
City of Ouray
Financial Statements and
Independent Auditor's Report
as of
December 31, 2018

City of Ouray
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INDEPENDENT AUDITOR'S REPORT

To the City Council
City of Ouray, Colorado

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 Ouray, 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.

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Ouray, Colorado, as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and Schedule of Activity-Net Position on pages 3–11, 38 and 39 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Ouray, Colorado basic financial statements. The combining and individual fund financial statements and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Blair and Associates, P.C.

Cedaredge, Colorado
July 19, 2019

CITY OF OURAY
Management's Discussion and Analysis
Year Ended December 31, 2018

The Ouray City Council and Administration are responsible for the management of the City's activities, and thus their financial results. We therefore offer the following analysis and discussion of the accompanying financial statements.

FINANCIAL HIGHLIGHTS

As of December 31, 2018

Change in Net Position:

Total Assets and Deferred Outflows		\$22,773,178
Total Liabilities and Deferred Resources		<u>9,585,339</u>
Net Position	12/31/18	\$13,187,839
	12/31/17	<u>12,636,644</u>
Increase (Decrease)		\$ 551,195

Governmental Fund Balances:

	<u>1/1/18</u>	<u>12/31/18</u>	Increase (Decrease)
General Fund	\$ 468,123	\$ 503,668	\$ 35,545
Capital Imp Fund	484,562	652,355	167,793
Non-major Funds	<u>259,017</u>	<u>273,814</u>	<u>14,797</u>
Total Funds	<u>\$1,211,702</u>	<u>\$1,429,837</u>	<u>\$ 218,135</u>

Capital Assets, net of accumulated depreciation:

	<u>1/1/18</u>	<u>12/31/18</u>	Increase (Decrease)
Governmental Activities	\$ 1,945,793	\$ 2,058,453	\$ 112,660
Business-type Activities	<u>15,999,747</u>	<u>15,454,420</u>	<u>(545,327)</u>
Total Capital Assets	<u>\$17,945,540</u>	<u>\$17,512,873</u>	<u>\$ (432,667)</u>

Cash and Cash Equivalents:

	<u>12/31/18</u>
Governmental Activities	\$1,495,229
Business-type Activities	<u>2,619,282</u>
Total Cash and Cash Equivalents	<u>\$4,114,511</u>

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The **statement of net position** presents information on all the City's assets and liabilities, with the difference between the two being reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the 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 is reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities*). The Governmental Activities of the City include general government administration, police, fire, public works, and community center. The Business-type Activities of the City include the following utilities: water, sewer, refuse/recycling, and utilities-capital improvements; in addition to parks and recreation.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. The City's funds can be divided into three categories: Governmental Funds, Proprietary Funds and Fiduciary Funds.

Governmental Funds – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *short-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's short-term financing requirements. The accounting method is called *modified accrual* accounting.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains one major government fund, the General Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund.

Proprietary Funds – The City maintains one type of proprietary fund. *Enterprise Funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses a separate enterprise fund to account for each of its utility funds: Water, Sewer, Refuse/Recycling, and Utilities – Capital Improvements Fund, Parks and Recreation Fund and to account for its Pool Renovation Fund.

Notes to Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted previously, net position may serve over time as a useful indicator of the City’s financial position. For the year ended December 31, 2018, the City’s combined assets exceeded liabilities by \$ 13,187,839. Of this amount, \$ 3,878,555 is unrestricted and available to meet the City’s ongoing financial obligations.

By far the largest portion of net position is the investment in capital assets (net of related debt) of \$ 9,114,022 (69% of net position). This amount reflects the investment in all capital assets (e.g. infrastructure, land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the City’s governmental and business-type net position for 2018:

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
ASSETS						
Cash and cash equivalents	\$ 1,495,229	\$ 1,261,605	\$ 1,858,778	\$ 1,622,608	\$ 3,354,007	\$ 2,884,213
Restricted cash	-	-	760,504	1,002,785	760,504	1,002,785
Property taxes receivable	509,046	509,046	-	-	509,046	509,046
Accounts receivables	29,558	62,174	192,098	204,838	221,656	267,012
Other receivables	-	-	12,232	132,000	12,232	132,000
Due from other governments	48,400	58,491	-	-	48,400	58,491
Prepaid and deposits	2,130	733	-	-	2,130	733
Inventories	7,321	7,321	25,524	25,524	32,845	32,845
Net pension assets	319,485	263,591	-	-	319,485	263,591
Capital assets, net	<u>2,058,453</u>	<u>1,945,793</u>	<u>15,454,420</u>	<u>15,999,747</u>	<u>17,512,873</u>	<u>17,945,540</u>
Total assets	<u>4,469,622</u>	<u>4,108,754</u>	<u>18,303,556</u>	<u>18,987,502</u>	<u>22,773,178</u>	<u>23,096,256</u>

	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Deferred outflows						
Pension contributions made after measurement date	-	100,232	-	-	-	100,232
Pension net difference between projected & actual investment earnings	-	2,185	-	-	-	2,185
Total deferred outflows	-	102,417	-	-	-	102,417
LIABILITIES						
Accounts payable	\$ 60,518	\$ 89,457	\$ 173,620	\$ 654,283	\$ 234,138	\$ 743,740
Accrued wages	53,837	49,589	84,511	87,714	138,348	137,303
Accrued interest payable	-	-	5,227	5,227	5,227	5,227
Performance bonds and deposits	-	-	3,876	2,846	3,876	2,846
Deferred revenues	38,446	38,446	178,138	190,060	216,584	228,506
Current portion of debt					-	-
Loans and notes payable	42,877	-	177,890	73,493	220,767	73,493
Capital leases	-	86,756	150,000	-	150,000	86,756
Compensated absences	49,644	37,876	-	-	49,644	37,876
Long-term liabilities					-	-
Due more than one year:					-	-
Bonds payable	-	-	5,000,000	5,300,000	5,000,000	5,300,000
Capital leases	215,529	280,093	2,812,555	3,059,145	3,028,084	3,339,238
Total liabilities	460,851	582,217	8,585,817	9,372,768	9,046,668	9,954,985
Deferred inflows of resources						
Deferred property tax revenue	509,046	509,046	-	-	509,046	509,046
Changes in proportion and difference between contributions recognized and proportionate share of contributions	-	68,400	-	-	-	68,400
Pension difference between expected & actual experience	29,625	28,470	-	-	29,625	28,470
Total deferred inflows	538,671	605,916	-	-	538,671	605,916
NET POSITION						
Invested in capital assets	1,800,047	1,578,944	7,313,975	5,485,112	9,114,022	7,064,056
Reserves	-	-	86,657	86,657	86,657	86,657
Restricted for:						
Emergencies	108,605	87,350	-	-	108,605	87,350
Unrestricted	1,561,448	1,355,616	2,317,107	4,042,965	3,878,555	5,398,581
Total net position	\$ 3,470,100	\$ 3,021,910	\$ 9,717,739	\$ 9,614,734	\$ 13,187,839	\$ 12,636,644

A portion of net position, \$108,605, represents resources that are subject to constitutional restrictions on how they may be used. Reserves of \$86,657 are required by one debt agreement. Unrestricted net position of \$3,878,555 (29% of net position) may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position

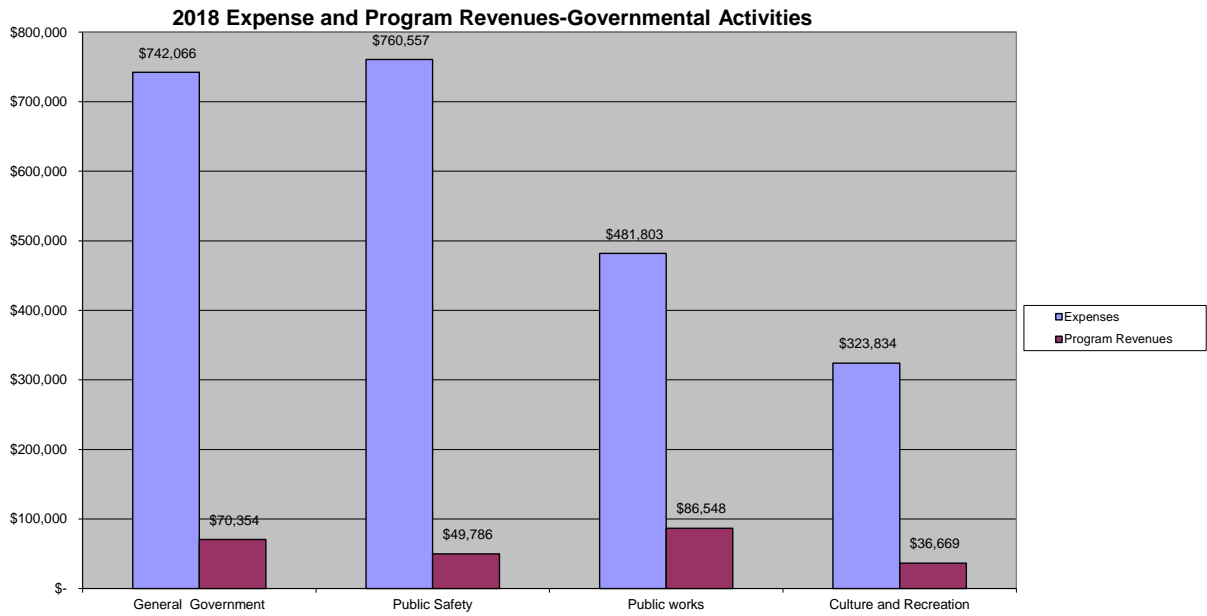
Governmental and business-type activities increased the City's net position by \$551,195 in 2018.

