
Town of Ridgway

Financial Statements
and
Report of Independent Auditor

December 31, 2019

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Town Council
Town of Ridgway, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Ridgway, Colorado, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Ridgway, Colorado, as of December 31, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3-10 and 37-41 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Ridgway, Colorado's basic financial statements. The Schedules of Revenues, Expenditures and Changes in Fund Balance and Available Resources-Budget and Actual- Capital Projects Fund and Enterprise Funds and local highway finance report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules of Revenues, Expenditures and Changes in Fund Balance and Available Resources-Budget and Actual- Capital Projects Fund and Enterprise Funds and local highway finance report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Revenues, Expenditures and Changes in Available Resources-Budget and Actual-Enterprise Funds and local highway finance report are fairly stated in all material respects in relation to the basic financial statements as a whole.

Blair and Associates, P.C.

Cedaredge, Colorado
August 26, 2020

TOWN OF RIDGWAY
Management's Discussion and Analysis
Fiscal Year Ended December 31, 2019

As management of the Town of Ridgway (the "Town"), we offer readers of the Town's basic financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

FINANCIAL HIGHLIGHTS

- The Town's assets exceeded its liabilities by \$ 12,947,726 (i.e. net position) as of December 31, 2019, an increase of \$ 630,022 in comparison to the prior year.
- Governmental funds reported combined ending fund balances of \$ 1,633,125 an increase of \$ 208,752 in comparison with the prior year.
- The Town's fund balance for the General Fund was \$1,572,455, increase of \$ 185,564 in comparison to the prior year.
- Total long-term liabilities decreased by \$ 130,582 during the 2019 fiscal year with no new debt issued.
- General property tax, sales tax, and other tax totaled \$ 1,981,825 or 84% of general revenues.

OVERVIEW OF FINANCIAL STATEMENTS

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

Government-wide Financial Statements

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

The statement of net position presents information on all the Town's assets, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses reported in this statement for some items will result in cash flows in future periods (e.g. uncollected taxes and earned but unused personal time).

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (Governmental Activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (Business-type Activities).

The Governmental Activities of the Town include general government administration, police, public works, and community center. The Business-type Activities of the Town include the following utilities: water and sewer funds.

Fund Financial Statements

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

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental activities in the governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains two major government funds, the General Fund and the Capital Projects Fund. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund.

Proprietary Funds – The Town maintains one type of proprietary fund. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses a separate enterprise fund to account for each of its utility funds: Water and Sewer Fund.

Fiduciary Funds – The Town maintains one type of fiduciary fund, the Ridgway General Improvement District #1.

Notes to Financial Statements

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted previously, net position may serve over time as a useful indicator of the Town's financial position. For the year ended December 31, 2019, the Town's combined assets exceeded liabilities by \$ 12,947,726. Of this amount, \$ 3,129,123 is unrestricted and available to meet the Town's ongoing financial obligations.

By far the largest portion of net position is the investment in capital assets (net of related debt) of \$ 9,726,003 (75% of net position). This amount reflects the investment in all capital assets (e.g. infrastructure, land, buildings, and equipment) less any related debt used to acquire those assets that are still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of debt, it should be noted that the resources needed to repay this debt must be provided from other sources since capital assets themselves cannot be used to liquidate these liabilities.

The following table summarizes the Town's governmental and business-type net position for 2019:

	Governmental Activities		Business Type Activities		Totals	
	2018	2019	2018	2019	2018	2019
Assets						
Current and other assets	\$ 1,713,514	\$ 2,068,532	\$ 1,502,375	\$ 1,705,853	\$ 3,215,889	\$ 3,774,385
Capital assets	6,914,978	7,057,890	4,652,323	4,600,753	11,567,301	11,658,643
Total assets	<u>\$ 8,628,492</u>	<u>\$ 9,126,422</u>	<u>\$ 6,154,698</u>	<u>\$ 6,306,606</u>	<u>\$ 14,783,190</u>	<u>\$ 15,433,028</u>
Current liabilities	\$ 114,076	\$ 194,270	\$ 109,598	\$ 108,674	\$ 223,674	\$ 302,944
Non-current liabilities						
Compensated absences	49,107	71,908	-	-	49,107	71,908
Bond and loans payables	1,005,000	920,000	927,640	864,313	1,932,640	1,784,313
Total liabilities	<u>1,168,183</u>	<u>1,186,178</u>	<u>1,037,238</u>	<u>972,987</u>	<u>2,205,421</u>	<u>2,159,165</u>
Deferred inflow of resources						
Deferred property taxes	<u>260,065</u>	<u>326,137</u>	<u>-</u>	<u>-</u>	<u>272,000</u>	<u>260,065</u>
Net position						
Investment in capital assets, net of related debt	5,824,978	6,052,890	3,656,300	3,673,113	9,481,278	9,726,003
Restricted	99,300	92,600	-	-	99,300	92,600
Unrestricted	1,275,966	1,468,617	1,461,160	1,660,506	2,737,126	3,129,123
Total net assets	<u>\$ 7,200,244</u>	<u>\$ 7,614,107</u>	<u>\$ 5,117,460</u>	<u>\$ 5,333,619</u>	<u>\$ 12,317,704</u>	<u>\$ 12,947,726</u>

An additional portion of net position, \$ 92,600, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$ 3,129,123 (24% of net position), may be used to meet the government's ongoing obligations to citizens and creditors.

