067
-	(54,974)	(54,974)
-	107,978	107,978
-	41,546	41,546
-	<u>(391,259)</u>	<u>(391,259)</u>
-	<u>(47,642)</u>	<u>(47,642)</u>
<u>(9,442,939)</u>	<u>(47,642)</u>	<u>(9,490,581)</u>
6,474,672	-	6,474,672
672,879	-	672,879
18,697	-	18,697
80,258	214,789	295,047
5	-	5
-	445,643	445,643
48,333	-	48,333
<u>285,342</u>	<u>(285,342)</u>	<u>-</u>
<u>7,580,186</u>	<u>375,090</u>	<u>7,955,276</u>
(1,862,753)	327,448	(1,535,305)
<u>31,022,125</u>	<u>26,774,352</u>	<u>57,796,477</u>
<u>\$ 29,159,372</u>	<u>\$ 27,101,800</u>	<u>\$ 56,261,172</u>

CITY OF DELTA, COLORADO

BALANCE SHEET

GOVERNMENTAL FUNDS

DECEMBER 31, 2018

With Comparative Totals for December 31, 2017

	<u>SPECIAL REVENUE FUNDS</u>			
	<u>General</u> <u>Fund</u>	<u>Parks and</u> <u>Recreation Center</u> <u>Fund</u>	<u>City-Wide Capital</u> <u>Improvement</u> <u>Fund</u>	<u>Other</u> <u>Funds</u>
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 419,129	\$ 95,782	\$ 344,605	\$ -
Investments	1,108,689	304,581	720,072	-
Restricted Cash and Investments	15,322	-	1,835,617	312,186
Receivables				
Accounts Receivable	297,602	205,820	313,592	-
Other Receivables	-	-	-	22,767
Inventory	-	3,155	-	-
Prepaid Expenses	160	1,128	-	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,840,902</u>	<u>\$ 610,466</u>	<u>\$ 3,213,886</u>	<u>\$ 334,953</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 75,080	\$ 31,673	\$ 22,079	\$ 1,642
Accrued Liabilities	4,442	-	-	-
Accrued Salaries and Benefits	140,201	65,397	-	-
Deposits and Escrow	162,301	8,916	14,000	-
TOTAL LIABILITIES	<u>382,024</u>	<u>105,986</u>	<u>36,079</u>	<u>1,642</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
Other Deferred Inflows	-	12,627	-	-
FUND BALANCE				
Nonspendable Fund Balance	160	4,283	-	49,070
Restricted Fund Balance	361,477	322,406	3,089,566	284,241
Assigned Fund Balance	148,247	165,164	88,241	-
Unassigned Fund Balance	948,994	-	-	-
TOTAL FUND BALANCE	<u>1,458,878</u>	<u>491,853</u>	<u>3,177,807</u>	<u>333,311</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 1,840,902</u>	<u>\$ 610,466</u>	<u>\$ 3,213,886</u>	<u>\$ 334,953</u>

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

		Total	
		2018	2017
\$	859,516	\$	346,733
	2,133,342		1,996,730
	2,163,125		2,125,756
	817,014		834,353
	22,767		-
	3,155		4,836
	1,288		3,699
	<u>6,000,207</u>		<u>5,312,107</u>

\$	130,474	\$	191,131
	4,442		10,790
	205,598		187,123
	<u>185,217</u>		<u>183,476</u>
	<u>525,731</u>		<u>572,520</u>
	12,627		11,441
	53,513		53,125
	4,057,690		3,517,107
	401,652		298,983
	<u>948,994</u>		<u>858,931</u>
	<u>5,461,849</u>		<u>4,728,146</u>
\$	<u>6,000,207</u>	\$	<u>5,312,107</u>

INTENTIONALLY LEFT BLANK

CITY OF DELTA, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUND BALANCE
TO GOVERNMENTAL ACTIVITIES NET POSITION**
DECEMBER 31, 2018

Fund Balance - Governmental Funds		\$	5,461,849
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds			
Capital assets, not being depreciated	\$	3,791,856	
Capital assets, being depreciated		91,921,589	
Accumulated depreciation		<u>(53,406,556)</u>	42,306,889
Deferred charges related to the issuance of debt that are amortized over the life of the issue, but are not reported in the funds			
Bond premiums			(73,670)
Internal Service operations primarily benefit Governmental Activities			
Internal Service Fund Net Position			2,184,898
Long-term liabilities are not due and payable in the current year and, therefore, are not reported in the funds.			
Bonds payable		(20,200,000)	
Accrued interest payable		(97,031)	
Accrued compensated absences		<u>(423,563)</u>	<u>(20,720,594)</u>
Total Net Position - Governmental Activities			\$ <u>29,159,372</u>

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

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
With Comparative Totals for the Year Ended December 31, 2017

	<u>SPECIAL REVENUE FUNDS</u>		
	General	Parks and Recreation Center	City-Wide Capital Improvement
	Fund	Fund	Fund
REVENUES			
Taxes	\$ 2,632,201	\$ 1,940,634	\$ 2,593,413
Intergovernmental Revenues	611,468	19,859	402,849
Licenses and Permits	123,692	-	-
Fines and Forfeits	39,875	-	-
Internal Charges	801,613	-	-
Charges for Services	30,244	733,702	-
Investment Earnings	22,633	4,649	47,976
Other Revenues	44,705	9,818	5
TOTAL REVENUES	<u>4,306,431</u>	<u>2,708,662</u>	<u>3,044,243</u>
EXPENDITURES			
Current:			
General Government	1,117,393	-	-
Public Safety	2,108,185	-	-
Public Works	1,036,266	-	-
Parks, Recreation and Other	153,120	2,419,730	-
Internal Charges	-	222,184	71,925
Capital Outlay	19,417	4,217	656,351
Debt Service	-	-	1,777,855
TOTAL EXPENDITURES	<u>4,434,381</u>	<u>2,646,131</u>	<u>2,506,131</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>(127,950)</u>	<u>62,531</u>	<u>538,112</u>
OTHER FINANCING SOURCES (USES)			
Transfers (In)	230,000	-	-
Transfers (Out)	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>230,000</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE - GAAP BASIS	102,050	62,531	538,112
FUND BALANCE, BEGINNING	<u>1,356,828</u>	<u>429,322</u>	<u>2,639,695</u>
FUND BALANCE, ENDING	<u>\$ 1,458,878</u>	<u>\$ 491,853</u>	<u>\$ 3,177,807</u>

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

Other Funds	Total	
	2018	2017
\$ -	\$ 7,166,248	\$ 6,774,898
152,947	1,187,123	1,570,046
-	123,692	91,248
-	39,875	36,787
-	801,613	801,613
4,480	768,426	744,345
5,000	80,258	37,255
-	54,528	97,235
<u>162,427</u>	<u>10,221,763</u>	<u>10,153,427</u>
-	1,117,393	1,483,014
-	2,108,185	2,019,701
85,080	1,121,346	1,200,167
6,465	2,579,315	2,456,200
-	294,109	294,109
81,714	761,699	990,505
-	1,777,855	1,780,105
<u>173,259</u>	<u>9,759,902</u>	<u>10,223,801</u>
<u>(10,832)</u>	<u>461,861</u>	<u>(70,374)</u>
41,842	271,842	86,650
-	-	(93,170)
<u>41,842</u>	<u>271,842</u>	<u>(6,520)</u>
31,010	733,703	(76,894)
<u>302,301</u>	<u>4,728,146</u>	<u>4,805,040</u>
\$ <u>333,311</u>	\$ <u>5,461,849</u>	\$ <u>4,728,146</u>

INTENTIONALLY LEFT BLANK

CITY OF DELTA, COLORADO

**RECONCILIATION OF GOVERNMENTAL FUNDS CHANGE IN FUND BALANCE
TO GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2018**

Change in Fund Balance - Governmental Funds	\$	733,703
Capital assets used in governmental activities are expensed when purchased in the funds and depreciated at the activity level		
Capitalized Asset Purchases	747,456	
Depreciation Expense	<u>(3,892,272)</u>	(3,144,816)
Internal Service operations primarily benefit Governmental Activities		
Change in net position - Internal Service Funds		(8,501)
Repayments of long-term liabilities are expensed in the fund and reduce outstanding liabilities at the activity level. In addition, proceeds from long-term debt issuances are reported as revenues in the funds and increase liabilities at the activity level		
Principal payments on bonds payable	590,000	
Change in accrued interest payable	1,957	
Amortization of premiums and discounts	3,349	
Change in accrued compensated absences	<u>(38,445)</u>	<u>556,861</u>
Change in Net Position - Governmental Activities	\$	<u>(1,862,753)</u>

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

CITY OF DELTA, COLORADO

STATEMENT OF NET POSITION**PROPRIETARY FUNDS**

DECEMBER 31, 2018

With Comparative Totals for December 31, 2017

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 78,874	\$ 55,448	\$ 275,849	\$ 16,571
Investments	4,275,716	2,793,381	2,802,355	-
Receivables				
Accounts Receivable	689,163	128,246	136,676	-
Other Receivables	20,018	2,272	5,258	1,087
Inventory	255,942	21,594	99,473	13,698
Prepaid Expenses	537	60	-	-
Total Current Assets	<u>5,320,250</u>	<u>3,001,001</u>	<u>3,319,611</u>	<u>31,356</u>
Noncurrent Assets				
Capital Assets not being depreciated	103,950	684,426	259,534	143,940
Capital Assets being depreciated	13,333,459	18,180,561	9,648,337	4,663,858
Accumulated Depreciation	(5,780,307)	(10,777,450)	(5,873,479)	(4,338,124)
Total Noncurrent Assets	<u>7,657,102</u>	<u>8,087,537</u>	<u>4,034,392</u>	<u>469,674</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 12,977,352</u>	<u>\$ 11,088,538</u>	<u>\$ 7,354,003</u>	<u>\$ 501,030</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 538,572	\$ 45,850	\$ 33,784	\$ 10,565
Accrued Salaries and Benefits	23,223	18,511	16,629	11,823
Deposits and Escrow	-	-	-	-
Accrued Interest Payable	3,760	2,490	-	2,023
Total Current Liabilities	<u>565,555</u>	<u>66,851</u>	<u>50,413</u>	<u>24,411</u>
Noncurrent Liabilities				
Due within one year	188,525	111,164	-	98,669
Due in more than one year	1,895,979	1,815,602	31,397	1,028,111
Total Noncurrent Liabilities	<u>2,084,504</u>	<u>1,926,766</u>	<u>31,397</u>	<u>1,126,780</u>
TOTAL LIABILITIES	<u>2,650,059</u>	<u>1,993,617</u>	<u>81,810</u>	<u>1,151,191</u>
DEFERRED INFLOWS OF FINANCIAL RESOURCES				
Other Deferred Inflows	-	-	-	6,550
NET POSITION				
Net Investment in Capital Assets	5,620,928	6,220,986	4,034,392	(624,382)
Unrestricted Net Position	4,706,365	2,873,935	3,237,801	(32,329)
TOTAL NET POSITION	<u>10,327,293</u>	<u>9,094,921</u>	<u>7,272,193</u>	<u>(656,711)</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 12,977,352</u>	<u>\$ 11,088,538</u>	<u>\$ 7,354,003</u>	<u>\$ 501,030</u>

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

Govt Act				
Other Funds	Total Enterprise Funds	Internal Service Funds	Total	
			2018	2017
\$ 48,113	\$ 474,855	\$ 86,763	\$ 561,618	\$ 941,417
968,681	10,840,133	1,004,727	11,844,860	10,763,164
				-
71,974	1,026,059	-	1,026,059	1,017,452
675	29,310	1,801	31,111	21,716
-	390,707	97,438	488,145	478,914
-	597	-	597	866
<u>1,089,443</u>	<u>12,761,661</u>	<u>1,190,729</u>	<u>13,952,390</u>	<u>13,223,529</u>
-	1,191,850	-	1,191,850	1,472,950
-	45,826,215	5,406,934	51,233,149	50,577,769
-	(26,769,360)	(4,347,843)	(31,117,203)	(29,571,009)
-	20,248,705	1,059,091	21,307,796	22,479,710
<u>\$ 1,089,443</u>	<u>\$ 33,010,366</u>	<u>\$ 2,249,820</u>	<u>\$ 35,260,186</u>	<u>\$ 35,703,239</u>
\$ 14,765	\$ 643,536	\$ 41,007	\$ 684,543	\$ 1,032,270
5,215	75,401	10,110	85,511	70,302
-	-	-	-	26
-	8,273	-	8,273	9,336
<u>19,980</u>	<u>727,210</u>	<u>51,117</u>	<u>778,327</u>	<u>1,111,934</u>
-	398,358	-	398,358	408,574
5,359	4,776,448	13,805	4,790,253	5,212,935
5,359	5,174,806	13,805	5,188,611	5,621,509
<u>25,339</u>	<u>5,902,016</u>	<u>64,922</u>	<u>5,966,938</u>	<u>6,733,443</u>
-	6,550	-	6,550	2,045
-	15,251,924	1,059,091	16,311,015	17,074,323
1,064,104	11,849,876	1,125,807	12,975,683	11,893,428
<u>1,064,104</u>	<u>27,101,800</u>	<u>2,184,898</u>	<u>29,286,698</u>	<u>28,967,751</u>
<u>\$ 1,089,443</u>	<u>\$ 33,010,366</u>	<u>\$ 2,249,820</u>	<u>\$ 35,260,186</u>	<u>\$ 35,703,239</u>

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
With Comparative Totals for the Year Ended December 31, 2017