City of Ouray
For the Year Ended December 31, 2018 and 2017
Changes in Net Position

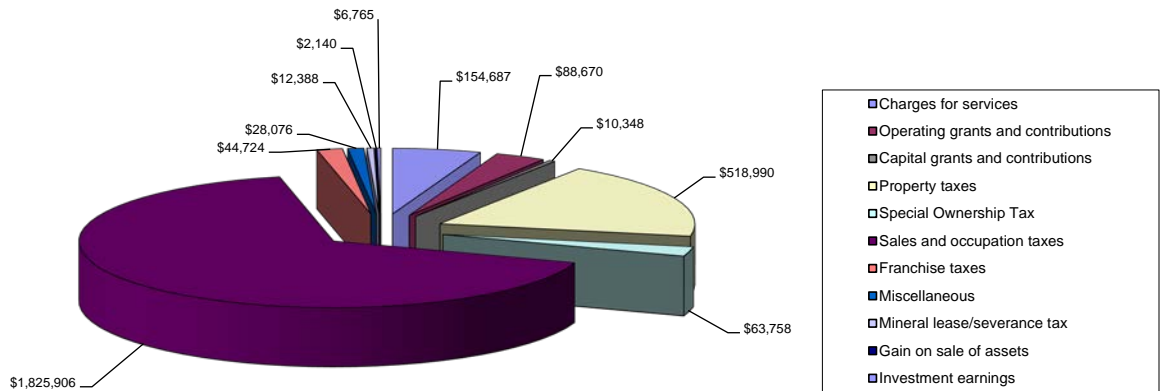
	Governmental Activities		Business-Type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues						
Program revenues						
Charges for services	\$ 154,687	\$ 125,433	\$ 3,603,590	\$ 2,946,967	\$ 3,758,277	\$ 3,072,400
Operating grants	88,670	102,562	-	-	88,670	102,562
Capital grants	10,348	19,640	135,500	30,000	145,848	49,640
General Revenues						
Property taxes	518,990	504,840	-	-	518,990	504,840
Specific ownership	63,758	56,783	-	-	63,758	56,783
Sales taxes and other	1,825,906	1,681,317	-	-	1,825,906	1,681,317
Franchise taxes	44,724	56,783	-	-	44,724	56,783
Miscellaneous	28,076	17,385	1,342	576,859	29,418	594,244
Mineral lease/severance tax	12,388	7,698	-	-	12,388	7,698
Grants and contributions	-	-	198,758	2,008,654	198,758	2,008,654
Gain on sale of assets	2,140	(34,497)	-	-	2,140	(34,497)
Investment earnings	6,765	4,993	4,343	10,281	11,108	15,274
Transfers In (Out)	-	(8,124)	-	8,124	-	-
Totals	2,756,452	2,534,813	3,943,533	5,580,885	6,699,985	8,115,698
Expenses						
General government	742,066	740,673	-	-	742,066	740,673
Public safety	760,557	764,204	-	-	760,557	764,204
Public works	481,803	729,694	3,840,530	3,162,386	4,322,333	3,892,080
Culture and recreation	323,834	284,512	-	-	323,834	284,512
Total Expenses	2,308,260	2,519,083	3,840,530	3,162,386	6,148,790	5,681,469
Changes in net position	448,192	15,730	103,003	2,418,499	551,195	2,434,229
Beginning	3,021,910	3,006,180	9,614,734	7,196,235	12,636,644	10,202,415
Ending	\$ 3,470,102	\$ 3,021,910	\$ 9,717,737	\$ 9,614,734	\$ 13,187,839	\$ 12,636,644

Governmental Activities

Governmental activities increased the City's net position by \$448,192.



Revenues by Source-Governmental Activities



In 2018, property tax revenues decreased by 3%, and sales/occupation tax revenues increased by 9%, compared to the prior year.

Business-type Activities

Business-type activities for the year resulted in an increase in net position of \$ 103,003. Charges for services accounted for 91% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

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, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of 2018, the City's governmental funds reported combined ending fund balances of \$ 1,429,837, an increase of \$ 218,135 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 10% of this total amount, \$ 145,188, constitutes unassigned fund balance, which is available for appropriation at the City's discretion; committed fund balance is 73%, or \$ 1,037,262, of governmental fund balances. There is \$ 131,461 of fund balance that is statutorily restricted to capital spending for parks and recreation. Non-spendable fund balance of \$ 7,321 represents inventoried materials. The remaining fund balance is restricted to indicate that it is not available for new spending, because it is already committed to meet a State constitution mandated emergency reserve of \$ 108,605.

The City has one major governmental fund, the General Fund, which is the primary operating fund for the City. At the end of 2018, unassigned fund balance of the General Fund was \$ 145,188, while the total fund balance was \$ 503,668. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. The fund balance of the City's General Fund increased by \$ 35,545 during 2018.

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

The City has five enterprise funds: Water Fund, Sewer Fund, Refuse/Recycling Fund, Utilities – Capital Improvements Fund, and Parks and Recreation Fund. At the end of 2018, these funds represented the following net position amounts:

Fund:	Water	Sewer	Refuse/Rcycl.	Pool Renov.	Utilities – CI	Parks & Rec.
Unrestricted net position	34,770	506,555	9,231	595,163	326,083	845,305
Total net position	3,375,493	979,808	9,231	595,163	326,083	4,431,961
Increase (decrease) in net position	(35,547)	(76,111)	(11,328)	175,281	128,014	(77,306)

GENERAL FUND BUDGETARY HIGHLIGHTS

The City budgeted \$ 2,421,118 for 2018 expenditures. Actual expenditures were \$ 2,309,148, or 5% less than the budgeted amount.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City's investment in capital assets, net of depreciation, for its governmental and business-type activities as of December 31, 2018, was \$ 17,512,873, a decrease of \$ 432,667 from the prior year, representing \$ 399,585 of acquisitions offset by \$ 865,707 of depreciation expense and \$ 1,273,101 in capital asset deletions and removal of \$ 1,306,556 in associated depreciation. As required by GASB34, the investment in capital assets includes land, buildings, building improvements, and equipment.

Long-term Debt

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

	Balance			Balance December 31, 2018	Due Within One Year
	January 1, 2018	Additions	Reductions		
Governmental Activities					
Plow-Sander	\$ 19,604	\$ -	\$ (19,604)	\$ -	\$ -
Swaploader	8,088	-	(8,088)	-	-
Fire Truck	246,656	-	(27,838)	218,818	28,645
Cat Backhoe	25,650	-	(5,207)	20,443	4,977
Police Vehicle	7,515	-	(7,515)	-	-
Chevy Silverado	12,009	-	(3,839)	8,170	4,001
Bobcat Skid Steer	47,327	-	(36,352)	10,975	5,254
Accrued compensated absences	37,876	11,768	-	49,644	49,644
Total	<u>\$ 404,725</u>	<u>\$ 11,768</u>	<u>\$ (108,443)</u>	<u>\$ 308,050</u>	<u>\$ 92,521</u>
Enterprise Activities					
Colorado Water Resources	\$ 192,210	\$ -	\$ (66,699)	\$ 125,511	\$ 69,394
Sales Tax Revenue Bonds	5,300,000	-	(150,000)	5,150,000	150,000
COP	2,850,000	-	(75,000)	2,775,000	75,000
Cat Backhoe	51,300	-	(9,291)	42,009	9,953
Bobcat Skid Steer	-	31,236	(9,930)	21,306	10,509
Chevy Silverado	12,008	-	(3,840)	8,168	4,000
Chevy Silverado double cab	27,120	-	(8,670)	18,450	9,034
Total	<u>\$ 8,432,638</u>	<u>\$ 31,236</u>	<u>\$ (323,430)</u>	<u>\$ 8,140,444</u>	<u>\$ 327,890</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

- The City is in fair financial condition.
- Water reserves are low and Sewer reserves are healthy for operations, however not adequate to cover major capital improvements. In 2017 Water and Sewer rate combined equaled \$64.64. 2018 Water and Sewer rates were increased to \$69.37 with consideration for additional sewer increases regarding permit compliance.
- General Fund reserves are higher than estimated. The City began to grow General Fund reserves with the 2006 voter approved move of the 1% sales tax from the Water Fund to the General Fund. In 2011, other parks and Ski Tow were transferred from the Parks Fund to the General Fund, representing a structural correction of City funds. From 2011 to 2015 these expenditures averaged \$164,000 annually, for which there has been no additional supporting revenue source. General Fund reserves were used to cover these expenditures. Without increased General Fund revenues, core services would be impacted. In November 2014, voters approved removing the TABOR amendment revenue and spending limits on property taxes (aka d-Brucing0 and authorized return to the preserved 13.585 mill levy.
- Tax receipt income was 99.6% of the 2017 Budget.
- Sales tax revenues account for 50% of the 2017 budgeted General Fund revenue, excluding grants, and are an important source for providing funds for the general operations and maintenance of the City. Sales Tax continues a healthy incremental growth, due to increased tourism and slightly improved overall economic conditions. In November 2015 voters approved a 1% Sales tax increase to pay for Capital projects, noting that renovation of the Hot Springs Pool and Bathhouse being the major project to be funded. The renovated Hot Springs Pool opened May of 2017. Pool operations encountered new challenges with the new design. City staff continue to determine best practices with input from City Council. Bathhouse planning is anticipated in 2019 for construction in a later year.
- Significant staff turnover contributed to most of the 2017 recruitment activity. City Administrator, Community Development Director, Finance and Administrative Director and Public Works Director positions were in transition. Transitions from early Spring Finance Director and Community Development Director resignations, two interim City Administrators from August to December, major supervisory position turnover within Public Works, and shared part-time Building Inspector position with Ridgway to end. 2018 cost of living increases were provided with additional activities to include staff retention.
- In 2014, the Council adopted a Strategic Plan to identify and prioritize its goals and objectives for the future. The Strategic Plan will be updated prior to the adoption of the 2019 budget with plans to update annually thereafter.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finance for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or requests for additional financial information should be addressed to:

Katie Sickles – City Administrator: City of Ouray, PO Box 468, Ouray, CO 81427

CITY OF OURAY, COLORADO

Statement of Net Position

December 31, 2018

	Governmental Activities	Business Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 1,495,229	\$ 1,858,778	\$ 3,354,007
Restricted cash	-	760,504	760,504
Property taxes receivable	509,046	-	509,046
Accounts receivable	29,558	192,098	221,656
Other receivables	-	12,232	12,232
Due from other governments	48,400	-	48,400
Prepaid and deposits	2,130	-	2,130
Inventories	7,321	25,524	32,845
Net pension assets	319,485	-	319,485
Capital assets, net	2,058,453	15,454,420	17,512,873
Total assets	4,469,622	18,303,556	22,773,178
LIABILITIES			
Accounts payable	60,518	173,620	234,138
Accrued wages	53,837	84,511	138,348
Accrued interest payable	-	5,227	5,227
Performance bonds and deposits	-	3,876	3,876
Deferred revenue	38,446	178,138	216,584
Current portion of debt			
Loans and leases payable	42,877	177,890	220,767
Bonds payable	-	150,000	150,000
Compensated absences	49,644	-	49,644
Long-term liabilities			
Bonds payable	-	5,000,000	5,000,000
Loans and leases payable	215,529	2,812,555	3,028,084
Total liabilities	460,851	8,585,817	9,046,668
Deferred inflow of resources			
Deferred property tax revenue	509,046	-	509,046
Pension difference between expected and actual experience	29,625	-	29,625
Total Deferred inflow of resources	538,671	-	538,671
NET POSITION			
Invested in capital assets	1,800,047	7,313,975	9,114,022
Reserves	-	86,657	86,657
Restricted for:			
Emergencies	108,605	-	108,605
Unrestricted	1,561,448	2,317,107	3,878,555
Total net position	\$ 3,470,100	\$ 9,717,739	\$ 13,187,839

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Statement of Activities
For the Year Ended December 31, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 742,066	\$ 65,354	\$ 5,000	\$ -
Public Safety	760,557	48,148	1,638	-
Public Works	481,803	9,671	76,877	-
Culture and Recreation	323,834	31,514	5,155	10,348
Total governmental activities	<u>2,308,260</u>	<u>154,687</u>	<u>88,670</u>	<u>10,348</u>
Business-type activities:				
Water	612,424	558,228	-	17,000
Sewer	608,199	490,288	-	16,875
Refuse	172,503	161,175	-	-
Utilities-Capital Improvements	-	25,735	-	101,625
Parks	2,447,404	2,368,164	-	-
Total business-type activities	<u>3,840,530</u>	<u>3,603,590</u>	<u>-</u>	<u>135,500</u>
Total primary government	<u><u>\$ 6,148,790</u></u>	<u><u>\$ 3,758,277</u></u>	<u><u>\$ 88,670</u></u>	<u><u>\$ 145,848</u></u>

General Revenues

Taxes:

 Property taxes

 Specific ownership

 Sales taxes and miscellaneous

Franchise taxes

Miscellaneous

Mineral leasing and severance taxes

Grants and contributions not restricted

Gain on sale of assets

Investment earnings

Transfers In (out)

Total General Revenues and Transfers

Changes in Net Position

Net Position-January 1

Net Position-December 31

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (671,712)	\$ -	\$ (671,712)
(710,771)	-	(710,771)
(395,255)	-	(395,255)
(276,817)	-	(276,817)
<u>(2,054,555)</u>	<u>-</u>	<u>(2,054,555)</u>
-	(37,196)	(37,196)
-	(101,036)	(101,036)
-	(11,328)	(11,328)
-	127,360	127,360
-	(79,240)	(79,240)
<u>-</u>	<u>(101,440)</u>	<u>(101,440)</u>
<u>(2,054,555)</u>	<u>(101,440)</u>	<u>(2,155,995)</u>
518,990	-	518,990
63,758	-	63,758
1,825,906	-	1,825,906
44,724	-	44,724
28,076	1,342	29,418
12,388	-	12,388
-	198,758	198,758
2,140	-	2,140
6,765	4,343	11,108
-	-	-
<u>2,502,747</u>	<u>204,443</u>	<u>2,707,190</u>
448,192	103,003	551,195
3,021,908	9,614,736	12,636,644
<u>\$ 3,470,100</u>	<u>\$ 9,717,739</u>	<u>\$ 13,187,839</u>

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Governmental Funds
Balance Sheet
December 31, 2018

	General Fund	Capital Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets				
Cash and cash equivalents	\$ 583,306	\$ 637,743	\$ 274,180	\$ 1,495,229
Taxes receivable	509,046	-	-	509,046
Due from other governments	48,400	-	-	48,400
Accounts receivable	14,946	14,612	-	29,558
Inventory	7,321	-	-	7,321
Prepaid expenses	2,130	-	-	2,130
Total assets	\$ 1,165,149	\$ 652,355	\$ 274,180	\$ 2,091,684
Liabilities, Deferred inflows of resources and Fund Balance				
Liabilities:				
Accounts payable	\$ 60,152	\$ -	\$ 366	\$ 60,518
Accrued wages	53,837	-	-	53,837
Deferred revenue	38,446	-	-	38,446
Total liabilities	152,435	-	366	152,801
Deferred inflow of resources				
Deferred property tax revenue	509,046	-	-	509,046
Fund balances:				
Non-spendable	7,321	-	-	7,321
Restricted				
Emergencies	108,605	-	-	108,605
Parks and recreation	-	-	131,461	131,461
Committed				
Flumes, streets and drainage	242,554	-	-	242,554
Capital improvements	-	652,355	-	652,355
Tourism	-	-	58,254	58,254
Beautification	-	-	84,099	84,099
Unassigned	145,188	-	-	145,188
Total fund balance	503,668	652,355	273,814	1,429,837
Total liabilities, deferred inflows of resources and fund balance	\$ 1,165,149	\$ 652,355	\$ 274,180	\$ 2,091,684

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2018

Total fund balance, governmental funds \$ 1,429,837

Amounts reported for governmental activities in the Statement of Net Position is different because:

Capital assets used in governmental activities are not current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.

Cost of capital assets	\$ 9,552,957	
Less accumulated depreciation	<u>(7,494,504)</u>	2,058,453

Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.

Capital leases	\$ (258,406)	
Compensated absences	<u>(49,644)</u>	(308,050)

Net pension assets and related deferred inflows and outflows of resources are not recorded in the funds.		<u>289,860</u>
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Net Position of Governmental Activities in the Statement of Net Position		<u><u>\$ 3,470,100</u></u>
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The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	<u>General Fund</u>	<u>Capital Improvement Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	\$ 518,990	\$ -	\$ -	\$ 518,990
Sales and miscellaneous taxes	1,214,606	395,101	279,957	1,889,664
Fees and fines	28,678	-	-	28,678
Licenses and permits	45,106	-	-	45,106
Intergovernmental	146,858	-	15,504	162,362
Charges for services	74,780	-	-	74,780
Investment earnings	6,111	-	654	6,765
Miscellaneous	27,967	-	-	27,967
Total revenues	<u>2,063,096</u>	<u>395,101</u>	<u>296,115</u>	<u>2,754,312</u>
EXPENDITURES				
Current:				
General government	464,858	-	227,029	691,887
Public safety	729,405	-	-	729,405
Public works	370,905	-	-	370,905
Culture and recreation	317,254	-	-	317,254
Debt service payments	87,406	-	-	87,406
Capital outlay	339,320	-	-	339,320
Total expenditures	<u>2,309,148</u>	<u>-</u>	<u>227,029</u>	<u>2,536,177</u>
Excess (deficiency) of revenues over expenditures	<u>(246,052)</u>	<u>395,101</u>	<u>69,086</u>	<u>218,135</u>
OTHER FINANCING SOURCES (USES)				
Transfers In (out)	281,597	(227,308)	(54,289)	-
Total other financing sources (uses)	<u>281,597</u>	<u>(227,308)</u>	<u>(54,289)</u>	<u>-</u>
Net change to fund balance	35,545	167,793	14,797	218,135
Fund balance, January 1	468,123	484,562	259,017	1,211,702
Fund balance, December 31	<u>\$ 503,668</u>	<u>\$ 652,355</u>	<u>\$ 273,814</u>	<u>\$ 1,429,837</u>

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2018

Net change in fund balances - total governmental funds \$ 218,135

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period.

Fixed assets current additions	\$ 274,724	
Depreciation expense	(164,204)	
Excess of capital outlay over depreciation		110,520
 Gain on sale of assets		 2,140

Some expenses reported in the statement of activities do not require the use of current financial resources: therefore, are not reported as expenditures in governmental funds.		(11,768)
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Pension expenses reported in the statement of activities do not require the use of current financial resources: therefore, are not reported as expenditures in governmental funds.		20,722
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Repayment of long-term debt principal is reported as an expenditure in the governmental funds but reduces long-term liabilities in the statement of net position.		108,443

Change in net position of governmental funds		\$ 448,192

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Statement of Net Position
Enterprise Funds
December 31, 2018

	Water Fund	Sewer Fund	Utilities-CI Fund
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ (1,390)	\$ 539,672	\$ 356,083
Receivables:			
Accounts	85,780	62,619	-
Other	325	11,907	-
Inventories	19,901	5,319	-
Total current assets	104,616	619,517	356,083
Restricted cash	132,000	-	-
Capital assets:			
Land and improvements	149,131	-	-
Utility system	5,284,182	2,279,911	-
Geothermal wells	-	-	-
Swimming pool	-	-	-
Pool filtration system	-	-	-
Box Cañon	-	-	-
Parks and other assets	-	-	-
Buildings	75,020	14,498	-
Equipment and furniture	287,898	340,900	-
Less accumulated depreciation	(2,371,687)	(2,117,089)	-
Total capital assets	3,424,544	518,220	-
Total Assets	\$ 3,661,160	\$ 1,137,737	\$ 356,083
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 19,266	\$ 35,385	\$ -
Accrued payroll	17,979	17,716	-
Customer deposits	375	-	-
Accrued interest payable	5,227	-	-
Deferred revenues	72,342	59,861	30,000
Current portion of long term debt	86,142	16,748	-
Total current liabilities	201,331	129,710	30,000
Noncurrent liabilities			
Bonds payable	-	-	-
Loans and leases payable	84,336	28,219	-
Total noncurrent liabilities	84,336	28,219	-
NET POSITION			
Invested in capital assets, net of related debt	3,254,066	473,253	-
Restricted for O&M expenses	86,657	-	-
Unrestricted	34,770	506,555	326,083
Total net position	\$ 3,375,493	\$ 979,808	\$ 326,083