Change in Net Position

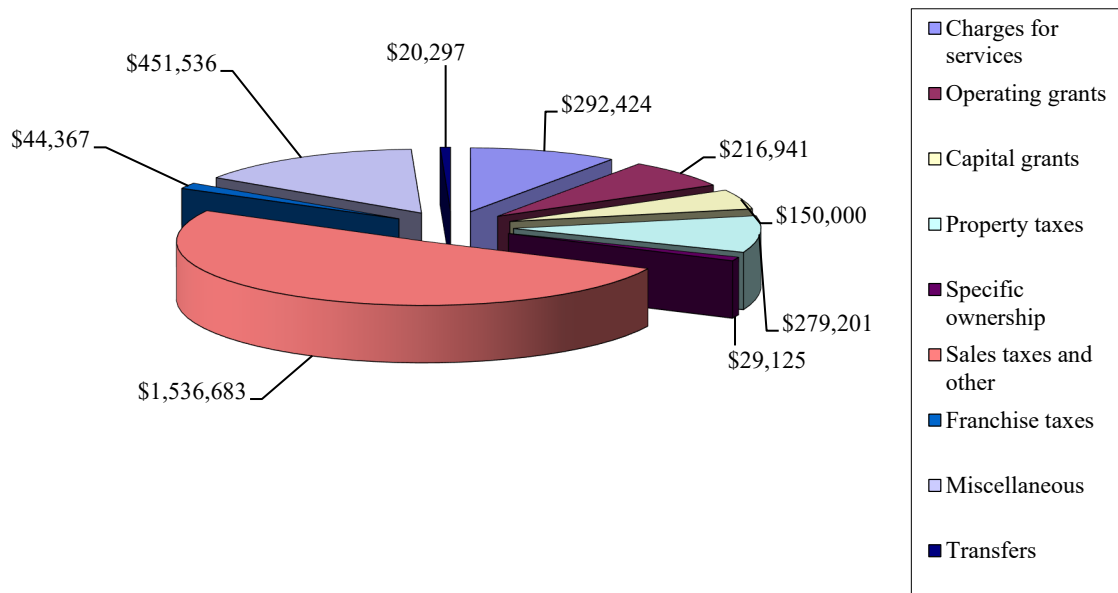
Governmental and business-type activities increased the Town's net position by \$ 630,022 in 2019.

	Governmental Activities		Business Type Activities		Total	
	2018	2019	2018	2019	2018	2019
Revenues						
Program revenues						
Charges for services	\$ 342,315	\$ 292,424	\$ 760,090	\$ 927,673	\$ 1,102,405	\$ 1,220,097
Operating grants	202,352	216,941	-	-	202,352	216,941
Capital grants	78,050	150,000	118,790	60,500	196,840	210,500
General revenues						
Property taxes	259,559	279,201	-	-	259,559	279,201
Specific ownership	27,035	29,125	-	-	27,035	29,125
Sales taxes and other	1,411,605	1,536,683	-	-	1,411,605	1,536,683
Franchise taxes	39,906	44,367	-	-	39,906	44,367
Transfers	-	-	-	-	-	-
Miscellaneous	115,334	451,536	-	-	115,334	451,536
Interest income	15,133	20,297	21,372	29,493	36,505	49,790
Totals	<u>2,491,289</u>	<u>3,020,574</u>	<u>900,252</u>	<u>1,017,666</u>	<u>3,391,541</u>	<u>4,038,240</u>
Expenses						
General government	983,473	1,021,700	-	-	983,473	1,021,700
Public safety	416,358	444,110	-	-	416,358	444,110
Public works	604,254	829,205	724,018	801,507	1,328,272	1,630,712
Culture and recreation	347,165	311,696	-	-	347,165	311,696
Total expenses	<u>2,351,250</u>	<u>2,606,711</u>	<u>724,018</u>	<u>801,507</u>	<u>3,075,268</u>	<u>3,408,218</u>
Increase in net position	140,039	413,863	176,234	216,159	316,273	630,022
Beginning	<u>7,060,205</u>	<u>7,200,244</u>	<u>4,941,226</u>	<u>5,117,460</u>	<u>12,001,431</u>	<u>12,317,704</u>
Ending	<u>\$ 7,200,244</u>	<u>\$ 7,614,107</u>	<u>\$ 5,117,460</u>	<u>\$ 5,333,619</u>	<u>\$ 12,317,704</u>	<u>\$ 12,947,726</u>

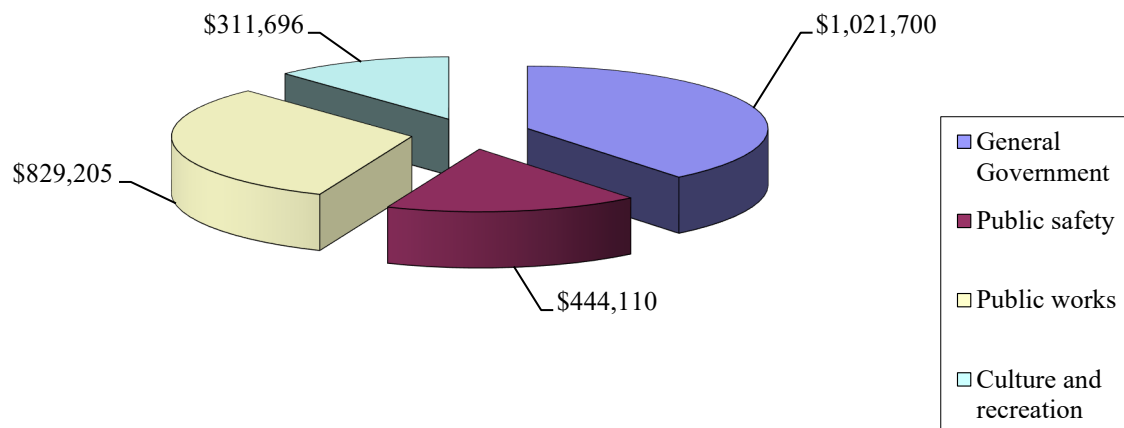
Governmental Activities

Governmental activities increased the Town's net position by \$ 413,863.