	Business-type Activities			
	Municipal Light & Power	Sewer	Water	Golf Course
	Fund	Fund	Fund	Fund
Operating Revenues				
Utility Charges	\$ 6,460,013	\$ 1,320,392	\$ 2,012,098	\$ -
Golf Course Charges	-	-	-	500,096
Internal Charges	-	-	-	-
Other Charges for Services	11,216	9,748	7,152	-
Total Revenues	<u>6,471,229</u>	<u>1,330,140</u>	<u>2,019,250</u>	<u>500,096</u>
Operating Expenses				
Commodity Charges	4,521,267	-	355,436	-
Golf Course Pro and Concessions	-	-	-	300,356
Golf Course Maintenance	-	-	-	412,410
Management Fees	415,239	162,356	193,189	76,843
Collection, Transmission and Distribution	674,488	259,589	633,833	-
Production and Treatment	-	-	474,625	-
Claims and Premiums	-	-	-	-
Maintenance	-	474,578	-	-
Administration	126,192	47,628	23,502	-
Depreciation Expense	365,828	494,091	291,487	40,121
Other Capital Outlay	22,115	-	-	9,379
Total Expenditures	<u>6,125,129</u>	<u>1,438,242</u>	<u>1,972,072</u>	<u>839,109</u>
Operating Income (Loss)	<u>346,100</u>	<u>(108,102)</u>	<u>47,178</u>	<u>(339,013)</u>
Other Income (Expense)				
Intergovernmental Revenue	-	-	-	-
Investment Earnings	81,301	56,784	55,592	-
Other Revenue	352,036	40,889	35,487	4,106
Interest Expense	(97,033)	(66,772)	-	(52,246)
Gain (Loss) on Sale of Assets	-	-	-	-
Total Other Income (Expense)	<u>336,304</u>	<u>30,901</u>	<u>91,079</u>	<u>(48,140)</u>
Net Income (Loss) before Transfers	682,404	(77,201)	138,257	(387,153)
Transfers				
Transfers In/(Out)	<u>(120,000)</u>	<u>(185,000)</u>	<u>(305,342)</u>	<u>444,400</u>
Net Income (Loss)	562,404	(262,201)	(167,085)	57,247
Contributed Capital				
Plant Investment Fees	<u>-</u>	<u>119,900</u>	<u>60,800</u>	<u>-</u>
Change in Net Position	562,404	(142,301)	(106,285)	57,247
Net Position, Beginning	<u>9,764,889</u>	<u>9,237,222</u>	<u>7,378,478</u>	<u>(713,958)</u>
Net Position, Ending	<u>\$ 10,327,293</u>	<u>\$ 9,094,921</u>	<u>\$ 7,272,193</u>	<u>\$ (656,711)</u>

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

**Govt
Activities**

Other Fund	Total Enterprise Funds	Internal Service Funds	Total	
			2018	2017
\$ 695,174	\$ 10,487,677	\$ -	\$ 10,487,677	\$ 10,183,136
-	500,096	-	500,096	496,182
-	-	1,122,402	1,122,402	1,115,329
-	28,116	9,139	37,255	38,469
<u>695,174</u>	<u>11,015,889</u>	<u>1,131,541</u>	<u>12,147,430</u>	<u>11,833,116</u>
-	4,876,703	-	4,876,703	4,665,549
-	300,356	-	300,356	275,504
-	412,410	-	412,410	400,903
120,432	968,059	61,934	1,029,993	1,016,110
532,909	2,100,819	-	2,100,819	1,979,891
-	474,625	-	474,625	472,213
286	286	85,207	85,493	83,565
-	474,578	622,854	1,097,432	962,931
-	197,322	10,026	207,348	158,235
-	1,191,527	406,828	1,598,355	1,610,263
-	31,494	-	31,494	23,766
<u>653,627</u>	<u>11,028,179</u>	<u>1,186,849</u>	<u>12,215,028</u>	<u>11,648,930</u>
<u>41,547</u>	<u>(12,290)</u>	<u>(55,308)</u>	<u>(67,598)</u>	<u>184,186</u>
-	-	-	-	106,086
21,111	214,788	16,909	231,697	116,562
13,125	445,643	9,453	455,096	256,288
-	(216,051)	-	(216,051)	(231,411)
-	-	6,945	6,945	5,702
<u>34,236</u>	<u>444,380</u>	<u>33,307</u>	<u>477,687</u>	<u>253,227</u>
75,783	432,090	(22,001)	410,089	437,413
<u>(119,400)</u>	<u>(285,342)</u>	<u>13,500</u>	<u>(271,842)</u>	<u>6,520</u>
<u>(43,617)</u>	<u>146,748</u>	<u>(8,501)</u>	<u>138,247</u>	<u>443,933</u>
-	180,700	-	180,700	81,250
<u>(43,617)</u>	<u>327,448</u>	<u>(8,501)</u>	<u>318,947</u>	<u>525,183</u>
<u>1,107,721</u>	<u>26,774,352</u>	<u>2,193,399</u>	<u>28,967,751</u>	<u>28,442,568</u>
<u>\$ 1,064,104</u>	<u>\$ 27,101,800</u>	<u>\$ 2,184,898</u>	<u>\$ 29,286,698</u>	<u>\$ 28,967,751</u>

CITY OF DELTA

**STATEMENT OF CASH FLOWS -
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED DECEMBER 31, 2018
 With Comparative Totals for the Year Ended December 31, 2017**

	Business-type Activities			
	Municipal Light & Power Fund	Sewer Fund	Water Fund	Golf Course Fund
	Fund	Fund	Fund	Fund
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ 6,445,434	\$ 1,336,674	\$ 2,020,018	\$ 505,314
Cash Received from Interfund Services Provided	-	-	-	-
Cash Paid to Suppliers	(5,203,668)	(576,035)	(1,208,221)	(408,331)
Cash Paid for Interfund Services	(415,239)	(162,356)	(193,189)	(76,843)
Cash Paid to Employees	(401,864)	(284,734)	(335,002)	(303,078)
Net Cash Provided by Operating Activities	<u>424,663</u>	<u>313,549</u>	<u>283,606</u>	<u>(282,938)</u>
Cash Flows From Capital and Related Financing Activities:				
Tap Fees Received	-	119,900	60,800	-
Debt Principal Payments	(206,877)	(107,401)	-	(94,327)
Grant Proceeds	-	-	-	-
Interest Payments	(97,630)	(66,915)	-	(52,570)
Proceeds of Capital Asset Sales	-	-	-	-
Acquisition of Capital Assets	(63,885)	(95,162)	(16,925)	(7,120)
Net Cash Flows Used by Capital and Related Financing Activities	<u>(368,392)</u>	<u>(149,578)</u>	<u>43,875</u>	<u>(154,017)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	(120,000)	(185,000)	(305,342)	444,400
Other Revenues (Expense)	352,036	40,889	35,487	4,106
Net Cash Provided (Used) by Noncapital Financing Activities	<u>232,036</u>	<u>(144,111)</u>	<u>(269,855)</u>	<u>448,506</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	81,301	56,784	55,592	-
Net Increase (Decrease) in Cash	369,608	76,644	113,218	11,551
Cash - Beginning	3,984,982	2,772,185	2,964,986	5,020
Cash - Ending	<u>\$ 4,354,590</u>	<u>\$ 2,848,829</u>	<u>\$ 3,078,204</u>	<u>\$ 16,571</u>
Cash				
Investments	\$ 78,874	\$ 55,448	\$ 275,849	\$ 16,571
Total	<u>4,275,716</u>	<u>2,793,381</u>	<u>2,802,355</u>	<u>-</u>
	<u>\$ 4,354,590</u>	<u>\$ 2,848,829</u>	<u>\$ 3,078,204</u>	<u>\$ 16,571</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ 346,100	\$ (108,102)	\$ 47,178	\$ (339,013)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	365,828	494,091	291,487	40,121
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Accounts Receivable	(20,665)	6,785	3,046	-
Other Receivables	(5,104)	49	(2,278)	414
Inventory	(1,601)	2,932	(21,236)	856
Prepaid Expenses	(480)	60	369	240
(Increase) Decrease in:				
Accounts Payable	(262,163)	(101,296)	(2,005)	3,123
Accrued Salaries and Benefits	3,562	5,683	1,113	2,535
Deposits and Escrow	(26)	-	-	-
Accrued Compensated Absences	(788)	13,647	(34,068)	3,982
Other Deferred Inflows	-	(300)	-	4,804
Total Adjustments	<u>78,563</u>	<u>421,651</u>	<u>236,428</u>	<u>56,075</u>
Net Cash Used for Operating Activities	<u>\$ 424,663</u>	<u>\$ 313,549</u>	<u>\$ 283,606</u>	<u>\$ (282,938)</u>

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

**Govt
Activities**

Other Fund	Total Enterprise Funds	Internal Service Funds	Total	
			2018	2017
\$ 696,729	\$ 11,004,169	\$ 7,338	\$ 11,011,507	\$ 10,785,164
-	-	1,122,402	1,122,402	1,115,329
(439,128)	(7,835,383)	(522,920)	(8,358,303)	(7,170,301)
(120,432)	(968,059)	(61,934)	(1,029,993)	(1,016,110)
(95,631)	(1,420,309)	(173,843)	(1,594,152)	(1,486,961)
<u>41,538</u>	<u>780,418</u>	<u>371,043</u>	<u>1,151,461</u>	<u>2,227,121</u>
-	180,700	-	180,700	81,250
-	(408,605)	-	(408,605)	(393,114)
-	-	-	-	106,086
-	(217,115)	-	(217,115)	(231,860)
-	-	6,945	6,945	397,560
-	(183,092)	(243,347)	(426,439)	(1,708,712)
-	(628,112)	(236,402)	(864,514)	(1,748,790)
(119,400)	(285,342)	13,500	(271,842)	6,520
13,125	445,643	9,453	455,096	256,288
(106,275)	160,301	22,953	183,254	262,808
21,110	214,787	16,909	231,696	116,562
(43,627)	527,394	174,503	701,897	857,701
1,060,420	10,787,593	916,987	11,704,580	10,846,880
<u>\$ 1,016,793</u>	<u>\$ 11,314,987</u>	<u>\$ 1,091,490</u>	<u>\$ 12,406,477</u>	<u>\$ 11,704,581</u>
\$ 48,113	\$ 474,855	\$ 86,763	\$ 561,618	\$ 941,417
968,681	10,840,133	1,004,727	11,844,860	10,763,164
<u>\$ 1,016,794</u>	<u>\$ 11,314,988</u>	<u>\$ 1,091,490</u>	<u>\$ 12,406,478</u>	<u>\$ 11,704,581</u>
\$ 41,547	\$ (12,290)	\$ (55,308)	\$ (67,598)	\$ 184,186
-	1,191,527	406,828	1,598,355	1,610,263
2,229	(8,605)	-	(8,605)	(7,543)
(674)	(7,593)	(1,801)	(9,394)	74,948
-	(19,049)	9,817	(9,232)	(6,863)
-	189	80	269	2
4,813	(357,528)	9,798	(347,730)	408,093
149	13,042	2,168	15,210	(194)
-	(26)	-	(26)	26
(6,526)	(23,753)	(539)	(24,292)	(35,743)
-	4,504	-	4,504	(54)
(9)	\$ 792,708	426,351	1,219,059	2,042,935
<u>\$ 41,538</u>	<u>\$ 780,418</u>	<u>\$ 371,043</u>	<u>\$ 1,151,461</u>	<u>\$ 2,227,121</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. THE FINANCIAL REPORTING ENTITY

The City of Delta, Colorado (referred to hereafter as the City) is incorporated as a home-rule City under the laws of the State of Colorado with a Council-Manager form of government. The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Blended Component Unit – The Delta Urban Renewal Authority is responsible for downtown beautification projects and is governed by a board comprised of the City’s elected council. The Authority had no transactions for the current or prior years.

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING

Government-wide Statements: The statement of net position and the statement of activities display information about the primary government (the City). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the *governmental* and *business-type* activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City’s governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the Municipal Light & Power, Sewer, Water, Golf Course, Refuse and the City’s internal service funds are charges to customers for sales and services. The Utility Fund also recognizes as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds and internal service 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.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

Fund Financial Statements: The fund financial statements provide information about the City's funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The City does not have *fiduciary* fund types.

The City reports the following major governmental funds:

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

Parks & Rec. Center Fund. This fund accounts for the revenues and expenditures associated with recreational activities and to account for sales tax revenues collected.

City-Wide Capital Improvement Fund. This fund accounts for sales tax revenues used to improve streets and sidewalks, capital improvements, and to reduce debt incurred for city-wide improvements.

The City reports the following major enterprise funds:

Municipal Light & Power Fund. This fund accounts for revenues and expenses associated with providing electric services to City residents.

Sewer Fund. This fund accounts for revenues and expenses associated with the collection and treatment of sewage within the City.

Water Fund. This fund accounts for revenues and expenses associated with providing water services to City residents.

Golf Course Fund. This fund accounts for revenues and expenses associated with the public golf course operated by the City.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. BASIS OF PRESENTATION, BASIS OF ACCOUNTING (continued)

The City reports the following fund type:

Internal Service Funds. These funds account for equipment purchased and dental insurance coverage provided to other departments and employees on a cost-reimbursement basis.