Refuse Fund	Pool Renovation Fund	Parks Fund	Total Enterprise Funds
\$ 23,463	\$ -	\$ 940,950	\$ 1,858,778
14,656	-	29,043	192,098
-	-	-	12,232
-	-	304	25,524
<u>38,119</u>	<u>-</u>	<u>970,297</u>	<u>2,088,632</u>
-	628,504	-	760,504
-	-	-	149,131
-	-	-	7,564,093
-	-	167,138	167,138
-	-	12,211,465	12,211,465
-	-	5,202	5,202
-	-	351,707	351,707
-	-	1,413,608	1,413,608
-	-	-	89,518
-	-	-	628,798
-	-	(2,637,464)	(7,126,240)
<u>-</u>	<u>-</u>	<u>11,511,656</u>	<u>15,454,420</u>
<u>\$ 38,119</u>	<u>\$ 628,504</u>	<u>\$ 12,481,953</u>	<u>\$ 18,303,556</u>
\$ 12,953	\$ 33,341	\$ 72,675	\$ 173,620
-	-	48,816	84,511
-	-	3,501	3,876
-	-	-	5,227
15,935	-	-	178,138
-	-	225,000	327,890
<u>28,888</u>	<u>33,341</u>	<u>349,992</u>	<u>773,262</u>
-	-	5,000,000	5,000,000
-	-	2,700,000	2,812,555
-	-	<u>7,700,000</u>	<u>7,812,555</u>
-	-	3,586,656	7,313,975
-	-	-	86,657
9,231	595,163	845,305	2,317,107
<u>\$ 9,231</u>	<u>\$ 595,163</u>	<u>\$ 4,431,961</u>	<u>\$ 9,717,739</u>

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Statement of Revenues, Expenses and Changes in Net Position
Enterprise Funds
Year Ended December 31, 2018

	<u>Water Fund</u>	<u>Sewer Fund</u>	<u>Utilities-CI Fund</u>
Operating Revenues			
Charges for services	\$ 558,228	\$ 490,288	\$ 25,735
Miscellaneous	1,342	-	-
Total operating revenues	<u>559,570</u>	<u>490,288</u>	<u>25,735</u>
Operating Expenses			
Personal services	271,569	259,743	-
Contractual services	70,971	30,775	-
Utilities	5,571	30,782	-
Repairs and maintenance	4,542	51,314	-
Other supplies and expenses	84,279	108,694	-
Insurance claims and expenses	7,540	6,704	-
Depreciation	158,749	118,012	-
Total operating expenses	<u>603,221</u>	<u>606,024</u>	<u>-</u>
Operating income (loss)	<u>(43,651)</u>	<u>(115,736)</u>	<u>25,735</u>
Nonoperating revenues (expenses)			
Interest income	307	1,448	654
Operating grants and contributions	-	23,477	-
Interest expense	(9,203)	(2,175)	-
Total nonoperating revenues (expenses)	<u>(8,896)</u>	<u>22,750</u>	<u>654</u>
Income (loss) before transfers and and Capital Contributions	(52,547)	(92,986)	26,389
Capital contributions-Investment Fees	<u>17,000</u>	<u>16,875</u>	<u>101,625</u>
Change in net position	(35,547)	(76,111)	128,014
Total net position, January 1	3,411,040	1,055,919	198,069
Residual transfer	-	-	-
Total net position, December 31	<u>\$ 3,375,493</u>	<u>\$ 979,808</u>	<u>\$ 326,083</u>

<u>Refuse Fund</u>	<u>Pool Renovation Fund</u>	<u>Parks Fund</u>	<u>Total Enterprise Funds</u>
\$ 161,175	\$ -	\$ 2,368,164	\$ 3,603,590
-	-	-	1,342
<u>161,175</u>	<u>-</u>	<u>2,368,164</u>	<u>3,604,932</u>
-	-	1,102,958	1,634,270
172,503	-	135,533	409,782
-	-	105,756	142,109
-	-	41,940	97,796
-	-	318,754	511,727
-	-	8,096	22,340
-	-	424,742	701,503
<u>172,503</u>	<u>-</u>	<u>2,137,779</u>	<u>3,519,527</u>
<u>(11,328)</u>	<u>-</u>	<u>230,385</u>	<u>85,405</u>
-	-	1,934	4,343
-	175,281	-	198,758
-	-	(309,625)	(321,003)
<u>-</u>	<u>175,281</u>	<u>(307,691)</u>	<u>(117,902)</u>
(11,328)	175,281	(77,306)	(32,497)
-	-	-	135,500
(11,328)	175,281	(77,306)	103,003
20,559	2,604,436	2,324,713	9,614,736
-	(2,184,554)	2,184,554	-
<u>\$ 9,231</u>	<u>\$ 595,163</u>	<u>\$ 4,431,961</u>	<u>\$ 9,717,739</u>

The accompanying notes are an integral part of this statement.

CITY OF OURAY, COLORADO
Statement of Cash Flows
Enterprise Funds
Year Ended December 31, 2018

	Water Fund	Sewer Fund
Cash Flows From Operating Activities		
Cash received from charges for services	\$ 559,507	\$ 459,113
Cash payments for goods and services	(168,458)	(226,839)
Cash payments to employees for services	(271,569)	(259,743)
Net cash provided (used) by operating activities	119,480	(27,469)
Cash Flows from Noncapital Financing Activities		
Grants and contributions	-	23,477
Miscellaneous	-	-
Transfers from (to) other funds	-	-
Net cash provided (used) by noncapital financing activities	-	23,477
Cash Flows from Capital and Related Financing Activities		
Investment fees	17,000	16,875
Acquisition of capital assets	(5,878)	(16,503)
Principal paid on loans and leases	(82,564)	(15,865)
Proceeds from Loans	-	-
Interest expense	(9,203)	(2,175)
Net cash provided (used) by capital and related financing activities	(80,645)	(17,668)
Cash Flows from Investing Activities		
Interest on investments	307	1,448
Net increase (decrease) in cash and equivalents	39,142	(20,212)
Cash balances, January 1	91,468	559,884
Cash balances, December 31	\$ 130,610	\$ 539,672
Reconciling of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	\$ (43,651)	\$ (115,736)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation expense	158,749	118,012
Assets (increase) decrease:		
Accounts receivable	1,662	(57,549)
Liabilities increase (decrease):		
Accounts payable	4,445	1,430
Accrued payroll	(8,866)	10,175
Deferred revenues	7,141	16,199
Total adjustments	163,131	88,267
Net cash provided (used) by operating activities	\$ 119,480	\$ (27,469)

<u>Utilities-CI Fund</u>	<u>Refuse Fund</u>	<u>Pool Renovation Fund</u>	<u>Parks Fund</u>	<u>Total Enterprise Funds</u>
\$ 25,735	\$ 156,571	\$ 200,000	\$ 2,386,997	\$ 3,787,923
-	(170,325)	(515,005)	(646,434)	(1,727,061)
-	-	-	(1,102,958)	(1,634,270)
<u>25,735</u>	<u>(13,754)</u>	<u>(315,005)</u>	<u>637,605</u>	<u>426,592</u>
-	-	175,281	-	198,758
-	-	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>175,281</u>	<u>-</u>	<u>198,758</u>
101,625	-	-	-	135,500
-	-	(102,557)	-	(124,938)
-	-	-	(225,000)	(323,429)
-	-	-	-	-
-	-	-	(309,625)	(321,003)
<u>101,625</u>	<u>-</u>	<u>(102,557)</u>	<u>(534,625)</u>	<u>(633,870)</u>
654	-	-	-	2,409
128,014	(13,754)	(242,281)	102,980	(6,111)
228,069	37,217	870,785	837,970	2,625,393
<u>\$ 356,083</u>	<u>\$ 23,463</u>	<u>\$ 628,504</u>	<u>\$ 940,950</u>	<u>\$ 2,619,282</u>
\$ 25,735	\$ (11,328)	\$ -	\$ 230,385	\$ 85,405
-	-	-	424,742	701,503
-	(8,343)	200,000	(3,262)	132,508
-	2,178	(515,005)	(37,385)	(544,337)
-	-	-	22,095	23,404
-	3,739	-	1,030	28,109
<u>-</u>	<u>(2,426)</u>	<u>(315,005)</u>	<u>407,220</u>	<u>341,187</u>
<u>\$ 25,735</u>	<u>\$ (13,754)</u>	<u>\$ (315,005)</u>	<u>\$ 637,605</u>	<u>\$ 426,592</u>

The accompanying notes are an integral part of this statement.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies

The financial statements of the City of Ouray, Colorado (the City) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

A. Financial Reporting Entity

The City, adopted a home rule charter on May 5, 2009, with a council – administrator form of government with five elected Council members. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Ouray (the primary government). The City has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing body.

Related Organizations

- The City and the Ouray Volunteer Fire Department provided fire protection to the citizens of Ouray. The volunteer fire department has a special fund that receives donations and fund raising monies, which are also used to cover fire protection services. This fund is not included in these financial statements of the City of Ouray.

B. Government-wide Financial Statements

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

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

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies - (continued)

C. Fund Financial Statements

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

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

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

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.
- The Capital Improvement Fund, which accounts for the Town's additional sales tax that is to be used for capital improvements.