Revenues by Source-Governmental Activities



Expenses by Department-Governmental Activities



Business-type Activities

Business-type activities for the year had an increase in net position of \$ 216,159. Charges for services accounted for 89% of total revenues.

FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

Governmental funds

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

As of the end of 2019, the Town's governmental funds reported combined ending fund balances of \$ 1,633,125, an increase of \$ 208,752 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 91% of this total amount, \$ 1,479,855, constitutes unassigned fund balance, which is available for appropriation at the Town's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it is already committed to meet a State constitution mandated emergency reserve, \$92,600 and for capital improvements of \$60,670.

The Town has one major governmental fund, the General Fund, which is the primary operating fund for the Town. At the end of 2019, unassigned fund balance of the General Fund was \$ 1,479,855, while the total fund balance was \$ 1,572,455. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. The fund balance in the Town's General Fund increased by \$ 185,564 during 2019.

Proprietary funds

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

The Town has two enterprise funds: Water Fund and Sewer Fund. At the end of 2019, these funds represented the following net position amounts:

	<u>Water</u>	<u>Sewer</u>
Unrestricted net position	\$ 723,391	\$ 937,115
Total net position	\$ 3,398,999	\$ 1,934,620
Increase (decrease) in net position	\$ 179,447	\$ 36,712

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town budgeted \$ 2,808,915 for 2019 expenditures. Actual expenditures were \$ 2,537,890. There was no amendment to the original budget for General Fund.

CAPITAL ASSET AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2019, was \$ 11,658,643. As required by GASB 34, the investment in capital assets includes land, buildings, building improvements, and equipment.

	Balance January 1, 2019	Additions	Dispositions	Balance December 31, 2019
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,940,462	\$ -	\$ -	\$ 1,940,462
Construction in progress	150,000	273,691	-	423,691
	<u>2,090,462</u>	<u>273,691</u>	<u>-</u>	<u>2,364,153</u>
Capital assets being depreciated				
Buildings	433,024	-	-	433,024
Vehicles and equipment	479,267	80,214	-	559,481
Equipment-culture and recreation	134,432	-	-	134,432
Infrastructure	5,296,993	-	-	5,296,993
Less accumulated depreciation	(1,519,200)	(210,993)	-	(1,730,193)
Capital assets being depreciated, net	<u>4,824,516</u>	<u>(130,779)</u>	<u>-</u>	<u>4,693,737</u>
Total Governmental Activities Capital Assets	<u>\$ 6,914,978</u>	<u>\$ 142,912</u>	<u>\$ -</u>	<u>\$ 7,057,890</u>
	Balance January 1, 2019	Additions	Dispositions	Balance December 31, 2019
Business - Type Activities				
Capital assets not being depreciated				
Land	\$ 2,036,258	\$ -	\$ -	\$ 2,036,258
	<u>2,036,258</u>	<u>-</u>	<u>-</u>	<u>2,036,258</u>
Capital assets being depreciated				
Buildings	20,668	-	-	20,668
Improvements other than buildings	4,694,852	-	-	4,694,852
Vehicles and equipment	365,561	83,883	-	449,444
Less accumulated depreciation	(2,465,016)	(135,453)	-	(2,600,469)
Capital assets being depreciated, net	<u>2,616,065</u>	<u>(51,570)</u>	<u>-</u>	<u>2,564,495</u>
Total Business-Type Activities Capital Assets	<u>\$ 4,652,323</u>	<u>\$ (51,570)</u>	<u>\$ -</u>	<u>\$ 4,600,753</u>

Long-term Debt

As of December 31, 2019, the Town had long-term debt as follows:

	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019	Due Within One Year
Governmental Activities					
Accrued compensated absences	\$ 49,107	\$ 22,801	\$ -	\$ 71,908	\$ 71,908
G.O Bonds Series 2014	1,090,000	-	(85,000)	1,005,000	85,000
Total	<u>\$ 1,139,107</u>	<u>\$ 22,801</u>	<u>\$ (85,000)</u>	<u>\$ 1,076,908</u>	<u>\$ 156,908</u>
Enterprise Activities					
Bank loan	\$ 6,597	\$ -	\$ (6,597)	\$ -	\$ -
CWCB loan	566,630	-	(13,919)	552,711	14,336
CWCB loan	14,484	-	(7,136)	7,348	7,348
Loan payable	149,562	-	(18,231)	131,331	19,143
CWRPDA loan	258,750	-	(22,500)	236,250	22,500
Total	<u>\$ 996,023</u>	<u>\$ -</u>	<u>\$ (68,383)</u>	<u>\$ 927,640</u>	<u>\$ 63,327</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

- The Town is in good financial condition.
- The Town's General fund has a fund balance that will cover three months of normal expenditures.
- In 2006 the voters approved a sales tax increase of .06%, which is designated for capital improvements.