C. MEASUREMENT FOCUS, BASIS OF ACCOUNTING

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchanges, include sales taxes, grants, entitlements, and donations. On an accrual basis, revenue from sales taxes are recognized in the period for which the taxes are collected by vendors. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Sales taxes, franchise taxes, licenses, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

D. ASSETS, LIABILITIES, AND EQUITY

Deposits and investments. The cash balances of substantially all funds are pooled for the purpose of increasing earnings through investment activities. The pool's investments are reported at fair value at December 31, 2018 based on market prices. The individual funds' portions of the pool's fair value are presented as cash and cash equivalents or short-term investments. Earnings on the pooled funds are apportioned and paid or credited to the funds monthly based on the average monthly balance of each participating fund.

Cash and cash equivalents. The City considers all cash on hand, demand deposits and short-term highly liquid investments with an original maturity of three months or less to be cash equivalents.

Property taxes. Property taxes are levied on December 22 and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31, net of an estimated uncollectible portion.

For the fiscal year 2018, the City did not levy property taxes.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Inventories. Inventories of supplies in the proprietary fund types are stated at cost using the first-in/first-out (FIFO) method.

Capital assets. Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated capital assets are recorded at their estimated fair value at the date of donation. General infrastructure assets are reported at estimated historical cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Assets with a useful life of a year or greater with an acquisition value of at least \$1,000 are capitalized.

Enterprise Fund construction costs are increased by interest incurred on bonds during the construction period and reduced by earnings from investment of the unexpended bond proceeds.

Depreciation is calculated using the straight-line method over the estimated useful lives, and no depreciation is recorded in the year of acquisition or construction of such assets. Capital assets acquired by capital lease are depreciated over the estimated useful lives and are included in depreciation expense in the appropriate fund. The estimated useful lives are as follows:

Infrastructure	15 years
Equipment	5-15 years
Transmission and distribution lines and meters	20-40 years
Treatment and filtration plants	20-50 years
Buildings	35 years

Long-term debt. 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 position.

In the fund financial statements, governmental fund types the face amount of debt issued is reported as other financing sources.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Compensated absences. The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. The City has a policy to award a one-time cash payment between \$250 and \$1,000 to employees who retire with fifteen or more continuous years of service with the City. For 2018, no employee would be eligible based on this criteria, so no liability has been accrued.

Deferred Inflows of Resources. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has only one type of item, which arises both under the full accrual and modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in both the governmental activities statement of net position and in the governmental funds balance sheet. The governmental funds report unavailable revenues from parks & recreation center fund prepaid funds plus the city wide capital fund deposits on account. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Net Position/Fund Balances. In the government-wide financial statements and for the proprietary fund statements, net position are either shown as net investment in capital assets, with these assets essentially being nonexpendable; restricted when constraints placed on the net position are externally imposed; or unrestricted.

For the governmental fund presentation, fund balances that are classified as “nonspendable” include amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Fund balance are reported as “restricted” when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council, are reported as “committed” fund balance. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. ASSETS, LIABILITIES, AND EQUITY (continued)

Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as "assigned" fund balance. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

All remaining fund balance in the General Fund or deficits in the other governmental funds are presented as unassigned.

Net Position/Fund Equity Flow Assumptions. Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance, if allowed under the terms of the restriction. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

E. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing budgets:

1. Budgets are required by state law for all governmental and proprietary funds.
2. During September the proposed budget is submitted to the City Council for the fiscal year commencing the following January 1.
3. Prior to December 31, the budget is adopted and appropriations are authorized by ordinance at the fund level for all funds. The legal level of budgetary control is at the individual fund level for all funds.
4. Budgets are adopted on a basis consistent with the accounting basis of all funds except for proprietary-type funds. In the proprietary funds, the City budgets for capital outlays, and bond principal and interest payments and does not budget for depreciation.
5. Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and class and in total by each fund. The total fund level constitutes the legal level of control. Expenditures may not exceed appropriations at this level. Budget revisions at this level are subject to approval by ordinance from the City Council. Within the fund level control basis, management may transfer appropriations without Council approval. Budget amounts included in the budgetary comparison schedules are based on the final legally amended budget.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETS AND BUDGETARY ACCOUNTING (continued)

6. Appropriations lapse at the end of each year, and the City Council may adopt supplemental appropriations during the year. The City Council may add to, subtract from or change appropriations, but may not change the form of the budget. Any changes in the budget must be within the revenues and reserves estimated as available by the City Manager or the revenue estimates must be changed by the City Council when adopting supplemental appropriations.

Originally adopted budgeted and appropriated expenditures for the year ended December 31, 2018 are as follows:

	Original Budget	Supplemental Budget	Final Budget
General Fund	\$ 4,427,987	\$ 25,000	\$ 4,452,987
Parks & Rec. Center Fund	2,834,971	-	2,834,971
City-Wide Capital Improvement Fund	2,517,145	-	2,517,145
Nonmajor Governmental Funds	1,926,855	-	1,926,855
Municipal Light & Power Fund	6,437,790	-	6,437,790
Sewer Fund	1,928,312	-	1,928,312
Water Fund	2,346,821	-	2,346,821
Golf Course Fund	942,428	15,000	957,428
Nonmajor Enterprise Fund	815,432	5,000	820,432
D.U.R.A.	2,431,750	-	2,431,750
Internal Service Funds	1,094,668	-	1,094,668
Total Appropriations	\$ 27,704,159	\$ 45,000	\$ 27,749,159

For the year ended December 31, 2018, the City expended amounts in excess of the amounts budgeted for the Dental Fund. Such over expenditure may be a violation of Colorado State Law and the City's charter.

F. 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 City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

2 - DEPOSITS AND INVESTMENTS

DEPOSITS

The Colorado Public Deposit Protection Act (PDPA), requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must at least be equal to 102% of the aggregate uninsured deposits.

CUSTODIAL CREDIT RISK - DEPOSITS

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City does not have a deposit policy for custodial credit risk. As of December 31, 2018 none of the City's bank balances of \$17,492,741 were exposed to custodial credit risk as \$250,000 was insured and \$17,242,741 was collateralized by securities pledged by financial institutions. Book balances of the City's deposits were \$17,562,461. The City also has \$3,500 of cash on hand included as cash and cash equivalents for financial statement presentation.

INVESTMENTS

The following are the major categories of assets measured at fair value on a recurring basis during the year ended December 31, 2018 using quoted market prices in active markets (Level 1), significant observable inputs for similar assets (Level 2) and significant unobservable inputs (Level 3). The City's local government pool investments are not subject to categorization:

<u>Description</u>	<u>Weighted Maturity</u>	<u>Fair Value</u>	<u>Rating</u>
Colotrust Plus +	N/A	\$ 10,932,561	AAAm
Csafe	N/A	<u>5,149,027</u>	AAAm
Total Investments		<u>\$ 16,081,588</u>	

During the year ended December 31, 2018, the City invested funds in CSAFE & Colotrust. As investments pools, they operate under the Colorado Revised Statutes (24-75-701) and are overseen by the Colorado Securities Commissioner. The pools invest in securities that are specified by Colorado Revised Statutes (24-75-601). Authorized securities include U.S. Treasuries, U.S. Agencies, commercial paper (rated A1 or better) and bank deposits (collateralized through PDPA). The pools operate similar to a 2a-7-like money market fund with a share value equal to \$1.00 and a maximum weighted average maturity of 60 days. The pools are rated AAAm by the Standard and Poor's Corporation.

Interest rate risk. The City does not have an investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

2 - DEPOSITS AND INVESTMENTS (continued)

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

The City's general investment policy is to apply the prudent-person rule: Prudence and protection of City funds are the primary criteria. All investments and bid requests for investments are predicated on liquidity, yield, safety and interest of the local economy. As of December 31, 2018, the City's investment in Colotrust Plus and Csafe were rated AAAM by Standard & Poor's.

Concentration of credit risk. Investments must be in accordance with Colorado statutes and no more than 80% of the total portfolio may be invested in any single type of investment. Investments in any one financial institution may not exceed 30% of the City's portfolio unless the investments are obligations of the United States Government.

A reconciliation of cash and investment balances is as follows:

Cash & cash equivalents	\$ 1,431,804
Investments	14,237,819
Temporarily restricted investments	1,843,768
Permanently restricted cash	<u>49,070</u>
Total	<u>\$ 17,562,461</u>

Petty Cash	\$ 3,500
Cash Deposits	1,477,374
Government Pools	<u>16,081,587</u>
	<u>\$ 17,562,461</u>

<u>Description</u>	<u>Fair Value</u>
Cash & cash equivalents	\$ 1,431,804
Investments	14,237,819
Restricted (debt service bond reserve)	1,834,201
Restricted governmental pools(police seizure)	9,567
Permanently restricted deposit (perpetual care deposits)	<u>49,070</u>
Total	<u>\$ 17,562,461</u>

These balances are allocated in the financial statements as follows:

Government-wide cash	\$ 1,431,804
Government-wide investments	14,237,819
Government-wide restricted investments	1,843,768
Government-wide permanently restricted cash	<u>49,070</u>
	<u>\$ 17,562,461</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

3. - CAPITAL ASSETS

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

	<u>Governmental Activities</u>			
	<u>Beginning</u>			<u>Ending</u>
	<u>Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balances</u>
Capital assets not being depreciated:				
Construction in Progress	\$ 58,681	\$ 23,925	\$ -	\$ 82,606
Land	<u>3,709,250</u>	<u>-</u>	<u>-</u>	<u>3,709,250</u>
Total Capital assets not being depreciated	<u>3,767,931</u>	<u>23,925</u>	<u>-</u>	<u>3,791,856</u>
Capital assets being depreciated:				
Land improvements	8,470,841	-	-	8,470,841
Infrastructure - road network	75,276,871	611,693	-	75,888,564
Buildings	6,870,107	29,840	-	6,899,947
Vehicles	2,276,710	122,465	39,548	2,359,627
Equipment	<u>3,506,662</u>	<u>202,882</u>	<u>-</u>	<u>3,709,544</u>
Total capital assets being depreciated	<u>96,401,191</u>	<u>966,880</u>	<u>39,548</u>	<u>97,328,523</u>
Less accumulated depreciation for:				
Land improvements	4,878,763	383,068	-	5,261,831
Infrastructure - road network	39,324,313	3,309,525	-	42,633,838
Buildings	4,784,655	169,419	-	4,954,074
Vehicles	1,705,744	207,236	39,548	1,873,432
Equipment	<u>2,801,371</u>	<u>229,853</u>	<u>-</u>	<u>3,031,224</u>
Total accumulated depreciation	<u>53,494,846</u>	<u>4,299,101</u>	<u>39,548</u>	<u>57,754,399</u>
Total capital assets being depreciated, net	<u>42,906,345</u>	<u>(3,332,221)</u>	<u>-</u>	<u>39,574,124</u>
Governmental activity capital assets, net	<u>\$ 46,674,276</u>	<u>\$ (3,308,296)</u>	<u>\$ -</u>	<u>\$ 43,365,980</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

3. – CAPITAL ASSETS (continued)

	<u>Business-Type Activities</u>			Ending Balances
	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	
Capital assets not being depreciated:				
Land and Easements	\$ 952,610	\$ -	\$ -	\$ 952,610
Construction in Progress	520,340	-	281,100	239,240
Total Capital assets not being depreciated	<u>1,472,950</u>	<u>-</u>	<u>281,100</u>	<u>1,191,850</u>
Capital assets being depreciated:				
Land improvements	3,625,777	-	-	3,625,777
Water rights and storage reservoirs	607,491	-	-	607,491
Treatment and generation facilities	9,520,705	-	-	9,520,705
Collection, transmission and distribution system	29,742,555	94,625	-	29,837,180
Buildings and improvements	1,163,103	4,225	12,614	1,154,714
Street lighting & Fiber Optic system	184,076	351,423	-	535,499
Equipment	530,929	13,920	-	544,849
Total capital assets being depreciated	<u>45,374,636</u>	<u>464,193</u>	<u>12,614</u>	<u>45,826,215</u>
Less accumulated depreciation for:				
Land improvements	3,625,778	-	-	3,625,778
Water rights and storage reservoirs	122,501	5,717	-	128,218
Treatment and generation facilities	6,350,892	233,941	-	6,584,833
Collection, transmission and distribution system	14,173,872	865,653	-	15,039,525
Buildings and improvements	768,765	48,246	12,614	804,397
Street lighting system	107,763	6,136	-	113,899
Equipment	440,876	31,834	-	472,710
Total accumulated depreciation	<u>25,590,447</u>	<u>1,191,527</u>	<u>12,614</u>	<u>26,769,360</u>
Total capital assets being depreciated, net	<u>19,784,189</u>	<u>(727,334)</u>	<u>-</u>	<u>19,056,855</u>
Business-Type activity capital assets, net	<u>\$ 21,257,139</u>	<u>\$ (727,334)</u>	<u>\$ 281,100</u>	<u>\$ 20,248,705</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

3 - CAPITAL ASSETS (continued)

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

Governmental Activities	
General government	\$ 47,824
Public safety	21,340
Public works, including depreciation of general infrastructure assets	3,309,525
Parks and recreation	513,588
Capital assets held by the City's internal service fund are charged to various functions based on their usage of the assets	<u>406,824</u>
Total Depreciation expense	
Governmental activities	<u>\$ 4,299,101</u>
Business-Type Activities	
Municipal Light and Power	\$ 365,828
Golf Course	40,121
Sewer	494,091
Water	<u>291,487</u>
Total Depreciation expense	
Business-Type activities	<u>\$ 1,191,527</u>

4 - EMPLOYEE RETIREMENT PLANS

The City provides pension benefits for all of its full time employees in two separate defined contribution plans. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings.