The remaining governmental funds are aggregated and presented as non-major funds. Those funds include:

- The Conservation Trust Fund, which accounts for State of Colorado lottery funds to be used for parks and recreation services and capital investment.
- Beautification Fund, which accounts for lodging tax collections to be used for City beautification projects.
- Tourism Promotion Fund, which accounts for lodging tax collections for the promotion of tourism.

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

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies - (continued)

C. Fund Financial Statements - (continued)

Enterprise 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 an enterprise fund's principal ongoing operations. The principal operating revenues of the City are charges for water, sewer, refuse, pool, park and other fees. Operating expenses for the enterprise funds include personnel services, contract services, utilities, repairs and maintenance, supplies, insurance and depreciation cost. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

- Water, Sewer and Refuse Funds, which account for all operations of the City's water, sewer and refuse services. They are primarily financed by user charges.
- Utility Capital Improvement Fund, which accounts for the investment fees of water and sewer taps to be used for water and sewer capital expenditures.
- Park Fund, which accounts for all operations of the City's Hot Springs Pool and Box Cañon Park. They are primarily financed by user charges at the Hot Springs Pool and Box Cañon Park.
- Pool Renovation Fund, which accounts for the renovation of the City's Hot Springs Pool.

D. Measurement Focus and Basis of Accounting

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

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

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

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies - (continued)

D. Measurement Focus and Basis of Accounting - (continued)

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

Deferred Outflows / Inflows of Resources

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

In addition to liabilities, the statement of net position will sometimes report a separate section of 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 will not be recognized as an inflow of resources (revenue) until that time. Property taxes revenue that are related to a future period have been recorded as deferred inflows. Grants and entitlements received before eligibility requirements are met (e.g., cash advances) are recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

E. Cash and Cash Equivalents

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

F. Use of Estimates

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

G. Property Taxes

Property taxes for the current year are levied and attached 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 deferred inflows of resources at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred inflows of resources in the governmental fund.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies - (continued)

H. Capital Assets

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

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

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

<u>Asset Class</u>	<u>Useful Life</u>
Improvements	10-20 years
Building and Other Improvements	40-50 years
Water and Sewer Systems	40-50 years
Furniture and Equipment	5-20 years
Swimming Pool	20-50 years
Infrastructure	15-40 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities.

I. Long-Term Liabilities

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

J. Compensated Absences

It is the City's policy for employees to accumulate earned but unused vacation and sick pay benefits but employees are not entitled to be paid for sick leave upon termination. In the government-wide statements, vacation and unused compensation time is accrued when incurred and reported as a liability of the governmental and business-type activities. In the governmental funds, vacation and unused compensation time is not expected to be liquidated with expendable available financial resources and therefore are not reported as expenditure.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies - (continued)

K. Net Position

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

L. Interfund Transactions

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

M. Encumbrances

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

N. Inventory

Inventory is valued at lower of cost (first-in, first-out) or market. Reported inventories are equally offset by a fund balance reserve which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

O. Fund Equity

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

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies - (continued)

O. Fund Equity - (continued)

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

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

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

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

Note 3 - Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding “enterprises.” The City’s voters on November 8, 1994, approved a ballot measure to permit the City to collect, retain and expend the full proceeds of the City’s 3% sales tax, existing lodging occupation tax and non federal grants.

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

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

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 4 - Budgets

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

- A.** By mid August of each year, the City Administrator gives public notice of the budget calendar for the next fiscal year. The City Administrator asks that all City departments, boards, commissions or citizens submit within thirty days from the notice, any request for funds under the budget being prepared. The City Administrator, with assistance from the City Treasurer, then prepares a proposed budget for the ensuing fiscal year and submits it to the Council no later than forty-five days prior to any date required by state law for the certification to the County of the tax levy.
- B.** The budget provides a complete financial plan of all City funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies, and anticipated net surplus or deficit for the ensuing fiscal year.
- C.** A public hearing on the proposed budget is held by the Council in early November.
- D.** The Council adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year's tax levy to the County. Adoption of the budget by the Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.
- E.** If during the fiscal year the City Administrator determines that there are expenses in excess of those estimated in the budget, the Council by resolution may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the fiscal year it appears probable to the City Administrator that the revenues available will be insufficient to meet the amount appropriated, the City Administrator reports to the Council, indicating the estimated amount of deficit, any remedial action already taken, and a recommendation as to any other steps to be taken. Any time during the fiscal year the City Administrator may transfer part or all of any unencumbered appropriation balance within a department.
- F.** Budget appropriations lapse at the end of each year.
- G.** Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget. The City could be in violation of Colorado Budget Law because actual expenditures exceed budgetary amounts in the Refuse Fund. Revisions made to the original budgeted expenditures for each fund are as follows:

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 4 - Budgets - (continued)

	<u>Original Budget</u>	<u>Total Revisions</u>	<u>Final Budget</u>
General	\$ 2,319,854	\$ 101,264	\$ 2,421,118
Water	537,201	12,589	549,790
Sewer	607,923	-	607,923
Refuse	167,988	-	167,988
Utility Improvement	29,000	-	29,000
Pool Renovation	-	872,241	872,241
Parks	2,491,129	118,389	2,609,518
Capital Improvement	270,336	-	270,336
Tourism	238,000	-	238,000
Beautification	83,565	-	83,565
Conservation Trust	-	-	-
Total	<u>\$ 6,744,996</u>	<u>\$1,104,483</u>	<u>\$ 7,849,479</u>

- H.** Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

Note 5 - Deposits and Investments

A. 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. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2018, the bank balance of the City's deposits was \$3,907,827 of which \$259,751 was covered by federal depository insurance and \$3,648,076 was collateralized under PDPA.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' 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 investment policy follows Colorado statutes. At December 31, 2018 the City's investments included funds held in COLOTRUST.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 5 - Deposits and Investments - (continued)

A. Deposits - (continued)

The City had invested \$197,257 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. Investments of COLOTRUST consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal functions of COLOTRUST. Substantially all securities owned by COLOTRUST are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to and are not registered with the SEC. COLOTRUST's funds are rated AAA by Standard and Poor's, Fitch's and Moody's rating services.

The City maintains a cash pool that is available to the General Fund, Special Revenue Funds and Enterprise Funds.

Cash and cash equivalents	
Cash on hand	\$ 3,484
Deposits	3,693,829
Certificate of deposits	210,347
Cash with county treasurer	9,594
COLOTRUST	<u>197,257</u>
Total	<u>\$ 4,114,511</u>

Statement of Net Position

Cash and cash equivalents	\$ 3,354,007
Restricted cash	<u>760,504</u>
Total	<u>\$ 4,114,511</u>

B. Restricted cash

Water Fund

Pursuant to loan, the City has set aside funds in the Water Fund for operations and maintenance costs for the Water Fund in the amount of \$132,000.

Pool Renovation Fund

Pursuant to Sales Tax Revenue Bonds, Series 2016, the City has set aside funds in the Pool Renovation Fund for renovation costs for the City's Hot Springs Pool in the amount of \$628,504.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 6 - Long-term Liabilities

	Balance			Balance December 31, 2018	Due Within One Year
	January 1, 2018	Additions	Reductions		
Governmental Activities					
Plow-Sander	\$ 19,604	\$ -	\$ (19,604)	\$ -	\$ -
Swaploader	8,088	-	(8,088)	-	-
Fire Truck	246,656	-	(27,838)	218,818	28,645
Cat Backhoe	25,650	-	(5,207)	20,443	4,977
Police Vehicle	7,515	-	(7,515)	-	-
Chevy Silverado	12,009	-	(3,839)	8,170	4,001
Bobcat Skid Steer	47,327	-	(36,352)	10,975	5,254
Accrued compensated absences	37,876	11,768	-	49,644	49,644
Total	\$ 404,725	\$ 11,768	\$ (108,443)	\$ 308,050	\$ 92,521
Enterprise Activities					
Colorado Water Resources	\$ 192,210	\$ -	\$ (66,699)	\$ 125,511	\$ 69,394
Sales Tax Revenue Bonds	5,300,000	-	(150,000)	5,150,000	150,000
COP	2,850,000	-	(75,000)	2,775,000	75,000
Cat Backhoe	51,300	-	(9,291)	42,009	9,953
Bobcat Skid Steer		31,236	(9,930)	21,306	10,509
Chevy Silverado	12,008	-	(3,840)	8,168	4,000
Chevy Silverado double cab	27,120	-	(8,670)	18,450	9,034
Total	\$ 8,432,638	\$ 31,236	\$ (323,430)	\$ 8,140,444	\$ 327,890

Drinking Water Revolving Fund

\$ 1,000,000, December 19, 2003, due in two bi-annual payments of \$ 36,863 each on May 1 and November 1 starting on November 1 of 2004 at an interest rate of 4.0%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 69,394	4,333	73,727
2020	56,117	1,530	57,647
Total	\$ 125,511	\$ 5,863	\$ 131,374

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 6 - Long-term Liabilities – (continued)

Fire Truck

\$ 300,000, July, 2015, due in annual payments of \$ 34,988 each on July 31 starting on July 31 of 2016 at an interest rate of 2.90%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 28,645	6,343	34,988
2020	29,475	5,513	34,988
2021	30,328	4,660	34,988
2022	31,207	3,781	34,988
2023	32,112	2,876	34,988
2024-2025	<u>67,051</u>	<u>2,925</u>	<u>69,976</u>
Total	<u>\$ 218,818</u>	<u>\$ 26,098</u>	<u>\$ 244,916</u>

Cat Backhoe

\$ 104,694, January, 2016, due in annual payments of \$ 16,795.82 each on January 1 starting on January 1 of 2017 at an interest rate of 2.987%.