REQUEST FOR INFORMATION

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

Town Clerk
Town of Ridgway
Ridgway, Co

Town of Ridgway
Statement of Net Position
December 31, 2019

	Governmental Activities	Business -Type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 714,861	\$ 286,510	\$ 1,001,371
Investments	833,536	1,330,985	2,164,521
Taxes receivable	175,424	-	175,424
Property taxes receivable	326,137	-	326,137
Accounts receivable	18,574	88,358	106,932
Capital assets			
Nondepreciable	2,340,462	2,036,258	4,376,720
Depreciable, net of accumulated depreciation	4,717,428	2,564,495	7,281,923
Total assets	<u>9,126,422</u>	<u>6,306,606</u>	<u>15,433,028</u>
LIABILITIES			
Accounts payable	81,156	7,647	88,803
Accrued payroll costs	5,805	-	5,805
Accrued payroll	22,309	6,170	28,479
Accrued compensated absences	71,908	-	71,908
Accrued interest payable	-	1,530	1,530
Unearned revenue	-	30,000	30,000
Non current liabilities			
Due within one year	85,000	63,327	148,327
Due in more than one year	920,000	864,313	1,784,313
Total liabilities	<u>1,186,178</u>	<u>972,987</u>	<u>2,159,165</u>
Deferred inflows of resources			
Deferred property taxes	<u>326,137</u>	<u>-</u>	<u>326,137</u>
NET POSITION			
Invested in capital assets, net of related debt	6,052,890	3,673,113	9,726,003
Restricted for:			
Emergencies	92,600	-	92,600
Unrestricted	1,468,617	1,660,506	3,129,123
Total net position	<u>\$ 7,614,107</u>	<u>\$ 5,333,619</u>	<u>\$ 12,947,726</u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Activities
For the Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 1,021,700	\$ 64,297	\$ 109,050	\$ -
Public Safety	444,110	4,995	-	-
Public Works	829,205	223,132	96,400	-
Culture and Recreation	311,696	-	11,491	150,000
Total governmental activities	<u>2,606,711</u>	<u>292,424</u>	<u>216,941</u>	<u>150,000</u>
Business-type activities:				
Water	470,768	608,161	-	31,250
Sewer	330,739	319,512	-	29,250
Total business- type activities	<u>801,507</u>	<u>927,673</u>	<u>-</u>	<u>60,500</u>
Total primary government	<u>\$ 3,408,218</u>	<u>\$ 1,220,097</u>	<u>\$ 216,941</u>	<u>\$ 210,500</u>

General Revenues

Taxes:

Property taxes

Specific ownership

Sales taxes and miscellaneous

Lodging tax

Franchise taxes

Excise Development Tax

Miscellaneous

Investment earnings

Total General Revenues

Changes in Net Position

Net Position-January 1

Net Position-December 31

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-Type Activities	Total
\$ (848,353)	\$ -	\$ (848,353)
(439,115)	-	(439,115)
(509,673)	-	(509,673)
(150,205)	-	(150,205)
<u>(1,947,346)</u>	<u>-</u>	<u>(1,947,346)</u>
-	168,643	168,643
-	18,023	18,023
-	<u>186,666</u>	<u>186,666</u>
<u>(1,947,346)</u>	<u>186,666</u>	<u>(1,760,680)</u>
279,201	-	279,201
29,125	-	29,125
1,536,683	-	1,536,683
92,449	-	92,449
44,367	-	44,367
15,000	-	15,000
344,087	-	344,087
20,297	29,493	49,790
<u>2,361,209</u>	<u>29,493</u>	<u>2,390,702</u>
413,863	216,159	630,022
7,200,244	5,117,460	12,317,704
<u>\$ 7,614,107</u>	<u>\$ 5,333,619</u>	<u>\$ 12,947,726</u>

The accompanying notes are an integral part of this statement.

**Town of Ridgway
Governmental Funds
Balance Sheet
December 31, 2019**

	General Fund	Capital Projects Fund	Total Governmental Funds
Assets			
Cash and cash equivalents	\$ 651,068	\$ 63,793	\$ 714,861
Investments	833,536	-	833,536
Taxes receivable	175,424	-	175,424
Property taxes receivable	326,137		326,137
Accounts receivable	18,574	-	18,574
Total assets	<u>\$ 2,004,739</u>	<u>\$ 63,793</u>	<u>\$ 2,068,532</u>
Liabilities and Fund Balance			
Liabilities:			
Accounts payable	\$ 78,033	\$ 3,123	\$ 81,156
Accrued payroll costs	5,805	-	5,805
Accrued payroll	22,309	-	22,309
Total liabilities	<u>106,147</u>	<u>3,123</u>	<u>109,270</u>
Deferred inflows of resources			
Deferred property taxes	<u>326,137</u>	<u>-</u>	<u>326,137</u>
Fund balances:			
Restricted			
Reserve for emergencies	92,600	-	92,600
Committed			
Capital improvements	-	60,670	60,670
Unassigned	1,479,855	-	1,479,855
Total fund balance	<u>1,572,455</u>	<u>60,670</u>	<u>1,633,125</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 2,004,739</u>	<u>\$ 63,793</u>	<u>\$ 2,068,532</u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Reconciliation of the Governmental Funds Balance
Sheet to the Statement of Net Position
December 31, 2019

Total Fund Balance, Governmental Funds \$ 1,633,125

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of capital assets	\$ 8,788,086	
Less accumulated depreciation	<u>(1,730,196)</u>	7,057,890

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

Bond payables	\$ (1,005,000)	
Compensated absences	<u>(71,908)</u>	(1,076,908)

Net Position - Governmental Activities		<u><u>\$ 7,614,107</u></u>
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The accompanying notes are an integral part of this statement.