All non-police employees are eligible to participate in the plan that is administered by the City six months from the date of employment, police officers participate from the date of hire. City ordinance requires that the City contribute 5% of the non-police employee's base salary and 10% of the police officer's base salary. Non-police employees are required to contribute 3% of their base salary and may elect to contribute up to 10%. Police officers are required to contribute 8% of their base salary. City contributions for all employees become 20% vested after the first year, increasing an additional 20% each year until the employee becomes fully vested after 5 years. Any nonvested City contributions forfeited by an employee who leaves the City's employment are remitted to the City. The City's policy is to use these forfeited contributions to pay the expenses of administering the plan or reduce future contributions to the plan.

The City's total payroll for fiscal year 2018 was \$5,167,572. The City's contributions were calculated using the base salary of \$4,240,240. The City made the required contributions of \$263,756 and the employees made required and elective contribution of \$268,548 or \$532,304 in total.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

5 - COMMITMENTS

Raw Water Purchase

The City has entered into a contract with the Tri-County Conservancy District to purchase water from the Dallas Creek Project as follows:

<u>Annual Purchase and Operation and Maintenance Commitment</u>	<u>Calendar Years</u>	<u>Annual Payments</u>
Block One, Two and Three 3,700 acre feet annually	2019-2049	\$ 313,070

The purchase price per acre foot shall not exceed the average cost of all municipal and industrial water for which the Tri-County Water Conservancy District is obligated to pay the United States for such water which is limited to \$38,000,000. The purchase price is currently \$77.61 per acre foot; with potential cost adjustments at no longer than five year intervals. Such annual payments are subject to adjustment as a result of rate adjustments. In addition, the City pays the District a proportionate amount of the operations, maintenance and replacement costs of the project attributable to municipal and industrial uses which were set at \$7.00 per acre foot subject to annual adjustment.

Electricity Purchase

The City has entered into a contract with the Western Area Power Administration (WAPA) through the year 2024 to purchase electrical energy at quantities and rates mutually agreed upon on an annual basis between WAPA and the City.

The City has a contract with the Municipal Energy Agency of Nebraska (MEAN) which shall continue in effect for a period of 25 years to purchase electrical energy needed in excess of the amounts contracted with WAPA as follows:

	<u>Summer Season (June/September)</u>	<u>Winter Season (October/December)</u>
Base Energy	0.02513	0.02676
Incremental Energy	0.04377	0.04662

During 2018, the City purchased 62,480,915 kilowatt hours for \$4,521,267.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

6 - LONG-TERM DEBT

A. CITY OF DELTA SALES AND USE TAX REVENUE BONDS PAYABLE FROM GOVERNMENTAL ACTIVITIES:

\$24,385,000 Sales and Use Tax Revenue Bond of September 24, 2010 bearing interest at 2.00% to 6.082% payable on June 1 and December 1 through 2039, \$20,790,000 of these bonds are Build America Bonds for the purpose of the Recovery Act and to receive a cash subsidy from the United States Treasury equal to 35% of the interest payable on these bonds. The bond reserve requirement at 12/31/2018 = \$1,781,905 which is covered through the City Wide Capital Improvement Fund and the Capital Project Fund Restricted Fund Balance.

Total Outstanding Sales and Use Tax Revenue Bonds as of December 31st, 2018 = \$20,200,000

B. CITY OF DELTA SEWER REVENUE REFUNDING BANK LOAN, GOLF COURSE AND MUNICIPAL LIGHT AND POWER NOTE PAYBLE FROM BUSINESS-TYPE ACTIVITIES:

\$2,509,154 Sewer Revenue Refunding Bank Loan of May 18, 2012 bearing interest of 3.43% until May 18th, 2032 due in monthly principal and interest installments of \$14,526.

Total Outstanding Sewer Revenue Refunding Bank Loan as of December 31st, 2018 = \$1,866,551

\$7,000,000 Golf Course and Municipal Light and Power Note Payable of August 15, 2005 payable in variable monthly installments, including interest at 4.505% per annum; matures August 15, 2020, with a balloon payment of approximately \$2,649,560.

Total Outstanding Golf Course and M.L&P. Note Payable as of December 31st, 2018 = \$3,124,948

Total payable from business-type activities: \$ 4,991,499

C. PRINCIPAL AND INTEREST PAYMENT REQUIREMENTS

Principal and interest payment requirements on the City's General Obligation, Revenue Bonds and Notes payable from governmental and business-type activities are as follows:

<u>Year</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 605,000	\$ 1,164,368	\$ 393,074	\$ 198,172
2020	625,000	1,138,770	2,957,959	142,238
2021	640,000	1,111,701	119,153	55,163
2022	660,000	1,083,023	123,363	50,953
2023	685,000	1,048,498	127,723	46,594
2024-2028	3,790,000	4,666,264	709,245	162,204
2029-2033	4,560,000	3,474,020	560,982	17,790
2034-2038	5,540,000	1,977,867	-	-
2039	3,095,000	188,238	-	-
	<u>\$ 20,200,000</u>	<u>\$ 15,852,749</u>	<u>\$ 4,991,499</u>	<u>\$ 673,114</u>

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

6 - LONG-TERM DEBT (continued)

D. CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year ended December 31, 2018 was as follows:

	<u>Governmental Activities</u>					
	Balance	<u>Additions</u>	<u>Reductions</u>	Balance	<u>Due within</u>	<u>Interest</u>
	<u>1-1-2018</u>			<u>12-31-2018</u>		
2010 Sales & Use Tax Revenue Bonds	\$ 20,790,000	\$ -	\$ 590,000	\$ 20,200,000	\$ 605,000	\$ 1,164,368
Bond Premiums	77,019	-	3,349	73,670	-	-
Compensated Absences	399,462	37,906	-	437,368	-	-
Total	<u>\$ 23,003,765</u>	<u>\$ 37,906</u>	<u>\$ 593,349</u>	<u>\$ 20,711,038</u>	<u>\$ 605,000</u>	<u>\$ 1,164,368</u>

	<u>Business-Type Activities</u>					
	Balance	<u>Additions</u>	<u>Reductions</u>	Balance	<u>Due within</u>	<u>Interest</u>
	<u>1-1-2018</u>			<u>12-31-2018</u>		
MEAN Litigation Note Payable	\$ 36,980	\$ -	\$ 31,697	\$ 5,283	\$ 5,283	\$ -
2012 Sewer Revenue Bank Loan	1,973,952	-	107,401	1,866,551	111,164	63,152
Golf Course & M.L.&P. Note Payable	3,394,454	-	269,506	3,124,948	281,911	135,020
Compensated Absences	201,779	-	23,755	178,024	-	-
Total	<u>\$ 5,607,165</u>	<u>\$ -</u>	<u>\$ 432,359</u>	<u>\$ 5,174,806</u>	<u>\$ 398,358</u>	<u>\$ 198,172</u>

The City is part of a Power Pool with MEAN of Nebraska and that pool closed a legal settlement in which the City is responsible for its portion of the settlement. The current amount allocated to the City = \$5,283 which is required to be paid next year.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included as part of the above totals for governmental activities. At year end, \$13,805 of accrued costs of compensated absences are included in the above amounts. Also, for the governmental activities, accrued costs of employees' future compensated absences are generally liquidated by the general fund and the parks and recreation center fund.

D. INTEREST EXPENSE

Interest incurred and expensed in the major enterprise funds was as follows:

	Municipal	Golf	
	<u>Light & Power</u>	<u>Course</u>	<u>Sewer</u>
Interest Expense	\$ 97,033	\$ 52,246	\$ 66,772

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

6 - LONG-TERM DEBT (continued)

F. RATE MAINTENANCE

The loan agreement dated August 15, 2005 and Ordinance No. 5, 2005, dated July 5, 2005, for the Municipal Light & Power Fund (MLP) requires the City to establish, maintain, enforce, and collect rates, fees, and charges for services furnished by, or the use of, the MLP system to create Net Revenue (Gross Revenue after deducting Operation and Maintenance expenses) in an amount equal to not less than 100% of the amount necessary to pay when due the principal of and interest on the loan coming due during such calendar year. In the event that the Net Revenue at any time is not sufficient to make such payments, the City shall promptly increase such rates, fees, and charges to an extent which will ensure the payments and accumulations required by Ordinance No. 5, 2005.

G. INTEREST RATE SWAP

Objective of the interest rate swap. As a means to lower its borrowing costs, when compared against fixed-rate bonds or loans at the time of issuance in August 2005, the City entered into an interest rate swap in connection with its note, originally issued for \$7,000,000. The intention of the swap was to effectively change the City's variable interest rate on the note to a synthetic fixed rate of 4.505 percent.

Terms. The note and the related swap agreement mature on August 17, 2020, and the notional amount was \$7,000,000. The swap was entered at the same time the note was issued (August 15, 2005). Under the swap, the City pays the counterparty a fixed payment of 4.505 percent and receives a variable payment computed as 61 percent of the London Interbank Offered Rate (LIBOR) plus 61 percent of the 2 percent margin under the fixed rate.

Fair value. At December 31, 2018 the swap had a fair value of \$(82,832) as represented by the counterparty.

Termination risk. The City or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The City may terminate all or any part of the agreement by providing two business days prior notice to the counterparty and provide evidence of its ability to pay any termination amount that the City owes.

Associated debt. Debt service requirements are included in the business activities principal and interest payment requirements of note 6.C.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

7 - INTERFUND TRANSFERS

Interfund transfers to supplement the expenditures/expenses of other funds were as follows:

Transfers Out	Transfers In				Total
	Debt Service Fund	General Fund	Golf Fund	Nonmajor Governmental Fund	
City-Wide Capital Improvement Fund	\$ 1,380,614	\$ -	\$ -	\$ -	\$ 1,380,614
ML&P Fund	-	115,000	-	5,000	120,000
Sewer Fund	-	-	180,000	5,000	185,000
Water Fund	-	115,000	145,000	45,342	305,342
Nonmajor Enterprise Fund	-	-	119,400	-	119,400
	<u>\$ 1,380,614</u>	<u>\$ 230,000</u>	<u>\$ 444,400</u>	<u>\$ 55,342</u>	<u>\$ 2,110,356</u>

8 – JOINTLY GOVERNED ORGANIZATION

Project 7 Water Authority

In 1977, the City along with the City of Montrose, the Town of Olathe, the Tri-County Water Conservancy District and the Menoken Water District entered into a contract to create a separate governmental entity, the Project 7 Water Authority, which owns and operates a water treatment facility. The Authority is governed by a board consisting of appointed representatives from each of the contracting entities. The Authority produces treated water that is purchased by the 5 contracting parties and one other water district that operate water distribution systems. The City is obligated by contract to purchase the treatment of 500 million gallons of water annually from the Authority so long as the Authority has any unpaid debt, other than from operating expenses. The rate for 2018 was 90 cents per thousand gallons which results in a minimum annual purchase commitment of \$425,000, but the rate charged may be changed by action of the Authority. During 2018 the City was allowed to purchase treatment of 527 million gallons for \$474,625 since the other entities in the joint venture purchased amounts less of their commitments. At December 31, 2018, the City owed the Authority \$21,491. Separate financial statements of Project 7 Water Authority are available from the Authority.

9 – RISK MANAGEMENT

Participation in Public Entity Risk Pool

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City is a participant in the Colorado Intergovernmental Risk Sharing Agency (CIRSA). CIRSA operates as a common risk management and insurance program for 238 members participating in the Property & Casualty Pool. The City pays an annual premium to CIRSA for its general insurance coverage. The agreement for formation of CIRSA provides that CIRSA will be financed by member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. The City continues to carry commercial insurance for worker's compensation, employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

9 – RISK MANAGEMENT (continued)

Employee Dental Benefit Plan

The City adopted an employee dental benefit plan whereby the City self-insures only \$1,000 per individual and dependents of covered dental claims and \$1,000 of orthodontic claims for dependents based on approximately 79 employees and 126 dependents covered in 2018. The City estimates and records incurred but not reported medical claims liability in the Employee's Dental Benefit Fund based on historical experience of outstanding medical claims. Changes in the reported medical claims liability since January 1, 2017 resulted in the following:

Year	<u>Dental Claims</u>			
	<u>Beginning Balance</u>	<u>Claims & Changes in Estimates</u>	<u>Claim Balance Payments</u>	<u>Ending Balance</u>
2017	\$ -	\$ 67,785	\$ 67,785	\$ -
2018	-	67,061	67,061	-

Unemployment Benefit Plan

The City does not purchase unemployment insurance and self-insures for unemployment benefits payable to former employees. The City records incurred but not reported unemployment claims liability in the funds based on actual experience of outstanding unemployment claims. Changes in the reported unemployment claims liability since January 1, 2017 resulted from the following:

Year	<u>Unemployment Claims</u>			
	<u>Beginning Balance</u>	<u>Claims & Changes in Estimates</u>	<u>Claim Balance Payments</u>	<u>Ending Balance</u>
2017	\$ -	\$ 47,580	\$ 47,580	\$ -
2018	-	9,014	9,014	-

10 - TAX, SPENDING AND DEBT LIMITATIONS

The State Constitution, Article X, Section 20, has several limitations regarding revenue raising, spending abilities, and other specific requirements of state and local governments. The Section is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the Section. However, the City has made certain interpretations of the Section's language in order to determine its compliance. The emergency reserves required under the Section have been funded in the General Fund.

11 - CONTINGENT LIABILITIES

Under the terms of federal and state grants, costs may be questioned as not being appropriate expenses that could lead to reimbursement to the grantor agencies. City management is not aware of any such expenses that would not be allowed. The City has received notices of claims for damages from one party. The City attorney is not able to make any conclusions as to material loss contingencies not covered by insurance resulting from any potential litigation. No adjustments to the financial statements have been made for such contingencies.