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 14,497	\$ 2,299	\$ 16,796
2020	14,930	1,866	16,796
2021	15,376	1,420	16,796
2022	15,836	960	16,796
2023	<u>16,310</u>	<u>486</u>	<u>16,796</u>
Total	<u>\$ 76,949</u>	<u>\$ 7,031</u>	<u>\$ 83,980</u>

Chevy Silverado double cab

\$ 27,120, April 26, 2017, due in annual payments of \$ 9,633.86 each on June 1 starting on June 1 of 2018 at an interest rate of 3.250%.

<u>Date</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 9,034	\$ 600	\$ 9,634
2018	9,416	218	9,634
Total	<u>\$ 18,450</u>	<u>\$ 818</u>	<u>\$ 19,268</u>

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 6 - Long-term Liabilities – (continued)

Chevy Silverado crew cab

\$ 24,018, April 26, 2017, due in annual payments of \$ 8,531.94 each on June 1 starting on June 1 of 2018 at an interest rate of 3.250%

Date	Principal	Interest	Total
2017	8,001	531	8,532
2018	8,337	195	8,532
Total	<u>\$ 16,338</u>	<u>\$ 726</u>	<u>\$ 17,064</u>

Bobcat Skid Steer

\$ 47,327, April 7, 2017, due in annual payments of \$ 16,812.02 each on June 1 starting on June 1 of 2018 at an interest rate of 3.250%

Date	Principal	Interest	Total
2017	15,763	1,049	16,812
2018	16,518	294	16,812
Total	<u>\$ 32,281</u>	<u>\$ 1,343</u>	<u>\$ 33,624</u>

Sales Tax Revenue Bonds, Series 2016

On November 3, 2015, the City's electorate approved the issuance of \$5,300,000 in sales tax revenue bonds, for the purpose planning, constructing, acquiring and equipping improvements to the City's Hot Springs Pool Facility. The sales tax revenue bonds are payable from revenues generated by sales tax increase and also payable from any other legally available City revenues and pledge the full faith and credit of the City.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 6 - Long-term Liabilities – (continued)

Sales Tax Revenue Bonds, Series 2016 – (continued)

The following are the schedules of required debt payments as of December 31, 2018 for the Series 2016 bonds:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 150,000	\$ 192,625	\$ 342,625
2020	155,000	189,625	344,625
2021	160,000	186,525	346,525
2022	160,000	182,525	342,525
2023-2027	885,000	834,325	1,719,325
2028-2032	1,080,000	645,200	1,725,200
2033-2037	1,310,000	411,800	1,721,800
2038-2041	1,250,000	294,163	1,544,163
	<u>\$ 5,150,000</u>	<u>\$ 2,936,788</u>	<u>\$ 8,086,788</u>

Certificate of Participation

The City's finance part of the construction of the City's Hot Springs Pool Facility Renovation Project by the issuance of a certificate of participation note. The annual coupon interest ranges from 4% to 12%. The following is a breakdown of the payments:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2019	\$ 75,000	\$ 111,000	\$ 186,000
2020	80,000	108,000	188,000
2021	80,000	104,800	184,800
2022	85,000	101,600	186,600
2023-2027	485,000	619,600	1,104,600
2028-2032	580,000	1,047,600	1,627,600
2033-2037	710,000	671,400	1,381,400
2038-2041	680,000	208,200	888,200
	<u>\$ 2,775,000</u>	<u>\$ 2,972,200</u>	<u>\$ 5,747,200</u>

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 7 - Defined Benefit Pension Plans

All volunteer fire fighters participate in the Defined Benefit Pension Plan administrated by the FPPA for plan administration and investment only. The plan has a plan document, actuarial valuation and is governed by the local pension board.

Any fire fighter, who has reached the age of 50 years and completed 20 years of active service, including 36 hours of training per year, is eligible for \$90 per month. In addition, there are survivor benefits of \$45 per month and a one-time only lump sum death benefit of \$180.

At December 31, 2018, the City reported an asset of \$319,485 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2018, and the total pension asset used to calculate the net pension asset was determined by an actuarial study as of December 31, 2018. Standard update procedures were used to roll forward the total pension liability to December 31, 2015. The City's proportion of the net asset was based on City's contributions to FPPA for the calendar year 2018 relative to the total contributions of participating employers to FPPA.

For the year ended December 31, 2018, the City recognized pension expense of \$23,094. At December 31, 2018, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ 29,625
Net difference between projected and actual earnings on pension plan investments	-	
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	-	-
Total	\$ -	\$ 29,625

\$100,232 reported as deferred outflows related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase of the net pension asset in the year ended December 31, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending December 31</u>	<u>Net Deferred Outflows/ (Inflows) of Resources</u>
2019	\$ (29,625)
2020	-
2021	-
2022	-
2023	-
Thereafter	-
Total	\$ (29,625)

Actuarial assumptions. The total pension asset in December 31, 2018 actuarial valuation was determined using the following actuarial assumptions and other inputs:

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 7 - Defined Benefit Pension Plans – (continued)

Actuarially determined contribution rates are calculated as of January 1 of odd numbered years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019, determines the contribution amounts for 2017 and 2018.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 years*
Asset Valuation Method	5-Year smoothed market
Inflation	3.00%
Salary Increases	N/A
Investment Rate of Return	7.50%
Retirement Age	50% per year of eligibility until 100% at age 65
Mortality	Pre-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment, 40% multiplier for off- duty mortality.
	Post-retirement: RP-2000 Combined Mortality Table with Blue Collar Adjustment.
	Disabled: RP-2000 Disabled Mortality Table
	All tables projected with Scale AA

*Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

Regarding the sensitivity of the net pension liability/ (asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/ (asset), calculated using a Single Discount Rate of 7.50%, as well as what the plan's net pension liability/ (asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

Sensitivity of Net Pension Liability/(Asset)
to the Single Discount Rate Assumption

Current Single Discount		
1% Decrease	Rate Assumption	1% Increase
6.00%	7.00%	8.00%
\$ (273,844)	\$ (319,485)	\$ (365,126)

The Fire & Police Pension Association (FPPA) administers an agent multiple-employer Public Employee Retirement System (PERS). The PERS represents the assets of numerous separate plans that have been pooled for investment purposes. The pension plans have elected to affiliate with FPPA for plan administration and investment only. FPPA issues a publicly available comprehensive annual financial report that can be obtained at:<http://www.fppaco.org>.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 8 - Risk Management

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 member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a public entity risk pool currently operating as a common risk management and insurance program for property/casualty and workers' compensation coverage. CIRSA is to be self-sustaining through member contributions and reinsures through commercial companies for claims in excess of certain limits for each insured event. CIRSA members are subject to a supplemental assessment in the event of a deficiency.

Note 9 - Defined Contribution Plan

All full-time permanent employees of the City must participate in the City's group-retirement plan and may participate in the City's deferred compensation plan, after twelve (12) months of continuous employment. The plans are administered by Colorado County Officials and Employees Retirement Association (CCOERA) plan. The employees' contributions are fully vested and the City's contributions are vested at the rate of 20% per year.

Under the group retirement plan, the City contributes 3% of eligible employees' base salary, matching the amount contributed by the employees. In 2018 the City's total payroll was \$2,017,710. The City's contribution was calculated using a base salary amount of \$1,160,234. The City and the covered employees made the following contributions, amounting to \$34,807 and \$34,807 respectively for a total of \$69,614.

Note 10 - Contingent Liabilities

Lawsuits and Claims

Various claims and lawsuits are pending against the City. In the opinion of the City's management, after consulting with legal counsel, the potential loss on all claims and lawsuits will not materially affect the City's financial position.

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 11 - Capital Assets

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

	Balance January 1, 2018	Additions	Dispositions	Balance December 31, 2018
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 325,094	\$ -	\$ -	\$ 325,094
	<u>325,094</u>	<u>-</u>	<u>-</u>	<u>325,094</u>
Capital assets being depreciated				
Buildings	808,164	25,083	(39,929)	793,318
Improvements other than building	94,173	-	(81,714)	12,459
Infrastructure	5,971,156	107,810	(85,724)	5,993,242
Equipment and vehicles	2,371,116	141,831	(84,103)	2,428,844
	<u>9,244,609</u>	<u>274,724</u>	<u>(291,470)</u>	<u>9,227,863</u>
Less accumulated depreciation				
Buildings	(666,132)	(4,357)	49,938	(620,551)
Improvements	(19,168)	-	6,709	(12,459)
Infrastructure	(5,184,271)	(91,057)	86,584	(5,188,744)
Equipment and vehicles	(1,754,339)	(68,790)	150,379	(1,672,750)
	<u>(7,623,910)</u>	<u>(164,204)</u>	<u>293,610</u>	<u>(7,494,504)</u>
Capital asset being depreciated, net	<u>1,620,699</u>	<u>110,520</u>	<u>2,140</u>	<u>1,733,359</u>
 Total Governmental Activities Capital Assets	 <u>\$ 1,945,793</u>	 <u>\$ 110,520</u>	 <u>\$ 2,140</u>	 <u>\$ 2,058,453</u>

City of Ouray
Notes to Basic Financial Statements
December 31, 2018

Note 11 - Capital Assets – (continued)

Business - Type Activities	Balance January 1, 2018	Additions	Dispositions	Balance December 31, 2018
Capital assets not being depreciated				
Land	\$ 149,131	\$ -	\$ -	\$ 149,131
Construction in progress	10,231,997	-	(10,231,997)	-
Capital assets not being depreciated, net	<u>10,381,128</u>	<u>-</u>	<u>(10,231,997)</u>	<u>149,131</u>
Capital assets being depreciated				
Utility system	7,452,259	22,381	89,453	7,564,093
Geothermal wells	176,703	-	(9,565)	167,138
Swimming pool	2,262,843	10,334,477	(385,855)	12,211,465
Pool filtration system	920,713	-	(915,511)	5,202
Box Cañon	375,358	-	(23,651)	351,707
Other Parks assets	1,091,895	-	321,713	1,413,608
Buildings	122,976	-	(33,458)	89,518
Equipment and vehicles	653,555	-	(24,757)	628,798
Less accumulated depreciation	<u>(7,437,683)</u>	<u>(701,503)</u>	<u>1,012,946</u>	<u>(7,126,240)</u>
Capital assets being depreciated, net	<u>5,618,619</u>	<u>9,655,355</u>	<u>31,315</u>	<u>15,305,289</u>
Total Business-Type Activities Capital Assets	<u>\$ 15,999,747</u>	<u>\$ 9,655,355</u>	<u>\$ (10,200,682)</u>	<u>\$ 15,454,420</u>