**Town of Ridgway
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2019**

	General Fund	Capital Projects Fund	Total Governmental Funds
Revenues			
Taxes	\$ 1,973,803	\$ -	\$ 1,973,803
Fees and fines	4,995	-	4,995
Licenses and permits	122,732	-	122,732
Intergovernmental	239,963	150,000	389,963
Charges for services	159,447	-	159,447
Donations	-	147,120	
Miscellaneous	222,514	-	222,514
Total revenues	<u>2,723,454</u>	<u>297,120</u>	<u>3,020,574</u>
Expenditures			
Current:			
General government	983,619	-	983,619
Public safety	447,610	-	447,610
Public works	666,432	-	666,432
Culture and recreation	321,148	-	321,148
Debt service payments	119,081	-	119,081
Capital outlay	-	273,932	273,932
Total expenditures	<u>2,537,890</u>	<u>273,932</u>	<u>2,811,822</u>
Excess of revenues over expenditures	<u>185,564</u>	<u>23,188</u>	<u>208,752</u>
Fund balance, January 1	<u>1,386,891</u>	<u>37,482</u>	<u>1,424,373</u>
Fund balance, December 31	<u><u>\$ 1,572,455</u></u>	<u><u>\$ 60,670</u></u>	<u><u>\$ 1,633,125</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,
and Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2019

Net Change in Fund Balances - Total Governmental Funds	\$ 208,752
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Amounts reported for governmental activities in the statement of activities are different because:

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

Capital outlay	\$ 353,905	
Depreciation expense	<u>(210,993)</u>	
Excess of capital outlay over depreciation		142,912

Repayment of long-term debt principal is reported as an expenditure in the governmental funds but reduces long-term liabilities in the statement of net position.

Loans and notes payable	85,000	
Compensated absences	<u>(22,801)</u>	

Change in Net Position of Governmental Funds	<u><u>\$ 413,863</u></u>
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The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Net Position
Enterprise Funds
December 31, 2019

	Enterprise Funds		
	Water	Sewer	Total Enterprise Funds
Assets			
Current assets:			
Equity in pooled cash and investments	\$ 705,306	\$ 912,189	\$ 1,617,495
Receivables-net	57,937	30,421	88,358
Total current assets	<u>763,243</u>	<u>942,610</u>	<u>1,705,853</u>
Utility plant in service			
Land and reservoirs	2,036,258	-	2,036,258
Buildings	15,275	5,393	20,668
Improvements other than buildings	2,771,820	1,923,032	4,694,852
Vehicles and equipment	260,620	188,824	449,444
Less: Accumulated depreciation	(1,593,844)	(1,006,625)	(2,600,469)
Utility plant in service-net	<u>3,490,129</u>	<u>1,110,624</u>	<u>4,600,753</u>
Total assets	<u><u>\$ 4,253,372</u></u>	<u><u>\$ 2,053,234</u></u>	<u><u>\$ 6,306,606</u></u>
Liabilities and fund equity			
Current liabilities			
Accounts payable	\$ 4,911	\$ 2,736	\$ 7,647
Accrued payroll	3,411	2,759	6,170
Unearned revenue	30,000	-	30,000
Accrued interest payable	1,530	-	1,530
Current portion of long-term debt	53,068	10,259	63,327
Total current liabilities	<u>92,920</u>	<u>15,754</u>	<u>108,674</u>
Long-term debt-net	<u>761,453</u>	<u>102,860</u>	<u>864,313</u>
Net Position			
Invested in capital assets, net of related debt	2,675,608	997,505	3,673,113
Unrestricted	723,391	937,115	1,660,506
Total net position	<u><u>\$ 3,398,999</u></u>	<u><u>\$ 1,934,620</u></u>	<u><u>\$ 5,333,619</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
All Enterprise Funds
Statement of Revenues, Expenses, and Changes in Net Position
December 31, 2019

	Enterprise Funds		
	Water	Sewer	Total Enterprise Funds
Operating revenues			
Charges for services	\$ 595,396	\$ 315,476	\$ 910,872
Other	12,765	4,036	16,801
Total operating revenues	<u>608,161</u>	<u>319,512</u>	<u>927,673</u>
Operating expenses			
Salaries and fringe benefits	172,585	139,868	312,453
Maintenance and repairs	63,964	38,466	102,430
Material and Supplies	31,580	9,238	40,818
Utilities and telephone	16,016	41,431	57,447
Professional fees	3,075	3,075	6,150
Depreciation	83,070	52,383	135,453
Miscellaneous	31,009	17,218	48,227
Consulting and engineering	43,168	15,328	58,496
Insurance	7,425	7,587	15,012
Total operating expenses	<u>451,892</u>	<u>324,594</u>	<u>776,486</u>
Operating income or (loss)	156,269	(5,082)	151,187
Non operating revenues (expenses)			
Investment income	10,804	18,689	29,493
Interest expense	(18,876)	(6,145)	(25,021)
Total non operating revenues (expenses)	<u>(8,072)</u>	<u>12,544</u>	<u>4,472</u>
Income (loss) before transfers and capital contributions	148,197	7,462	155,659
Capital contributions-Tap fees	<u>31,250</u>	<u>29,250</u>	<u>60,500</u>
Change in net position	179,447	36,712	216,159
Total net position, January 1	<u>3,219,552</u>	<u>1,897,908</u>	<u>5,117,460</u>
Total net position, December 31	<u><u>\$3,398,999</u></u>	<u><u>\$1,934,620</u></u>	<u><u>\$ 5,333,619</u></u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Statement of Cash Flows
Enterprise Funds
Year Ended December 31, 2019