CITY OF DELTA, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2018

12 – FUND BALANCE DETAIL

	General Fund	Parks & Recreation Center Fund	City-wide Capital Improvement Fund	Other Governmental Fund
Fund Balances:				
Nonspendable:				
Prepays & Inventory	\$ 160	\$ 4,283	\$ -	\$ -
Perpetual Care	-	-	-	49,070
Restricted for:				
Emergency	278,796	-	-	-
Parks & Recreation Center	31,240	322,406	-	262,117
Refund	36,315	-	-	-
C.W.C.I. Fund	-	-	1,255,365	22,124
Debt Service	-	-	1,834,201	-
Police Seizure	15,126	-	-	-
Assigned for:				
Subsequent year's expenditures	148,247	165,164	88,241	-
Unassigned:				
General Fund	948,994	-	-	-
	<u>\$ 1,458,878</u>	<u>\$ 491,853</u>	<u>\$ 3,177,807</u>	<u>\$ 333,311</u>

13 – DEFICIT NET POSITION

The Golf Course Fund has an overall net position deficit of \$(656,711), a deficit net investment in capital assets of \$(624,382) and an unrestricted net position deficit of \$(32,329) as of December 31, 2018.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

General Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance With Final Budget	
REVENUES					
Taxes					
Sales and Use Taxes	\$ 1,842,600	\$ 1,842,600	\$ 1,940,625	\$ 98,025	\$ 1,829,178
Franchise and In Lieu of Taxes	638,215	638,215	672,879	34,664	634,595
Other Taxes	18,000	18,000	18,697	697	19,836
Total Tax Revenue	<u>2,498,815</u>	<u>2,498,815</u>	<u>2,632,201</u>	<u>133,386</u>	<u>2,483,609</u>
Intergovernmental Revenues					
Cigarette Taxes	21,000	21,000	18,803	(2,197)	18,628
Highway Users	318,472	318,472	399,565	81,093	322,654
Road and Bridge	40,000	40,000	39,556	(444)	37,304
Clerk/Motor Vehicle Fees	32,000	32,000	37,528	5,528	36,522
Mineral Lease	30,000	30,000	23,200	(6,800)	29,371
Severance Tax	25,000	25,000	28,246	3,246	24,422
Federal Grants	-	-	-	-	485,888
State Grants	40,569	40,569	64,570	24,001	48,376
Total Intergovernmental Revenue	<u>507,041</u>	<u>507,041</u>	<u>611,468</u>	<u>104,427</u>	<u>1,003,165</u>
Licenses and Permits					
Liquor Licenses	4,300	4,300	4,790	490	5,126
Building Permits	40,000	40,000	54,918	14,918	41,613
Annexation/Other P&Z Fees	22,000	22,000	35,554	13,554	15,176
Animal Licenses	1,200	1,200	1,240	40	1,315
Other Licenses	26,500	26,500	27,190	690	28,018
Total Licenses and Permits	<u>94,000</u>	<u>94,000</u>	<u>123,692</u>	<u>29,692</u>	<u>91,248</u>
Fines and Forfeits	<u>70,000</u>	<u>70,000</u>	<u>39,875</u>	<u>(30,125)</u>	<u>36,787</u>
Internal Charges					
Administrative/Management Fees	801,614	801,614	801,613	(1)	801,613
Charges for Services					
Utility Charges	4,800	4,800	4,800	-	4,800
Sales of Goods	5,000	5,000	6,720	1,720	6,930
Other Charges for Services	2,100	2,100	18,724	16,624	4,523
Total Charges for Services	<u>11,900</u>	<u>11,900</u>	<u>30,244</u>	<u>18,344</u>	<u>16,253</u>
Investment Earnings	<u>12,000</u>	<u>12,000</u>	<u>22,633</u>	<u>10,633</u>	<u>12,425</u>
Other Revenues					
Donations	-	-	4,465	4,465	-
Other Miscellaneous Revenue	25,000	25,000	40,240	15,240	66,618
Total Other Revenue	<u>25,000</u>	<u>25,000</u>	<u>44,705</u>	<u>19,705</u>	<u>66,618</u>
TOTAL REVENUES	<u>4,020,370</u>	<u>4,020,370</u>	<u>4,306,431</u>	<u>286,061</u>	<u>4,511,718</u>

See accompanying Independent Auditors' Report.

(Continued)

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE**General Fund**

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018				2017 Actual
	Original Budget	Final Budget	Actual	Variance With Final Budget	
(Continued)					
EXPENDITURES					
General Government					
Mayor and Council/Board	62,350	62,350	80,426	(18,076)	67,438
Administrator/Manager	247,498	247,498	249,961	(2,463)	246,503
Clerk	65,016	65,016	75,952	(10,936)	53,732
Treasurer/Finance	473,258	473,258	462,002	11,256	446,600
Attorney	20,000	20,000	55,178	(35,178)	28,856
Other General Government	200,362	200,362	193,874	6,488	639,885
Total General Government	1,068,484	1,068,484	1,117,393	(48,909)	1,483,014
Public Safety					
Police	1,871,535	1,896,535	1,954,466	(57,931)	1,887,191
Animal Control	36,366	36,366	34,879	1,487	22,999
Municipal Court	52,178	52,178	48,421	3,757	44,868
Code Enforcement	63,930	63,930	70,419	(6,489)	64,643
Total Public Safety	2,024,009	2,049,009	2,108,185	(59,176)	2,019,701
Public Works					
Community Development	197,838	197,838	202,453	(4,615)	193,546
Planning and Zoning	114,201	114,201	115,537	(1,336)	106,376
Engineering	89,086	89,086	88,220	866	83,557
Streets	720,033	720,033	630,056	89,977	715,752
Total Public Works/Comm Devel	1,121,158	1,121,158	1,036,266	84,892	1,099,231
Parks, Recreation and Other					
Culture	9,463	9,463	10,396	(933)	9,543
Cemetery	151,073	151,073	142,724	8,349	147,263
Total Parks, Recreation & Other	160,536	160,536	153,120	7,416	156,806
Capital Outlay					
General Government Capital Outlay	5,000	5,000	-	5,000	4,498
Public Safety Capital Outlay	48,800	48,800	17,018	31,782	24,477
Public Works Capital Outlay	-	-	2,399	(2,399)	-
Total Capital Outlay	53,800	53,800	19,417	34,383	28,975
Contingency Reserve					
TOTAL EXPENDITURES	4,427,987	4,452,987	4,434,381	18,606	4,787,727
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(407,617)	(432,617)	(127,950)	304,667	(276,009)
OTHER FINANCING SOURCES (USES)					
Transfers In	230,000	230,000	230,000	-	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (177,617)	\$ (202,617)	102,050	\$ 304,667	(276,009)
FUND BALANCE, BEGINNING			1,356,828		1,632,837
FUND BALANCE, ENDING			\$ 1,458,878		\$ 1,356,828

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Parks and Recreation Center Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Original & Final Budget	Actual	Variance With Final Budget	
REVENUES				
Taxes				
Sales and Use Taxes	\$ 1,842,600	\$ 1,940,634	\$ 98,034	\$ 1,829,181
Intergovernmental Revenues				
State Grants	210,000	3,663	(206,337)	71,337
Other Intergovernmental	-	16,196	16,196	2,250
Total Intergovernmental Revenue	210,000	19,859	(190,141)	73,587
Charges for Services				
Recreation/Comm Ctr Charges	714,850	726,072	11,222	711,543
Rents	11,700	7,630	(4,070)	6,404
Total Charges for Services	726,550	733,702	7,152	717,947
Investment Earnings				
	1,000	4,649	3,649	1,035
Other Revenues				
Donations	-	1,723	1,723	1,958
Other Miscellaneous Revenue	-	8,095	8,095	10,718
Total Other Revenue	-	9,818	9,818	12,676
TOTAL REVENUES	2,780,150	2,708,662	(71,488)	2,634,426
EXPENDITURES				
Parks, Recreation and Other				
Parks	692,062	681,517	10,545	652,602
Recreation	988,687	1,005,946	(17,259)	938,074
Parks and Recreation Administration	710,322	720,985	(10,663)	697,780
Other Parks and Recreation	12,716	11,282	1,434	10,938
Total Parks, Recreation & Other	2,403,787	2,419,730	(15,943)	2,299,394
Internal Charges				
Administrative/Management Fees	222,184	222,184	-	222,184
Capital Outlay				
Parks, Recreation and Other Capital Outlay	209,000	4,217	204,783	103,845
TOTAL EXPENDITURES	2,834,971	2,646,131	188,840	2,625,423
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	(54,821)	62,531	117,352	9,003
Transfers (Out)	-	-	-	(93,170)
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (54,821)	62,531	\$ 117,352	(84,167)
FUND BALANCE, BEGINNING		429,322		513,489
FUND BALANCE, ENDING		\$ 491,853		\$ 429,322

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

City-Wide Capital Improvement Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Original & Final Budget	Actual	Variance With Final Budget	
REVENUES				
Taxes				
Sales and Use Taxes	\$ 2,459,271	\$ 2,593,413	\$ 134,142	\$ 2,462,108
Intergovernmental Revenues				
Federal Grants	412,241	402,849	(9,392)	390,921
Charges for Services				
Rents	-	-	-	5,525
Investment Earnings				
	19,500	47,976	28,476	21,152
Other Revenues				
Sale of Capital Assets	-	5	5	14,000
Other Miscellaneous Revenue	5,000	-	(5,000)	3,941
Total Other Revenue	5,000	5	(4,995)	17,941
TOTAL REVENUES	2,896,012	3,044,243	148,231	2,897,647
EXPENDITURES				
Internal Charges				
Administrative/Management Fees	71,925	71,925	-	71,925
Capital Outlay				
Other Capital Outlay	1,064,606	656,351	408,255	746,777
Debt Service				
Principal	590,000	590,000	-	575,000
Interest	1,187,855	1,187,855	-	1,205,105
Total Debt Service	1,777,855	1,777,855	-	1,780,105
TOTAL EXPENDITURES	2,914,386	2,506,131	408,255	2,598,807
OTHER FINANCING SOURCES (USES)				
NET CHANGE IN FUND BALANCE - BUDGET BASIS	\$ (18,374)	538,112	\$ 556,486	298,840
FUND BALANCE, BEGINNING		2,639,695		2,340,855
FUND BALANCE, ENDING		\$ 3,177,807		\$ 2,639,695

See accompanying Independent Auditors' Report.

INTENTIONALLY LEFT BLANK

OTHER SUPPLEMENTARY INFORMATION

CITY OF DELTA, COLORADO

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
DECEMBER 31, 2018
With Comparative Totals for December 31, 2017

	<u>SPECIAL REVENUE FUNDS</u>		<u>PERMANENT</u>
	Conservation Trust	Delta Urban Renewal Authority	Perpetual Care
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ -	\$ -	\$ -
Restricted Cash and Investments	263,116	-	49,070
Receivables			
Other Receivables	-	22,767	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 263,116</u>	<u>\$ 22,767</u>	<u>\$ 49,070</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 1,000	\$ 642	\$ -
FUND BALANCE			
Nonspendable Fund Balance	-	-	49,070
Restricted Fund Balance	262,116	618	-
Unassigned Fund Balance	-	21,507	-
TOTAL FUND BALANCE	<u>262,116</u>	<u>22,125</u>	<u>49,070</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE	<u>\$ 263,116</u>	<u>\$ 22,767</u>	<u>\$ 49,070</u>

See accompanying Independent Auditors' Report.

Total	
2018	2017
\$ -	\$ 7,446
312,186	301,683
<u>22,767</u>	<u>-</u>
<u>\$ 334,953</u>	<u>\$ 309,129</u>

<u>\$ 1,642</u>	<u>\$ 6,828</u>
49,070	44,590
262,734	257,093
<u>21,507</u>	<u>618</u>
<u>333,311</u>	<u>302,301</u>
<u>\$ 334,953</u>	<u>\$ 309,129</u>

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

NONMAJOR GOVERNMENTAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	<u>SPECIAL REVENUE FUNDS</u>		<u>PERMANENT</u>
	<u>Conservation Trust</u>	<u>Delta Urban Renewal Authority</u>	<u>Perpetual Care</u>
	<u>Fund</u>	<u>Fund</u>	<u>Fund</u>
REVENUES			
Intergovernmental Revenues	\$ 88,202	\$ 64,745	\$ -
Charges for Services	-	-	4,480
Investment Earnings	5,000	-	-
TOTAL REVENUES	<u>93,202</u>	<u>64,745</u>	<u>4,480</u>
EXPENDITURES			
Current:			
Public Works	-	85,080	-
Parks, Recreation and Other	6,465	-	-
Capital Outlay	81,714	-	-
TOTAL EXPENDITURES	<u>88,179</u>	<u>85,080</u>	<u>-</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	5,023	(20,335)	4,480
OTHER FINANCING SOURCES (USES)			
Transfers (In)	-	41,842	-
NET CHANGE IN FUND BALANCE - GAAP BASIS	5,023	21,507	4,480
FUND BALANCE, BEGINNING	<u>257,093</u>	<u>618</u>	<u>44,590</u>
FUND BALANCE, ENDING	<u>\$ 262,116</u>	<u>\$ 22,125</u>	<u>\$ 49,070</u>

See accompanying Independent Auditors' Report.