Depreciation expense was charged to governmental activities of the City as follows:

General Government	\$ 5,496
Public Safety	33,500
Public Works	120,921
Culture and Recreation	4,287
Total depreciation	<u>\$ 164,204</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
General Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		<u>Favorable</u> <u>(Unfavorable)</u>
Revenues				
Property taxes	\$ 511,462	\$ 511,462	\$ 518,990	\$ 7,528
Sales taxes and other taxes	1,146,280	1,146,280	1,214,606	68,326
Licenses and permits	25,150	25,150	45,106	19,956
Intergovernmental revenues	146,252	146,252	146,858	606
Fees and fines	23,700	23,700	28,678	4,978
Charges for services	63,730	63,730	74,780	11,050
Miscellaneous revenue	11,900	11,900	27,967	16,067
Interest income	2,000	2,000	6,111	4,111
Total revenues	<u>1,930,474</u>	<u>1,930,474</u>	<u>2,063,096</u>	<u>132,622</u>
Expenditures				
General government	498,321	544,376	464,858	79,518
Capital outlay	136,384	161,384	119,102	42,282
Public safety	703,108	703,108	729,405	(26,297)
Capital outlay	90,220	90,220	98,578	(8,358)
Public works	390,095	403,495	370,905	32,590
Capital outlay	74,657	91,466	94,264	(2,798)
Culture and recreation	310,786	310,786	317,254	(6,468)
Capital outlay	38,857	38,857	27,376	11,481
Debt service payments	77,426	77,426	87,406	(9,980)
Total Expenditures	<u>2,319,854</u>	<u>2,421,118</u>	<u>2,309,148</u>	<u>111,970</u>
Excess of Revenues over (under) Expenditures	(389,380)	(490,644)	(246,052)	244,592
Other financing sources (uses)				
Transfers in	339,901	365,301	281,597	(83,704)
Total other financing sources (uses)	<u>339,901</u>	<u>365,301</u>	<u>281,597</u>	<u>(83,704)</u>
Excess of Revenues and sources over or (under) Expenditures and uses	(49,479)	(125,343)	35,545	160,888
Fund balance, January 1	308,237	308,237	468,123	159,886
Fund balance, December 31	<u>\$ 258,758</u>	<u>\$ 182,894</u>	<u>\$ 503,668</u>	<u>\$ 320,774</u>

Schedules of Required Supplementary Information
Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios Multiyear

Last 10 Fiscal Years (to be built prospectively)

Measurement period ending December 31,	2018	2017	2016	2015	2014	2013	2012
Total Pension Liability							
Service Cost	\$ 2,130		\$ 2,303				
Interest on the Total Pension Liability	28,351		35,004				
Contributions	67,599		-				
Difference between Expected and Actual Experience	(29,625)		(22,406)				
Assumption Changes	-		-				
Benefit Payments	(24,158)		(19,764)				
Net Change in Total Pension Liability	44,297	-	(4,863)				
Total Pension Liability - Beginning	263,591		287,188				
Total Pension Liability - Ending (a)	\$ 307,888	\$ -	\$ 282,325				
Plan Fiduciary Net Position							
Employer Contributions	\$ 18,000	\$ 18,000	\$ 18,000				
Pension Plan Net Investment Income	37,358	43,524	11,794				
Benefit Payments	(23,094)	(22,248)	(19,764)				
Pension Plan Administrative Expense	(11,185)	(10,497)	(5,643)				
State of Colorado supplemental discretionary payment	15,756	15,843	15,190				
Net Change in Plan Fiduciary Net Position	36,835	44,622	19,577				
Plan Fiduciary Net Position - Beginning	590,538	545,916	526,339				
Plan Fiduciary Net Position - Ending (b)	\$ 627,373	\$ 590,538	\$ 545,916				
Net Pension Liability/(Asset) - Ending (a) - (b)	(319,485)	(590,538)	(263,591)				
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	203.77%		193.36%				
Covered Employee Payroll	N/A		N/A				
Net Pension Liability as a Percentage of Covered Employee Payroll	N/A		N/A				

CITY OF OURAY, COLORADO
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	<u>Conservation Trust Fund</u>	<u>Tourism Promotion Fund</u>	<u>Beautification Fund</u>	<u>Total Nonmajor Governmental Funds</u>
Assets				
Cash and cash equivalents	\$ 131,461	\$ 58,254	\$ 84,465	\$ 274,180
Total assets	<u>\$ 131,461</u>	<u>\$ 58,254</u>	<u>\$ 84,465</u>	<u>\$ 274,180</u>
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 366	\$ 366
Total liabilities	<u>-</u>	<u>-</u>	<u>366</u>	<u>366</u>
Fund balances:				
Unreserved:	131,461	58,254	84,099	273,814
Total fund balances	<u>131,461</u>	<u>58,254</u>	<u>84,099</u>	<u>273,814</u>
Total liabilities and fund balances	<u>\$ 131,461</u>	<u>\$ 58,254</u>	<u>\$ 84,465</u>	<u>\$ 274,180</u>

CITY OF OURAY, COLORADO
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
December 31, 2018

	Conservation Trust Fund	Tourism Promotion Fund	Beautification Fund	Total Nonmajor Governmental Funds
REVENUES				
Lodging taxes	\$ -	\$ 246,261	\$ 33,696	\$ 279,957
Intergovernmental	10,348	-	5,156	15,504
Interest earnings	344	-	310	654
Total revenues	<u>10,692</u>	<u>246,261</u>	<u>39,162</u>	<u>296,115</u>
EXPENDITURES				
Current:				
General government	-	218,833	8,196	227,029
Total expenditures	<u>-</u>	<u>218,833</u>	<u>8,196</u>	<u>227,029</u>
Excess revenues over (under) expenditures	10,692	27,428	30,966	69,086
OTHER FINANCING SOURCES (USES)				
Transfer out	-	-	(54,289)	(54,289)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(54,289)</u>	<u>(54,289)</u>
Net change to fund balance	10,692	27,428	(23,323)	14,797
Fund balance, January 1	<u>120,769</u>	<u>30,826</u>	<u>107,422</u>	<u>259,017</u>
Fund balance, December 31	<u>\$ 131,461</u>	<u>\$ 58,254</u>	<u>\$ 84,099</u>	<u>\$ 273,814</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Conservation Trust Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
Revenues				Favorable
				(Unfavorable)
State entitlement	\$ 13,500	\$ 13,500	\$ 10,348	\$ (3,152)
Interest Income	150	150	344	194
Total revenues	<u>13,650</u>	<u>13,650</u>	<u>10,692</u>	<u>(2,958)</u>
Expenditures				
Culture and recreation	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues over				
(under) Expenditures	13,650	13,650	10,692	(2,958)
Fund balance, January 1	<u>123,891</u>	<u>123,891</u>	<u>120,769</u>	<u>(3,122)</u>
Fund balance, December 31	<u>\$ 137,541</u>	<u>\$ 137,541</u>	<u>\$ 131,461</u>	<u>\$ (6,080)</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Tourism Promotion Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 235,391	\$ 235,391	\$ 246,261	\$ 10,870
Total revenues	<u>235,391</u>	<u>235,391</u>	<u>246,261</u>	<u>10,870</u>
Expenditures				
General government	238,000	238,000	218,833	19,167
Total expenditures	<u>238,000</u>	<u>238,000</u>	<u>218,833</u>	<u>19,167</u>
Excess of revenues over (under) expenditures	(2,609)	(2,609)	27,428	30,037
Fund balance, January 1	<u>51,700</u>	<u>51,700</u>	<u>30,826</u>	<u>(20,874)</u>
Fund balance, December 31	<u>\$ 49,091</u>	<u>\$ 49,091</u>	<u>\$ 58,254</u>	<u>\$ 9,163</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Beautification Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable
Revenues				(Unfavorable)
Lodging taxes	\$ 32,185	\$ 32,185	\$ 33,696	\$ 1,511
Interest income	-	-	310	310
Grants and donations	4,000	4,000	5,156	1,156
Total revenues	<u>36,185</u>	<u>36,185</u>	<u>39,162</u>	<u>2,977</u>
Expenditures				
General government	9,000	9,000	8,196	804
Total expenditures	<u>9,000</u>	<u>9,000</u>	<u>8,196</u>	<u>804</u>
Excess of Revenues over				
(under) Expenditures	27,185	27,185	30,966	3,781
OTHER FINANCING SOURCES (USES)				
Transfer out	(74,565)	(74,565)	(54,289)	20,276
Total other financing sources (uses)	<u>(74,565)</u>	<u>(74,565)</u>	<u>(54,289)</u>	<u>20,276</u>
Net change to fund balance	(47,380)	(47,380)	(23,323)	24,057
Fund balance, January 1	<u>91,341</u>	<u>91,341</u>	<u>107,422</u>	<u>16,081</u>
Fund balance, December 31	<u><u>\$ 43,961</u></u>	<u><u>\$ 43,961</u></u>	<u><u>\$ 84,099</u></u>	<u><u>\$ 40,138</u></u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Capital Improvement Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
Revenues				Favorable
Sales tax	\$ 360,823	\$ 360,823	\$ 395,101	\$ 34,278
Total revenues	<u>360,823</u>	<u>360,823</u>	<u>395,101</u>	<u>34,278</u>
 Expenditures				
Capital Improvements	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 Excess of Revenues over (under) Expenditures	 360,823	 360,823	 395,101	 34,278
 OTHER FINANCING SOURCES (USES)				
Transfer out	(270,336)	(270,336)	(227,308)	43,028
Total other financing sources (uses)	<u>(270,336)</u>	<u>(270,336)</u>	<u>(227,308)</u>	<u>43,028</u>
 Net change to fund balance	 90,487	 90,487	 167,793	 77,306
Fund balance, January 1	<u>286,233</u>	<u>286,233</u>	<u>484,562</u>	<u>198,329</u>
 Fund balance, December 31	 <u>\$ 376,720</u>	 <u>\$ 376,720</u>	 <u>\$ 652,355</u>	 <u>\$ 275,635</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Water Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
Revenues				Favorable
				(Unfavorable)
Water services	\$ 500,081	\$ 500,081	\$ 558,228	\$ 58,147
Investment fees	3,750	3,750	17,000	13,250
Miscellaneous	7,000	7,000	1,342	(5,658)
Interest revenue	-	-	307	307
Total revenues	<u>510,831</u>	<u>510,831</u>	<u>576,877</u>	<u>66,046</u>
Expenditures				
Salaries and wages	201,462	201,462	209,946	(8,484)
Taxes and benefits	73,766	73,766	61,623	12,143
Overhead	15,047	15,047	15,458	(411)
Operating maintenance	121,440	134,029	151,843	(17,814)
Capital expenditures	46,217	46,217	11,481	34,736
Debt service	79,269	79,269	91,766	(12,497)
Total expenditures	<u>537,201</u>	<u>549,790</u>	<u>542,117</u>	<u>7,673</u>
Excess of Revenues over				
(under) Expenditures	(26,370)	(38,959)	34,760	73,719
Other Financing Sources (Uses)				
Transfers in/Out	22,000	22,000	-	(22,000)
Available resources, January 1	<u>159,791</u>	<u>159,791</u>	<u>86,667</u>	<u>(73,124)</u>
Available resources, December 31	<u>\$ 155,421</u>	<u>\$ 142,832</u>	<u>\$ 121,427</u>	<u>\$ (21,405)</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Sewer Fund
For the Year Ended December 31, 2018