	Water Fund	Sewer Fund	Total Enterprise Funds
Cash Flows From Operating Activities			
Cash received from charges for services	\$ 595,537	\$ 317,369	\$ 912,906
Cash payments for goods and services	(191,968)	(133,014)	(324,982)
Cash payments to employees for services	(172,585)	(139,645)	(312,230)
Net cash provided (used) by operating activities	<u>230,984</u>	<u>44,710</u>	<u>275,694</u>
Cash Flows from Capital and Related Financing Activities			
Tap fees	31,250	29,250	60,500
Acquisition of capital assets	(41,941)	(41,941)	(83,882)
Principal paid on loans and leases	(58,614)	(9,770)	(68,384)
Interest expense	(18,876)	(6,145)	(25,021)
Net cash provided (used) by capital and related financing activities	<u>(88,181)</u>	<u>(28,606)</u>	<u>(116,787)</u>
Cash Flows from Investing Activities			
Interest on investments	<u>10,804</u>	<u>18,689</u>	<u>29,493</u>
Net increase (decrease) in cash and equivalents	153,607	34,793	188,400
Cash balances, January 1	<u>551,699</u>	<u>877,396</u>	<u>1,429,095</u>
Cash balances, December 31	<u><u>\$ 705,306</u></u>	<u><u>\$ 912,189</u></u>	<u><u>\$ 1,617,495</u></u>
Reconciling of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	<u>\$ 156,269</u>	<u>\$ (5,082)</u>	<u>\$ 151,187</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation expense	83,070	52,383	135,453
Assets (increase) decrease:			
Accounts receivables	(12,935)	(2,143)	(15,078)
Liabilities increase (decrease):			
Accounts payable	4,269	(671)	3,598
Accrued wages	311	223	534
Total adjustments	<u>74,715</u>	<u>49,792</u>	<u>124,507</u>
Net cash provided (used) by operating activities	<u><u>\$ 230,984</u></u>	<u><u>\$ 44,710</u></u>	<u><u>\$ 275,694</u></u>

The accompanying notes are an integral part of this statement.

**Town of Ridgway
Statement of Assets and Liabilities
Fiduciary Funds
December 31, 2019**

	Trust and Agency Fund
Assets	
Cash and cash equivalents	\$ 30,982
	<u> </u>
Liabilities	
Held in trust for benefits and other purposes	\$ 30,982
	<u> </u>

The accompanying notes are an integral part of this statement.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies

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

The more significant of the Town's accounting policies are described below:

A. Financial Reporting Entity

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

B. Government-wide Financial Statements

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

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

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Water and Sewer funds are charges to customers for sales and services. They also recognize as operating revenue the portion of tap fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements

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

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

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

The Town reports the following major governmental funds:

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

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

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

Water and Sewer funds -accounts for all operations of the Town's water and sewer services. They are primarily financed by user charges.

Fiduciary Funds

Fiduciary fund -accounts for assets held by the Town in a trustee or agency capacity. Agency fund (**Ridgway General Improvement District No. 1**) is custodial in nature and do not involve measurement of results of operations.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies (continued)

D. Measurement Focus and Basis of Accounting

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

The modified accrual basis of accounting is used by all governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Exceptions to this general rule include principal and interest on general long-term debt which is recognized when due, and compensated absences which are recognized when the obligations are expected to be liquidated with expendable available resources.

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

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

E. Cash and Cash Equivalents

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

F. Use of Estimates

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

G. Property Taxes

Property taxes for the current year are levied and attach as a lien on property the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. Property taxes levied in the current year and collected in the following year are reported as a receivable at December 31. However, since the taxes are not available to pay current liabilities, the receivable is recorded as deferred inflows of resources in the governmental and enterprise funds.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies (continued)

H. Capital Assets

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

All purchased assets are valued at cost where historical records are available and at an estimated historical 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>
Building and Other Improvements	15-40 years
Utility Plant and System	40-50 years
Equipment and vehicles	3-10 years
Infrastructure	15-50 years

Public domain assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are examples of infrastructure assets. Infrastructure assets are distinguished from other capitalized assets as their useful life often extends beyond most other capital assets and are stationary in nature. General infrastructure assets are those associated with or arising from governmental activities. Prior to GASB 34 governments were not required to report general infrastructure assets.

I. Long-Term Liabilities

In the government-wide financial statements, and enterprise fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise fund type statement of net position. The long-term compensated absences are serviced from revenues of the General Fund from future appropriations.