Total	
2018	2017
\$ 152,947	\$ 102,373
4,480	4,620
5,000	2,643
<u>162,427</u>	<u>109,636</u>
85,080	100,936
6,465	-
81,714	110,908
<u>173,259</u>	<u>211,844</u>
(10,832)	(102,208)
<u>41,842</u>	<u>86,650</u>
31,010	(15,558)
302,301	317,859
<u>\$ 333,311</u>	<u>\$ 302,301</u>

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Conservation Trust Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018		Variance With Final Budget	2017 Actual
	Original & Final Budget	Actual		
REVENUES				
Intergovernmental Revenues				
Cons Trust Fund Revenue	\$ 91,000	\$ 88,202	\$ (2,798)	\$ 86,900
Investment Earnings	2,700	5,000	2,300	2,643
TOTAL REVENUES	<u>93,700</u>	<u>93,202</u>	<u>(498)</u>	<u>89,543</u>
EXPENDITURES				
Parks, Recreation and Other				
Parks	3,000	6,465	(3,465)	-
Capital Outlay				
Parks, Recreation and Other Capital Outlay	145,000	81,714	63,286	110,908
TOTAL EXPENDITURES	<u>148,000</u>	<u>88,179</u>	<u>59,821</u>	<u>110,908</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (54,300)</u>	5,023	<u>\$ 59,323</u>	(21,365)
FUND BALANCE, BEGINNING		<u>257,093</u>		<u>278,458</u>
FUND BALANCE, ENDING		<u>\$ 262,116</u>		<u>\$ 257,093</u>

See accompanying Independent Auditors' Report

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Delta Urban Renewal Authority Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018		Variance With Final Budget	2017 Actual
	Original & Final Budget	Actual		
REVENUES				
Intergovernmental Revenues				
State Grants	\$ 563,850	\$ 64,745	\$ (499,105)	\$ 15,473
Other Charges for Services	5,000	-	(5,000)	-
Investment Earnings	<u>10,938</u>	<u>-</u>	<u>(10,938)</u>	<u>-</u>
TOTAL REVENUES	<u>579,788</u>	<u>64,745</u>	<u>(515,043)</u>	<u>15,473</u>
EXPENDITURES				
Public Works				
Community Development	<u>2,309,750</u>	<u>85,080</u>	<u>2,224,670</u>	<u>100,936</u>
REVENUES IN EXCESS (DEFICIENCY) OF EXPENDITURES	<u>(1,729,962)</u>	<u>(20,335)</u>	<u>1,709,627</u>	<u>(85,463)</u>
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	(1,750,000)	-	1,750,000	-
Transfers In	-	41,842	41,842	86,650
Transfers (Out)	<u>(15,000)</u>	<u>-</u>	<u>15,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>(1,765,000)</u>	<u>41,842</u>	<u>1,806,842</u>	<u>86,650</u>
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ (3,494,962)</u>	<u>21,507</u>	<u>\$ 3,516,469</u>	<u>1,187</u>
FUND BALANCE, BEGINNING		<u>618</u>		<u>(569)</u>
FUND BALANCE, ENDING		<u>\$ 22,125</u>		<u>\$ 618</u>

See accompanying Independent Auditors' Report

CITY OF DELTA, COLORADO

BUDGETARY COMPARISON SCHEDULE

Perpetual Care Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018		Variance With Final Budget	2017 Actual
	Original & Final Budget	Actual		
REVENUES				
Charges for Services				
Sales of Goods	\$ 3,500	\$ 4,480	\$ 980	\$ 4,620
EXPENDITURES				
Parks, Recreation and Other				
Cemetery	1,000	-	1,000	-
NET CHANGE IN FUND BALANCE - BUDGET BASIS	<u>\$ 2,500</u>	4,480	<u>\$ 1,980</u>	4,620
FUND BALANCE, BEGINNING		44,590		39,970
FUND BALANCE, ENDING		<u>\$ 49,070</u>		<u>\$ 44,590</u>

See accompanying Independent Auditors' Report

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF NET POSITION

NONMAJOR ENTERPRISE FUNDS

DECEMBER 31, 2018

With Comparative Totals for December 31, 2017

	Refuse	Total	
	Fund	2018	2017
ASSETS AND DEFERRED OUTFLOWS			
ASSETS			
Current Assets			
Cash and Investments			
Cash	\$ 48,113	\$ 48,113	\$ 12,851
Investments	968,681	968,681	1,047,570
Receivables			
Accounts Receivable	71,974	71,974	74,203
Other Receivables	675	675	-
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,089,443</u>	<u>\$ 1,089,443</u>	<u>\$ 1,134,624</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
LIABILITIES			
Current Liabilities			
Accounts Payable	\$ 14,765	\$ 14,765	\$ 9,952
Accrued Salaries and Benefits	5,215	5,215	5,066
Total Current Liabilities	19,980	19,980	15,018
Noncurrent Liabilities			
Due in more than one year	5,359	5,359	11,885
TOTAL LIABILITIES	25,339	25,339	26,903
NET POSITION			
Unrestricted Net Position	1,064,104	1,064,104	1,107,721
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 1,089,443</u>	<u>\$ 1,089,443</u>	<u>\$ 1,134,624</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

NONMAJOR ENTERPRISE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	Refuse	Total	
	Fund	2018	2017
Operating Revenues			
Utility Charges	\$ 695,174	\$ 695,174	\$ 688,533
Operating Expenses			
Management Fees	120,432	120,432	120,125
Collection, Transmission and Distribution	532,909	532,909	484,367
Claims and Premiums	286	286	-
Total Expenditures	653,627	653,627	604,492
Operating Income (Loss)	41,547	41,547	84,041
Other Income (Expense)			
Investment Earnings	21,111	21,111	11,277
Other Revenue	13,125	13,125	12,668
Total Other Income (Expense)	34,236	34,236	23,945
Net Income (Loss) before Transfers	75,783	75,783	107,986
Transfers			
Transfers In/(Out)	(119,400)	(119,400)	(140,150)
Change in Net Position	(43,617)	(43,617)	(32,164)
Net Position, Beginning	1,107,721	1,107,721	1,139,885
Net Position, Ending	\$ 1,064,104	\$ 1,064,104	\$ 1,107,721

See accompanying Independent Auditors' Report.

CITY OF DELTA

**COMBINING SCHEDULE OF CASH FLOWS -
NONMAJOR ENTERPRISE FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2018
With Comparative Totals for the Year Ended December 31, 2017**

	Refuse	Total	
	Fund	2018	2017
Cash Flows From Operating Activities:			
Cash Received from Customers	\$ 696,729	\$ 696,729	\$ 686,887
Cash Paid to Suppliers	(439,128)	(439,128)	(393,604)
Cash Paid for Interfund Services	(120,432)	(120,432)	(120,125)
Cash Paid to Employees	(95,631)	(95,631)	(95,964)
Net Cash Provided by Operating Activities	<u>41,538</u>	<u>41,538</u>	<u>77,194</u>
Cash Flows (Uses) From Noncapital Financing Activities:			
Cash from Other Funds	(119,400)	(119,400)	(140,150)
Other Revenues (Expense)	13,125	13,125	12,668
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(106,275)</u>	<u>(106,275)</u>	<u>(127,482)</u>
Cash Flows (Uses) From Investing Activities:			
Interest Received	<u>21,111</u>	<u>21,111</u>	<u>11,277</u>
Net Increase (Decrease) in Cash	(43,626)	(43,626)	(39,011)
Cash - Beginning	<u>1,060,420</u>	<u>1,060,420</u>	<u>1,099,432</u>
Cash - Ending	<u>\$ 1,016,794</u>	<u>\$ 1,016,794</u>	<u>\$ 1,060,421</u>
Cash			
Investments	\$ 48,113	\$ 48,113	\$ 12,851
Total	<u>968,681</u>	<u>968,681</u>	<u>1,047,570</u>
	<u>\$ 1,016,794</u>	<u>\$ 1,016,794</u>	<u>\$ 1,060,421</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:			
Operating Income (Loss)	\$ 41,547	\$ 41,547	\$ 84,041
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Changes in Assets and Liabilities Related to Operations:			
(Increase) Decrease in:			
Accounts Receivable	2,229	2,229	(1,706)
Other Receivables	(674)	(674)	60
(Increase) Decrease in:			
Accounts Payable	4,813	4,813	(801)
Accrued Salaries and Benefits	149	149	(790)
Accrued Compensated Absences	(6,526)	(6,526)	(3,610)
Total Adjustments	<u>(9)</u>	<u>(9)</u>	<u>(6,847)</u>
Net Cash Used for Operating Activities	<u>\$ 41,538</u>	<u>\$ 41,538</u>	<u>\$ 77,194</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Municipal Light & Power Fund
FOR THE YEAR ENDED DECEMBER 31, 2018
With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Utility Charges	\$ 6,347,500	\$ 6,460,013	\$ 112,513	\$ 6,199,077
Other Charges for Services	10,000	11,216	1,216	17,905
Total Revenues	<u>6,357,500</u>	<u>6,471,229</u>	<u>113,729</u>	<u>6,216,982</u>
Operating Expenses				
Commodity Charges	4,565,000	4,521,267	43,733	4,315,004
Management Fees	410,975	415,239	(4,264)	403,996
Collection, Transmission and Distribution	718,833	674,488	44,345	662,488
Administration	159,996	126,192	33,804	65,803
Other Capital Outlay	197,000	85,999	111,001	489,670
Total Expenditures	<u>6,051,804</u>	<u>5,823,185</u>	<u>228,619</u>	<u>5,936,961</u>
Operating Income (Loss)	<u>305,696</u>	<u>648,044</u>	<u>342,348</u>	<u>280,021</u>
Other Income (Expense)				
Investment Earnings	25,000	81,301	56,301	39,607
Other Revenue	94,800	352,036	257,236	165,693
Debt Service	(270,986)	(303,910)	(32,924)	(303,690)
Total Other Income (Expense)	<u>(151,186)</u>	<u>129,427</u>	<u>280,613</u>	<u>(98,390)</u>
Net Income (Loss) before Transfers	154,510	777,471	622,961	181,631
Transfers				
Transfers In/(Out)	(115,000)	(120,000)	(5,000)	-
Change in Net Position (Budget Basis)	<u>\$ 39,510</u>	<u>657,471</u>	<u>\$ 617,961</u>	<u>181,631</u>
Budget to GAAP Reconciliation				
Principal Paid		206,877		199,069
Depreciation Expense		(365,828)		(359,482)
Capital Outlay		63,884		465,904
Change in Net Position - GAAP Basis		562,404		487,122
Net Position, Beginning		<u>9,764,889</u>		<u>9,277,767</u>
Net Position, Ending		<u>\$ 10,327,293</u>		<u>\$ 9,764,889</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL**

Sewer Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Utility Charges	\$ 1,299,340	\$ 1,320,392	\$ 21,052	\$ 1,310,130
Other Charges for Services	7,200	9,748	2,548	9,611
Total Revenues	<u>1,306,540</u>	<u>1,330,140</u>	<u>23,600</u>	<u>1,319,741</u>
Operating Expenses				
Management Fees	161,692	162,356	(664)	161,863
Collection, Transmission and Distribution	231,276	259,589	(28,313)	227,865
Production and Treatment	415,000	-	415,000	-
Maintenance	488,305	474,578	13,727	421,713
Administration	51,723	47,628	4,095	51,540
Other Capital Outlay	226,000	95,162	130,838	278,266
Total Expenditures	<u>1,573,996</u>	<u>1,039,313</u>	<u>534,683</u>	<u>1,141,247</u>
Operating Income (Loss)	<u>(267,456)</u>	<u>290,827</u>	<u>558,283</u>	<u>178,494</u>
Other Income (Expense)				
Investment Earnings	20,000	56,784	36,784	30,027
Other Revenue	32,500	40,889	8,389	29,444
Debt Service	(174,316)	(174,173)	143	(174,375)
Total Other Income (Expense)	<u>(121,816)</u>	<u>(76,500)</u>	<u>45,316</u>	<u>(114,904)</u>
Net Income (Loss) before Transfers	<u>(389,272)</u>	<u>214,327</u>	<u>603,599</u>	<u>63,590</u>
Transfers				
Transfers In/(Out)	<u>(180,000)</u>	<u>(185,000)</u>	<u>(5,000)</u>	<u>(168,180)</u>
Net Income (Loss), Budget Basis	<u>(569,272)</u>	<u>29,327</u>	<u>598,599</u>	<u>(104,590)</u>
Contributed Capital				
Plant Investment Fees	<u>25,000</u>	<u>119,900</u>	<u>94,900</u>	<u>49,050</u>
Change in Net Position (Budget Basis)	<u>\$ (544,272)</u>	<u>149,227</u>	<u>\$ 693,499</u>	<u>(55,540)</u>
Budget to GAAP Reconciliation				
Principal Paid		107,401		103,920
Depreciation Expense		(494,091)		(502,759)
Capital Outlay		95,162		278,266
Change in Net Position - GAAP Basis		<u>(142,301)</u>		<u>(176,113)</u>
Net Position, Beginning		<u>9,237,222</u>		<u>9,413,335</u>
Net Position, Ending		<u>\$ 9,094,921</u>		<u>\$ 9,237,222</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL**