Revenues	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Sewer services	\$ 486,548	\$ 486,548	\$ 490,288	\$ 3,740
Investment fees	3,750	3,750	16,875	13,125
Miscellaneous	12,500	12,500	-	(12,500)
Interest	1,000	1,000	1,448	448
Grants	-	-	23,477	23,477
Total revenues	503,798	503,798	532,088	28,290
Expenditures				
Salaries and wages	195,922	195,922	200,037	(4,115)
Taxes and benefits	71,340	71,340	59,706	11,634
Overhead	36,762	36,762	39,833	(3,071)
Operating maintenance	191,140	191,140	187,019	4,121
Capital expenditures	107,217	107,217	17,920	89,297
Debt service	5,542	5,542	18,040	(12,498)
Total expenditures	607,923	607,923	522,555	85,368
Excess of Revenues over (under) Expenditures	(104,125)	(104,125)	9,533	113,658
Available resources, January 1	487,725	487,725	497,022	9,297
Available resources, December 31	\$ 383,600	\$ 383,600	\$ 506,555	\$ 122,955

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Utilities-Capital Improvement Fund
For the Year Ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Water Fund				
Charges for services	\$ -	\$ -	\$ 8,448	\$ 8,448
Investment fees	11,250	11,250	51,000	39,750
Interest Income	275	275	654	379
Sewer Fund				
Charges for services	-	-	17,287	17,287
Tap Fees	11,250	11,250	50,625	39,375
Total revenues	<u>22,775</u>	<u>22,775</u>	<u>128,014</u>	<u>105,239</u>
Expenditures				
Capital expenditures/Transfers	<u>29,000</u>	<u>29,000</u>	<u>-</u>	<u>29,000</u>
Total expenditures	<u>29,000</u>	<u>29,000</u>	<u>-</u>	<u>29,000</u>
Excess of Revenues over (under) Expenditures	(6,225)	(6,225)	128,014	134,239
Available resources, January 1	<u>134,513</u>	<u>134,513</u>	<u>198,069</u>	<u>63,556</u>
Available resources, December 31	<u>\$ 128,288</u>	<u>\$ 128,288</u>	<u>\$ 326,083</u>	<u>\$ 197,795</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Refuse Fund
For the Year Ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
Revenues				
Refuse collection service	\$ 136,830	\$ 136,830	\$ 136,284	\$ (546)
Recycling	22,254	22,254	24,891	2,637
Total revenues	<u>159,084</u>	<u>159,084</u>	<u>161,175</u>	<u>2,091</u>
Expenditures				
Contract hauling	167,988	167,988	172,503	(4,515)
Total expenditures	<u>167,988</u>	<u>167,988</u>	<u>172,503</u>	<u>(4,515)</u>
Excess of revenues over (under) expenditures	(8,904)	(8,904)	(11,328)	(2,424)
Available funds, January 1	<u>18,812</u>	<u>18,812</u>	<u>20,559</u>	<u>1,747</u>
Available funds, December 31	<u>\$ 9,908</u>	<u>\$ 9,908</u>	<u>\$ 9,231</u>	<u>\$ (677)</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Parks Fund
For the Year Ended December 31, 2018

Revenues	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Favorable
				(Unfavorable)
Swimming pool	\$ 2,213,100	\$ 2,213,100	\$ 2,050,038	\$ (163,062)
Box Cañon	304,300	304,300	286,361	(17,939)
Ice rink	13,815	13,815	770	(13,045)
Gym	22,000	22,000	32,929	10,929
Total revenues	<u>2,553,215</u>	<u>2,553,215</u>	<u>2,370,098</u>	<u>(183,117)</u>
Expenditures				
Salaries and wages	905,103	905,103	910,718	(5,615)
Taxes and benefits	194,158	194,158	192,240	1,918
Overhead	148,419	148,419	200,483	(52,064)
Operating maintenance	396,450	514,839	410,475	104,364
Capital expenditures	312,374	312,374	(879)	313,253
Debt Service	534,625	534,625	534,625	-
Total expenditures	<u>2,491,129</u>	<u>2,609,518</u>	<u>2,247,662</u>	<u>361,856</u>
Excess of Revenues over				
(under) expenditures	62,086	(56,303)	122,436	178,739
Available resources, January 1	<u>611,530</u>	<u>611,530</u>	<u>722,869</u>	<u>111,339</u>
Available resources, December 31	<u>\$ 673,616</u>	<u>\$ 555,227</u>	<u>\$ 845,305</u>	<u>\$ 290,078</u>

CITY OF OURAY, COLORADO
Schedule of Revenues, Expenditures and Changes in Available Resources-Budget and Actual
Pool Renovation Fund
For the Year Ended December 31, 2018

Revenues	Budgeted Amounts		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
Grants and donations	-	-	175,281	175,281
Total revenues	-	-	175,281	175,281
Expenditures				
Capital expenditures/Transfers	-	872,241	-	872,241
Total expenditures	-	872,241	-	872,241
Excess of Revenues over (under) Expenditures	-	(872,241)	175,281	1,047,522
Available resources, January 1	490,718	872,241	2,604,436	1,732,195
Residual transfer	-	-	(2,184,554)	(2,184,554)
Available resources, December 31	\$ 490,718	\$ -	\$ 595,163	\$ 595,163

Steps for printing your content and returning to 'Edit Mode

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

ANNUAL HIGHWAY FINANCE REPORT - CY18

Email address: drakem@cityofouray.com

City/County: Ouray

II - RECEIPTS FOR ROAD AND STREET PURPOSES**Please no commas or dollar signs for the input****A. Receipts from local sources**

2. General Fund Appropriations:	\$	469,109.00
3. Other local imposts: <i>from A.3. Total below</i>	\$	87,457.00
4. Miscellaneous local receipts: <i>from A.4. Total below</i>	\$	0.00
5. Transfers from toll facilities	\$	0.00
6. Proceeds of sale of bonds and notes		
a. Bonds - Original Issues:	\$	0.00
b. Bonds - Refunding Issues:	\$	0.00
c. Notes:	\$	0.00

SubTotal:	\$	556,566.00
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B. Private Contributions	\$	0.00
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a. Forest Service:	\$	0.00
b. FEMA:	\$	0.00
c. HUD:	\$	0.00
d. Federal Transit Administration:	\$	0.00
e. U.S. Corp of Engineers	\$	0.00
f. Other Federal:	\$	0.00
Total: (2a-f)	\$	0.00

III - DISBURSEMENTS FOR ROAD AND STREET PURPOSES

Please no commas or dollar signs for the input

A. Local highway disbursements

1. Capital outlay: <i>(from A.1.d. 'Total Capital Outlay' below)</i>	\$	0.00
2. Maintenance:	\$	293,612.00
3. Road and street services		
a. Traffic control operations:	\$	14,694.00
b. Snow and ice removal:	\$	61,938.00
c. Other:	\$	0.00
4. General administration & miscellaneous	\$	1,858.00
5. Highway law enforcement and safety	\$	243,050.00
Total: (A.1-5)	\$	615,152.00

Please no commas or dollar signs for the input

B. Debt service on local obligations

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

Please no commas or dollar signs for the input

C. Payments to State for Highways:	\$	0.00
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IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

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

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 615,151.00	\$ 615,152.00	\$ 0.00	\$ 1.00

Notes & Comments:
undefined

Please enter your name: **Melissa M. Drake**

Please provide a telephone number where you may be reached: **970-325-7066**

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

IV. LOCAL HIGHWAY DEBT STATUS

Please no commas or dollar signs for the input

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

V - LOCAL ROAD AND STREET FUND BALANCE

Please no commas or dollar signs for the input

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
\$ 0.00	\$ 615,151.00	\$ 615,152.00	\$ 0.00	\$ 1.00

Notes & Comments:
undefined

Please enter your name: **Melissa M. Drake**

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