J. Compensated Absences

Vacation time accumulates at the rate of 80 hours at the end of their first year of service, 80 will accrue during the second year of service, 100 hours per year in years of service from three (3) through four (4), 120 hours per year in years of service from five (5) through nine (9), 200 hours per year in years of service from ten (10) through fourteen (14), and the maximum accrual is 240 vacation hours for service after the fifteenth (15) year and after. Upon termination of employment, the employee shall be paid for each hour of earned and unused annual vacation leave at his or her regular rate of pay.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies (continued)

K. Net Position

Net position represents 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 Town or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

L. Interfund Transactions

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

M. Encumbrances

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

N. Accounts Receivable

The Town considers accounts receivable for water and sewer to be fully collectible because the Town can place liens on the individual properties; accordingly, no allowance for doubtful accounts is required. If amounts become uncollectible, they will be charged to operations when that determination is made.

O. Fund Equity

Beginning with fiscal year 2011, the Town implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent.

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

- Non-spendable fund balance amounts that are not in spendable form (such as inventory) or are required to be maintained intact;
- Restricted fund balance-amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions or by enabling legislation;
- Committed fund balance-amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 1 - Summary of Significant Accounting Policies (continued)

O. Fund Equity (continued)

- Assigned fund balance-amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- Unassigned fund balance-amounts that are available for any purpose; positive amounts are reported only in the general fund.

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

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

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

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

Note 3 - Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments, excluding “enterprises.”

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

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

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 4 - Budgets

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

- A. By September of each year, the Town Clerk gives public notice of the budget calendar for the next fiscal year. The Town Clerk asks that all Town departments, boards, commissions or citizens submit within thirty days from the notice, any request for funds under the budget being prepared. The Town Clerk then prepares a proposed budget for the ensuing fiscal year and submits it to the Council no later than forty-five days prior to any date required by state law for the certification to the County of the tax levy.
- B. The budget provides a complete financial plan of all Town funds and activities for the ensuing fiscal year indicating anticipated revenues, proposed operating and capital expenditures, a provision for contingencies, and anticipated net surplus or deficit for the ensuing fiscal year.
- C. A public hearing on the proposed budget is held by the Council in early December.
- D. The Council adopts the budget by resolution on or before the final day established by law for the certification of the ensuing year's tax levy to the County. Adoption of the budget by the Council shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated and shall constitute a levy of the property tax therein proposed.
- E. If during the fiscal year the Town Clerk determines that there are expenses in excess of those estimated in the budget, the Council by resolution may make supplemental appropriations for the year up to the amount of such excess. To meet an emergency affecting public property, health, peace or safety, the Council may make emergency appropriations. If at any time during the fiscal year it appears probable to the Town Clerk that the revenues available will be insufficient to meet the amount appropriated, the Town Clerk reports to the Council, indicating the estimated amount of deficit, any remedial action already taken, and a recommendation as to any other steps to be taken. Any time during the fiscal year the Town Clerk may transfer part or all of any unencumbered appropriation balance within a department.
- F. Budget appropriations lapse at the end of each year.
- G. Expenditures may not exceed appropriations at the fund level. Budget amounts included in the financial statements are based on the final amended budget.
- H. Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP), except for long-term receivables and advances and capital lease financing which are budgeted when liquidated rather than when the receivable/liability is incurred. Budgets for enterprise funds are adopted on a basis consistent with the spending measurement focus of the governmental funds.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 5 - Deposits and Investments

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories; eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At December 31, 2019, the bank balance of the Town's deposits was \$ 1,098,247 of which \$ 500,000 was covered by federal depository insurance and \$ 598,247 was collateralized under PDPA.

The composition of all cash and cash investments held by the Town at December 31, 2019 is as follows

Cash on hand and with county treasurer	\$ 60
Cash in bank	995,728
CSAFE	1,102,695
ColoTrust	1,067,409
Total cash and investments	<u>\$ 3,165,892</u>

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

The Town had invested \$ 2,170,104 in the Colorado Surplus Asset Fund Trust (CSAFE), and ColoTrust, which are investment vehicles established for local governmental entities in Colorado to pool surplus funds. CSAFE and ColoTrust operate similarly to a money market fund and each share is equal value to \$1.00. Investments of CSAFE and ColoTrust consist of U.S. Treasury and Agency securities. These pools are not required to and are not registered with the SEC. COLOTRUST's and CSAFE funds are rated AAAM by Standard and Poor's, Fitch's and Moody's rating services.

Interest rate risk-The town does not have a formal policy limiting investment maturities, other than that established by the state statute of five years, which would help manage its exposure to fair value losses from increasing interest rates.

Credit risk-Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, certain U.S. government agencies securities, commercial paper, local government investment pools, repurchase agreements and money market funds.

Custodial Credit Risk- For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 6 - Long-Term Liabilities

Revenue bonds and contracts include:

\$ 175,000 contract payable to Colorado Water Conservation Board in annual installments of \$ 7,571 including interest at 3% per annum, payable from the water fund.

\$ 7,348

EIA loan in 2006 payable to the Department of Local Affairs. Total original amount of \$100,000 due in annual installments of \$ 9,794.80 starting on September 1, 2007, with an annual interest rate of 5%

\$ 18,212

EIA loan in 2008 payable to the Department of Local Affairs. Total original amount of \$200,000 due in annual installments of \$ 15,914.78 starting on September 1, 2009, with an annual interest rate of 5%.

\$ 113,119

General Obligation Note Series 2014 with Branch Banking and Trust Company. Total amount was \$ 1,400,000, due in semi-annual installments, with an interest rate of 3.09% per annum, payable from the General Fund.