Water Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Utility Charges	\$ 1,870,300	\$ 2,012,098	\$ 141,798	\$ 1,985,396
Other Charges for Services	1,200	7,152	5,952	1,449
Total Revenues	<u>1,871,500</u>	<u>2,019,250</u>	<u>147,750</u>	<u>1,986,845</u>
Operating Expenses				
Commodity Charges	357,095	355,436	1,659	350,545
Management Fees	186,170	193,189	(7,019)	191,349
Collection, Transmission and Distribution	654,467	633,833	20,634	605,171
Production and Treatment	500,000	474,625	25,375	472,213
Administration	22,089	23,502	(1,413)	30,958
Other Capital Outlay	260,000	16,925	243,075	268,313
Total Expenditures	<u>1,979,821</u>	<u>1,697,510</u>	<u>282,311</u>	<u>1,918,549</u>
Operating Income (Loss)	<u>(108,321)</u>	<u>321,740</u>	<u>430,061</u>	<u>68,296</u>
Other Income (Expense)				
Intergovernmental Revenue	-	-	-	106,086
Investment Earnings	20,000	55,592	35,592	28,570
Other Revenue	35,750	35,487	(263)	33,327
Total Other Income (Expense)	<u>55,750</u>	<u>91,079</u>	<u>35,329</u>	<u>167,983</u>
Net Income (Loss) before Transfers	(52,571)	412,819	465,390	236,279
Transfers				
Transfers In/(Out)	<u>(367,000)</u>	<u>(305,342)</u>	<u>61,658</u>	<u>(86,650)</u>
Net Income (Loss), Budget Basis	(419,571)	107,477	527,048	149,629
Contributed Capital				
Plant Investment Fees	<u>13,200</u>	<u>60,800</u>	<u>47,600</u>	<u>32,200</u>
Change in Net Position (Budget Basis)	<u>\$ (406,371)</u>	<u>168,277</u>	<u>\$ 574,648</u>	<u>181,829</u>
Budget to GAAP Reconciliation				
Depreciation Expense		(291,487)		(277,790)
Capital Outlay		16,925		268,313
Change in Net Position - GAAP Basis		(106,285)		172,352
Net Position, Beginning		<u>7,378,478</u>		<u>7,206,126</u>
Net Position, Ending		<u>\$ 7,272,193</u>		<u>\$ 7,378,478</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL

Refuse Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Utility Charges	\$ 667,000	\$ 695,174	\$ 28,174	\$ 688,533
Operating Expenses				
Management Fees	119,097	120,432	(1,335)	120,125
Collection, Transmission and Distribution	551,335	532,909	18,426	484,367
Claims and Premiums	-	286	(286)	-
Total Expenditures	<u>670,432</u>	<u>653,627</u>	<u>16,805</u>	<u>604,492</u>
Operating Income (Loss)	<u>(3,432)</u>	<u>41,547</u>	<u>44,979</u>	<u>84,041</u>
Other Income (Expense)				
Investment Earnings	7,000	21,111	14,111	11,277
Other Revenue	<u>17,000</u>	<u>13,125</u>	<u>(3,875)</u>	<u>12,668</u>
Total Other Income (Expense)	<u>24,000</u>	<u>34,236</u>	<u>10,236</u>	<u>23,945</u>
Net Income (Loss) before Transfers	20,568	75,783	55,215	107,986
Transfers				
Transfers In/(Out)	<u>(150,000)</u>	<u>(119,400)</u>	<u>30,600</u>	<u>(140,150)</u>
Change in Net Position (Budget Basis)	<u>\$ (129,432)</u>	<u>(43,617)</u>	<u>\$ 85,815</u>	<u>(32,164)</u>
Net Position, Beginning		<u>1,107,721</u>		<u>1,139,885</u>
Net Position, Ending		<u>\$ 1,064,104</u>		<u>\$ 1,107,721</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL**

Golf Course Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Golf Course Charges	\$ 467,208	\$ 500,096	\$ 32,888	\$ 496,182
Operating Expenses				
Golf Course Pro and Concessions	291,462	300,356	(8,894)	275,504
Golf Course Maintenance	443,185	412,410	30,775	400,903
Management Fees	76,843	76,843	-	76,843
Other Capital Outlay	-	16,499	(16,499)	2,995
Total Expenditures	<u>811,490</u>	<u>806,108</u>	<u>5,382</u>	<u>756,245</u>
Operating Income (Loss)	<u>(344,282)</u>	<u>(306,012)</u>	<u>38,270</u>	<u>(260,063)</u>
Other Income (Expense)				
Other Revenue	-	4,106	4,106	2,798
Debt Service	<u>(145,938)</u>	<u>(146,574)</u>	<u>(636)</u>	<u>(146,458)</u>
Total Other Income (Expense)	<u>(145,938)</u>	<u>(142,468)</u>	<u>3,470</u>	<u>(143,660)</u>
Net Income (Loss) before Transfers	(490,220)	(448,480)	41,740	(403,723)
Transfers				
Transfers In/(Out)	<u>475,000</u>	<u>444,400</u>	<u>(30,600)</u>	<u>401,500</u>
Change in Net Position (Budget Basis)	<u>\$ (15,220)</u>	<u>(4,080)</u>	<u>\$ 11,140</u>	<u>(2,223)</u>
Budget to GAAP Reconciliation				
Principal Paid		94,328		90,123
Depreciation Expense		(40,121)		(39,522)
Capital Outlay		<u>7,120</u>		<u>2,995</u>
Change in Net Position - GAAP Basis		57,247		51,373
Net Position, Beginning		<u>(713,958)</u>		<u>(765,331)</u>
Net Position, Ending		<u>\$ (656,711)</u>		<u>\$ (713,958)</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF NET POSITION

INTERNAL SERVICE FUNDS

DECEMBER 31, 2018

With Comparative Totals for December 31, 2017

	Internal Service	Employees' Dental	Total	
	Fund	Fund	2018	2017
ASSETS AND DEFERRED OUTFLOWS				
ASSETS				
Current Assets				
Cash and Investments				
Cash	\$ 69,936	\$ 16,827	\$ 86,763	\$ 279,169
Investments	1,004,727	-	1,004,727	637,818
Other Receivables	1,801	-	1,801	-
Inventory	97,438	-	97,438	107,255
Prepaid Expenses	-	-	-	80
Total Current Assets	<u>1,173,902</u>	<u>16,827</u>	<u>1,190,729</u>	<u>1,024,322</u>
Noncurrent Assets				
Capital Assets being depreciated	5,406,934	-	5,406,934	5,203,133
Accumulated Depreciation	(4,347,843)	-	(4,347,843)	(3,980,562)
Total Noncurrent Assets	<u>1,059,091</u>	<u>-</u>	<u>1,059,091</u>	<u>1,222,571</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 2,232,993</u>	<u>\$ 16,827</u>	<u>\$ 2,249,820</u>	<u>\$ 2,246,893</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
LIABILITIES				
Current Liabilities				
Accounts Payable	\$ 25,280	\$ 15,727	\$ 41,007	\$ 31,208
Accrued Salaries and Benefits	10,110	-	10,110	7,942
Total Current Liabilities	<u>35,390</u>	<u>15,727</u>	<u>51,117</u>	<u>39,150</u>
Noncurrent Liabilities				
Due in more than one year	13,805	-	13,805	14,344
TOTAL LIABILITIES	<u>49,195</u>	<u>15,727</u>	<u>64,922</u>	<u>53,494</u>
NET POSITION				
Net Investment in Capital Assets	1,059,091	-	1,059,091	1,222,571
Unrestricted Net Position	1,124,707	1,100	1,125,807	970,828
TOTAL NET POSITION	<u>2,183,798</u>	<u>1,100</u>	<u>2,184,898</u>	<u>2,193,399</u>
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	<u>\$ 2,232,993</u>	<u>\$ 16,827</u>	<u>\$ 2,249,820</u>	<u>\$ 2,246,893</u>

See accompanying Independent Auditors' Report

CITY OF DELTA, COLORADO

COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

INTERNAL SERVICE FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	Internal Service	Employees' Dental	Total	
	Fund	Fund	2018	2017
Operating Revenues				
Internal Charges	\$ 1,074,666	\$ 47,736	\$ 1,122,402	\$ 1,115,329
Other Charges for Services	-	9,139	9,139	9,504
Total Revenues	<u>1,074,666</u>	<u>56,875</u>	<u>1,131,541</u>	<u>1,124,833</u>
Operating Expenses				
Management Fees	61,934	-	61,934	61,934
Claims and Premiums	28,172	57,035	85,207	83,565
Maintenance	622,854	-	622,854	541,218
Administration	-	10,026	10,026	9,934
Depreciation Expense	406,828	-	406,828	430,710
Total Expenditures	<u>1,119,788</u>	<u>67,061</u>	<u>1,186,849</u>	<u>1,127,361</u>
Operating Income (Loss)	<u>(45,122)</u>	<u>(10,186)</u>	<u>(55,308)</u>	<u>(2,528)</u>
Other Income (Expense)				
Investment Earnings	16,909	-	16,909	7,081
Other Revenue	9,453	-	9,453	12,358
Gain (Loss) on Sale of Assets	6,945	-	6,945	5,702
Total Other Income (Expense)	<u>33,307</u>	<u>-</u>	<u>33,307</u>	<u>25,141</u>
Net Income (Loss) before Transfers	<u>(11,815)</u>	<u>(10,186)</u>	<u>(22,001)</u>	<u>22,613</u>
Transfers				
Transfers In/(Out)	<u>-</u>	<u>13,500</u>	<u>13,500</u>	<u>-</u>
Change in Net Position	<u>(11,815)</u>	<u>3,314</u>	<u>(8,501)</u>	<u>22,613</u>
Net Position, Beginning	<u>2,195,613</u>	<u>(2,214)</u>	<u>2,193,399</u>	<u>2,170,786</u>
Net Position, Ending	<u>\$ 2,183,798</u>	<u>\$ 1,100</u>	<u>\$ 2,184,898</u>	<u>\$ 2,193,399</u>

See accompanying Independent Auditors' Report

CITY OF DELTA

**COMBINING SCHEDULE OF CASH FLOWS -
INTERNAL SERVICE FUNDS**

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	Internal Service	Employees' Dental	Total	
	Fund	Fund	2018	2017
Cash Flows From Operating Activities:				
Cash Received from Customers	\$ (1,801)	\$ 9,139	\$ 7,338	\$ 9,598
Cash Received from Interfund Services Provided	1,074,666	47,736	1,122,402	1,115,329
Cash Paid to Suppliers	(465,586)	(57,334)	(522,920)	(477,038)
Cash Paid for Interfund Services	(61,934)	-	(61,934)	(61,934)
Cash Paid to Employees	(173,843)	-	(173,843)	(159,488)
Net Cash Provided by Operating Activities	<u>371,502</u>	<u>(459)</u>	<u>371,043</u>	<u>426,467</u>
Cash Flows From Capital and Related Financing Activities:				
Proceeds of Capital Asset Sales	6,945	-	6,945	397,560
Acquisition of Capital Assets	(243,347)	-	(243,347)	(693,234)
Cash Flows Used by Capital and Related Financing Activities	<u>(236,402)</u>	<u>-</u>	<u>(236,402)</u>	<u>(295,674)</u>
Cash Flows (Uses) From Noncapital Financing Activities:				
Cash from Other Funds	-	13,500	13,500	-
Other Revenues (Expense)	9,453	-	9,453	12,358
Net Cash Provided (Used) by Noncapital Financing Activities	<u>9,453</u>	<u>13,500</u>	<u>22,953</u>	<u>12,358</u>
Cash Flows (Uses) From Investing Activities:				
Interest Received	16,909	-	16,909	7,081
Net Increase (Decrease) in Cash	161,462	13,041	174,503	150,232
Cash - Beginning	913,201	3,786	916,987	766,755
Cash - Ending	<u>\$ 1,074,663</u>	<u>\$ 16,827</u>	<u>\$ 1,091,490</u>	<u>\$ 916,987</u>
Cash				
Investments	\$ 69,936	\$ 16,827	\$ 86,763	\$ 279,169
Total	<u>1,004,727</u>	<u>-</u>	<u>1,004,727</u>	<u>637,818</u>
Reconciliation of Operating Income (Loss) to Net Cash Used for Operating Activities:				
Operating Income (Loss)	\$ (45,122)	\$ (10,186)	\$ (55,308)	\$ (2,528)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation Expense	406,828	-	406,828	430,710
Changes in Assets and Liabilities Related to Operations:				
(Increase) Decrease in:				
Other Receivables	(1,801)	-	(1,801)	94
Inventory	9,817	-	9,817	284
Prepaid Expenses	80	-	80	270
(Increase) Decrease in:				
Accounts Payable	71	9,727	9,798	6,147
Accrued Salaries and Benefits	2,168	-	2,168	(794)
Accrued Compensated Absences	(539)	-	(539)	(7,716)
Total Adjustments	<u>416,624</u>	<u>9,727</u>	<u>426,351</u>	<u>428,995</u>
Net Cash Used for Operating Activities	<u>\$ 371,502</u>	<u>\$ (459)</u>	<u>\$ 371,043</u>	<u>\$ 426,467</u>

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL**

Internal Service Fund

FOR THE YEAR ENDED DECEMBER 31, 2018

With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Internal Charges	\$ 1,067,913	\$ 1,074,666	\$ 6,753	\$ 1,064,609
Operating Expenses				
Management Fees	61,934	61,934	-	61,934
Claims and Premiums	26,517	28,172	(1,655)	25,714
Maintenance	579,617	622,854	(43,237)	541,218
Other Capital Outlay	362,700	243,347	119,353	693,233
Total Expenditures	1,030,768	956,307	74,461	1,322,099
Operating Income (Loss)	37,145	118,359	81,214	(257,490)
Other Income (Expense)				
Intergovernmental Revenue	25,000	-	(25,000)	-
Investment Earnings	5,000	16,909	11,909	7,081
Other Revenue	-	9,453	9,453	12,358
Gain (Loss) on Sale of Assets	5,000	6,945	1,945	5,702
Total Other Income (Expense)	35,000	33,307	(1,693)	25,141
Change in Net Position (Budget Basis)	\$ 72,145	151,666	\$ 79,521	(232,349)
Budget to GAAP Reconciliation				
Depreciation Expense		(406,828)		(430,710)
Capital Outlay		243,347		693,233
Change in Net Position - GAAP Basis		(11,815)		30,174
Net Position, Beginning		2,195,613		2,165,439
Net Position, Ending		\$ 2,183,798		\$ 2,195,613

See accompanying Independent Auditors' Report.

CITY OF DELTA, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
Employees' Dental Fund
FOR THE YEAR ENDED DECEMBER 31, 2018
With Comparative Totals for the Year Ended December 31, 2017

	2018			2017 Actual
	Final Budget	Actual	Variance with Final Budget	
Operating Revenues				
Internal Charges	\$ 54,984	\$ 47,736	\$ (7,248)	\$ 50,720
Other Charges for Services	9,517	9,139	(378)	9,504
Total Revenues	<u>64,501</u>	<u>56,875</u>	<u>(7,626)</u>	<u>60,224</u>
Operating Expenses				
Claims and Premiums	54,000	57,035	(3,035)	57,851
Administration	9,900	10,026	(126)	9,934
Total Expenditures	<u>63,900</u>	<u>67,061</u>	<u>(3,161)</u>	<u>67,785</u>
Net Income (Loss) before Transfers	601	(10,186)	(10,787)	(7,561)
Transfers				
Transfers In/(Out)	-	13,500	13,500	-
Change in Net Position (Budget Basis)	<u>\$ 601</u>	3,314	<u>\$ 2,713</u>	(7,561)
Net Position, Beginning		(2,214)		5,347
Net Position, Ending		<u>\$ 1,100</u>		<u>\$ (2,214)</u>

See accompanying Independent Auditors' Report.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Delta
		YEAR ENDING : December 2018
This Information From The Records of the City of Delta, CO	Prepared By: Phone:	Tod DeZeeuw, CPA 970-874-7908

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

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	609,279
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	569,650
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	99,022
2. General fund appropriations		b. Snow and ice removal	25,318
3. Other local imposts (from page 2)	3,031,437	c. Other	1,899
4. Miscellaneous local receipts (from page 2)	75,732	d. Total (a. through c.)	126,239
5. Transfers from toll facilities		4. General administration & miscellaneous	36,078
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	792,179
a. Bonds - Original Issues		6. Total (1 through 5)	2,133,425
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	1,187,855
7. Total (1 through 6)	3,107,169	b. Redemption	590,000
B. Private Contributions		c. Total (a. + b.)	1,777,855
C. Receipts from State government (from page 2)	414,970	2. Notes:	
D. Receipts from Federal Government (from page 2)	389,141	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,911,280	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	1,777,855
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,911,280

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	20,790,000		590,000	20,200,000
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
	0	3,911,280	3,911,280		0

Notes and Comments:

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	35,857
b. Other local imposts:		b. Traffic Fines & Penalties	39,875
1. Sales Taxes	2,991,881	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	39,556	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.)	3,031,437	h. Other	
c. Total (a. + b.)	3,031,437	i. Total (a. through h.)	75,732
	(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	379,870	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	35,100	d. Federal Transit Admin	
d. Other (Specify)	0	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	389,141
f. Total (a. through e.)	35,100	g. Total (a. through f.)	389,141
4. Total (1. + 2. + 3.f)	414,970	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	0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		6,830	6,830
(3). System Preservation			0
(4). System Enhancement & Operation		602,449	602,449
(5). Total Construction (1) + (2) + (3) + (4)	0	609,279	609,279
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	609,279	609,279
			(Carry forward to page 1)

Notes and Comments:

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2018

Table 1
Debt Service Coverage

	2014	2015	2016	2017	2018
City CIF Tax	\$ 1,671,214	\$ 1,729,795	\$ 1,772,454	\$ 1,829,178	\$ 1,940,626
County CIF Tax	588,584	598,535	589,163	632,931	652,787
Interest Earnings	2,982	296	475	2,319	12,119
Total Pledged Revenues	\$ 2,262,780	\$ 2,328,626	\$ 2,362,092	\$ 2,464,428	\$ 2,605,532

Maximum Annual Debt Service

TABLE 2
History of City CIF Tax

Year	City CIF Sales Tax Collections	City CIF Use Tax Collections	Total City CIF Tax Collections
2014	\$ 1,643,489	\$ 27,725	\$ 1,671,214
2015	1,704,691	25,104	1,729,795
2016	1,728,141	44,313	1,772,454
2017	1,802,598	26,580	1,829,178
2018	1,896,330	44,296	1,940,626

TABLE 3
History of County CIF Tax

Year	Total County CIF Sales
2014	\$ 588,584
2015	598,535
2016	589,163
2017	632,931
2018	652,787

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2018

TABLE 4
Monthly Comparison of Collections of City CIF Tax

Month	2017 Current Month	2017 Period To Date	2018 Current Month	2018 Period To Date	Percent Change
January	\$ 183,810	\$ 183,810	\$ 189,146	\$ 189,146	2.9%
February	128,056	311,866	133,560	322,706	3.5%
March	123,556	435,422	129,210	451,916	3.8%
April	161,503	596,925	168,032	619,948	3.9%
May	137,648	734,573	142,751	762,699	3.8%
June	147,723	882,296	154,954	917,653	4.0%
July	172,326	1,054,622	174,500	1,092,153	3.6%
August	156,635	1,211,257	161,345	1,253,498	3.5%
September	150,188	1,361,445	153,336	1,406,834	3.3%
October	168,200	1,529,645	170,532	1,577,366	3.1%
November	141,431	1,671,076	154,759	1,732,125	3.7%
December	158,102	1,829,178	164,205	1,896,330	3.7%

TABLE 5
Monthly Comparison of Collections of County CIF Tax

Month	2017 Current Month	2017 Period To Date	2018 Current Month	2018 Period To Date	Percent Change
January	\$ -	\$ -	\$ -	\$ -	0.0%
February	546	546	603	603	10.4%
March	44,742	45,288	46,360	46,963	3.7%
April	46,119	91,407	46,825	93,788	2.6%
May	50,959	142,366	53,677	147,465	3.6%
June	48,123	190,489	51,298	198,763	4.3%
July	53,014	243,503	55,502	254,265	4.4%
August	56,645	300,148	59,729	313,994	4.6%
September	54,657	354,805	57,883	371,877	4.8%
October	58,954	413,759	55,442	427,319	3.3%
November	57,115	470,874	55,969	483,288	2.6%
December	162,057	632,931	169,499	652,787	3.1%

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2018

Table 6
Top 10 Generators of City 3% Sales & Use Tax

<u>Business Type</u>	<u>3% Sales & Use Tax Receipts</u>	<u>% of Total Collections</u>
Retail	\$ 1,643,110	32.8%
Grocery	488,841	9.8%
Government	333,082	6.6%
Grocery	260,634	5.2%
Government	157,678	3.1%
Retail	127,417	2.5%
Retail	123,736	2.5%
Utility	94,753	1.9%
Restaurant	87,360	1.7%
Retail	76,295	1.5%
Total =	\$ 3,392,906	

CITY OF DELTA, COLORADO

SUPPLEMENTAL SCHEDULES REQUIRED

PURSUANT TO BOND AGREEMENTS

(Continuing Disclosure Undertaking)

December 31, 2018

Table 7
City-Wide Capital Improvement Fund
Budget Summary & Comparison

	2017	2018	2018
	Budget	Budget	Actual
Revenues			
Sales Tax	\$ 1,773,390	\$ 1,815,600	\$ 1,896,330
Use Tax	27,000	27,000	44,296
County Sales Tax	604,520	616,671	652,787
Income From Investments	445	2,500	12,119
Grant	14,117	25,000	13,708
Miscellaneous	12,800	5,000	5
Total Revenues	<u>2,432,272</u>	<u>2,491,771</u>	<u>2,619,245</u>
Expenditures			
Miscellaneous Engineering	15,000	15,000	6,651
Sidewalk Projects	60,000	85,000	14,942
ADA Compliance	15,000	15,000	-
Public Facilities	60,180	25,000	35,224
Street Improvement Projects	520,000	520,000	278,916
Storm Water System Improvements	300,000	400,000	316,168
Non-Departmental	76,523	76,531	76,375
Transfers to Other Funds	1,392,470	1,380,614	1,380,614
Total Expenditures	<u>\$ 2,439,173</u>	<u>\$ 2,517,145</u>	<u>\$ 2,108,890</u>
Fund Balance - Beginning	\$ 497,196	\$ 805,965	\$ 833,251
Fund Balance - Ending	\$ 490,295	\$ 780,591	\$ 1,343,606

Table 8
Capital Improvements Plan Summary

Project Categories	2019	2020	2021	2022	2023
Parks	\$ 140,859	\$ -	\$ -	\$ -	\$ -
Recreation Center	273,206	101,000	160,000	15,000	-
City-Wide Improvements	1,239,989	900,000	900,000	900,000	900,000
Electrical	183,700	110,000	412,000	210,000	-
Sewer	571,100	321,000	321,000	-	-
Water	400,000	200,000	200,000	200,000	200,000
Internal Service	598,000	513,500	521,200	519,900	356,400

CITY OF DELTA, COLORADO
SUPPLEMENTAL SCHEDULES REQUIRED
PURSUANT TO BOND AGREEMENTS
(Continuing Disclosure Undertaking)
December 31, 2018

Table 9
History of General Fund Revenues
Expenditures & Changes in Fund Balances

Revenues	2014	2015	2016	2017	2018
Taxes	\$ 1,671,214	\$ 1,771,798	\$ 1,812,648	\$ 1,867,642	\$ 1,978,126
Franchise Tax Equivalents	652,650	617,442	633,598	634,596	672,879
Licenses & Permits	109,357	75,767	93,895	76,072	88,138
Intergovernmental	823,988	826,032	611,818	984,538	592,665
Charges for Services	37,737	19,593	30,592	26,252	60,558
Fines & Forfeitures	80,283	110,273	60,795	36,787	39,875
Other Rental	6,377				
Miscellaneous	67,765	69,300	64,719	71,793	49,944
Accounting & Adm. Charges	720,844	749,781	749,781	801,613	801,613
Investment Earnings	1,928	1,737	6,902	12,425	22,633
Other Financing Sources					230,000
Total Revenues	4,172,143	4,241,723	4,064,748	4,511,718	4,536,431
Expenditures					
General Government	927,518	1,074,852	1,028,594	996,947	1,105,802
Public Safety	1,720,823	1,829,559	1,735,388	1,911,667	1,971,484
Community Development	273,928	265,662	367,411	383,479	406,211
Public Works	654,861	635,005	647,891	715,752	632,455
Animal & Code Enforcement	86,159	82,058	80,630	87,642	105,298
Parks & Cemetery	897,367	132,594	136,868	147,263	142,724
IT	61,098	50,611	29,366	25,156	22,578
Non-Departmental	32,099	58,422	55,048	519,820	47,829
	4,653,853	4,128,763	4,081,196	4,787,726	4,434,381
Revenues Over (Under)					
Expenditures	(481,710)	112,960	(16,448)	(276,008)	102,050
Other Financing Sources					
Transfers In Total	469,000	-	-	-	-
Revenues & Other Financing Sources Over (Under)					
Expenditures	(12,710)	112,960	(16,448)	(276,008)	102,050
Fund Balance - Beginning	1,549,034	1,536,324	1,649,284	1,632,836	1,356,828
Fund Balance - Ending	\$ 1,536,324	\$ 1,649,284	\$ 1,632,836	\$ 1,356,828	\$ 1,458,878

CITY OF DELTA, COLORADO
SUPPLEMENTAL SCHEDULES REQUIRED
PURSUANT TO BOND AGREEMENTS
(Continuing Disclosure Undertaking)
December 31, 2018

Table 10
 General Fund Budget Summary & Comparison

	2017 <u>Budget</u>	2018 <u>Budget</u>	2018 <u>Actual</u>
Revenues			
Taxes	\$1,844,390	\$1,881,600	\$1,978,126
Franchise Tax Equivalents	597,395	638,215	672,879
Licenses & Permits	72,000	72,000	88,138
Intergovernmental	519,481	486,041	592,665
Charges for Services	29,000	29,000	60,558
Fines & Forfeitures	70,000	70,000	39,875
Miscellaneous	39,700	41,900	72,577
Accounting & Adm. Charges	801,613	801,614	801,613
Other Financing Sources		<u>230,000</u>	<u>230,000</u>
Total Revenues	<u>3,973,579</u>	<u>4,250,370</u>	<u>4,536,431</u>
Expenditures			
Personnel	3,183,198	3,248,459	3,195,817
Charges & Services	1,078,813	1,107,958	1,198,526
Capital Outlay	<u>81,300</u>	<u>71,570</u>	<u>40,038</u>
Total Expenditures	<u>\$4,343,311</u>	<u>\$4,427,987</u>	<u>\$4,434,381</u>
Fund Balance - Beginning	\$1,531,308	\$1,285,789	\$1,356,828
Fund Balance - Ending	\$1,161,576	\$1,108,172	\$1,458,878

Table 11
 Revenue Obligations of the City

Revenue Obligation	Principal Amount Outstanding
Municipal Light & Power Revenue Notes, Series 2000	\$ 3,124,948
Sewer Note, Series 2012	1,866,551
Sales & Use Tax Revenue Bonds, Series 2010	<u>20,200,000</u>
Total Revenue Obligations Outstanding	<u><u>\$ 25,191,499</u></u>