\$ 1,005,000

Loan payable to Colorado Water Resources and Power Development Authority. Total original amount of \$ 450,000 in semi-yearly amounts of \$ 11,250, starting on November 1, 2010 with an annual interest rate of 0%

\$ 236,250

Loan payable to Colorado Water Conservation Board. Total original amount of \$ 606,000 annual amount of \$ 30,917.67, starting on January 1, 2016 with an annual interest rate of 3%

\$ 552,711

Total long term debt

\$ 1,932,640

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 6- Long-Term Liabilities (continued)

Debt service requirements to maturity are as follows:

Colorado water conservancy board-contracts payable

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	7,348	222	7,570
	<u>\$ 7,348</u>	<u>\$ 222</u>	<u>\$ 7,570</u>

Significant bond covenants:

1974 Sewer Revenue Bond - Town must maintain a reserve account for payment of principal and interest when other revenues are insufficient of \$6,900.

EIA 2006 Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	8,884	911	9,795
2021	9,328	467	9,795
	<u>\$ 18,212</u>	<u>\$ 1,378</u>	<u>\$ 19,590</u>

EIA 2008 Loan

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 10,259	\$ 5,656	\$ 15,915
2021	10,772	5,143	15,915
2022	11,310	4,604	15,914
2023	11,876	4,039	15,915
2024	12,470	3,445	15,915
2025 to 2028	56,432	7,226	63,658
	<u>\$ 113,119</u>	<u>\$ 30,113</u>	<u>\$ 143,232</u>

CWRPDA Loan Water Lines

	<u>Principal</u>
2020	\$ 22,500
2021	22,500
2022	22,500
2023	22,500
2024	22,500
2025 to 2029	112,500
2030	11,250
	<u>\$ 236,250</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 6- Long-Term Liabilities (continued)

General Obligation Notes, Series 2014

	Principal	Interest	Total
2020	85,000	31,055	116,055
2021	90,000	28,428	118,428
2022	95,000	25,647	120,647
2023	95,000	22,712	117,712
2024	100,000	19,776	119,776
2025 to 2029	540,000	67,362	607,362
	<u>\$ 1,005,000</u>	<u>\$ 194,980</u>	<u>\$ 1,199,980</u>

Colorado Water Conservation Board

	Principal	Interest	Total
2021	\$ 14,336	\$ 16,581	\$ 30,917
2022	14,766	16,151	30,917
2023	15,209	15,708	30,917
2024	15,666	15,252	30,918
2025	16,136	14,782	30,918
2026 to 2030	88,236	66,351	154,587
2031 to 2035	102,290	52,298	154,588
2036 to 2040	118,583	36,005	154,588
2041 to 2045	137,470	17,118	154,588
2046	30,019	900	30,919
	<u>\$ 552,711</u>	<u>\$ 251,146</u>	<u>\$ 803,857</u>

	Balance January 1, 2019	Additions	Reductions	Balance December 31, 2019	Due Within One Year
Governmental Activities					
Accrued compensated absences	\$ 49,107	\$ 22,801	\$ -	\$ 71,908	\$ 71,908
G.O Bonds Series 2014	1,090,000	-	(85,000)	1,005,000	85,000
Total	<u>\$ 1,139,107</u>	<u>\$ 22,801</u>	<u>\$ (85,000)</u>	<u>\$ 1,076,908</u>	<u>\$ 156,908</u>
Enterprise Activities					
Bank loan	\$ 6,597	\$ -	\$ (6,597)	\$ -	\$ -
CWCB loan	566,630	-	(13,919)	552,711	14,336
CWCB loan	14,484	-	(7,136)	7,348	7,348
Loan payable	149,562	-	(18,231)	131,331	19,143
CWRPDA loan	258,750	-	(22,500)	236,250	22,500
Total	<u>\$ 996,023</u>	<u>\$ -</u>	<u>\$ (68,383)</u>	<u>\$ 927,640</u>	<u>\$ 63,327</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 7 - Risk Management

The Town is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to the provision of 24-10-1155, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability and property coverage and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

It is the intent of the members of CIRSA to create an entity in perpetuity which will administer and use funds contributed by the members to defend indemnify, in accordance with the bylaws, and member of CIRSA against liability or loss, to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall at all time be dedicated to the exclusive benefit of its members. All Colorado municipalities who are member of the Colorado Municipal League and own property are eligible to participate.

The general objectives of the Agency are to provide member municipalities defined liability and property coverage through joint self-insurance and too assists members in loss prevention measures. Any member may withdraw from the Agency by giving written notice to the Board of Directors of the prospective effective date of its withdrawal.

The Town recognizes an expense for coverage for the amount paid to CIRSA annually. Contingent liability claims for the coverage have not been recognized to date after reviewing claim history and the remoteness of potential loss in excess of actual contributions by the Town.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have ability to significantly affect the operations of CIRSA. The Board of Directors of the Agency is composed of seven directors elected by the members at the annual meeting to be scheduled in December of each year.

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees and natural disasters. Claims have not exceeded coverage in any of the last three fiscal years.

Note 8 - Retirement Plans

The Town participates in the Colorado Retirement Association Defined Contribution Plan (CRA), a multiple-employer public employee retirement system, which is a qualified plan as defined by Internal Revenue Service Code Section 401 (A) and CRS 24.54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities, and special districts. In a defined contribution plan, benefits depend solely on amounts contributed to the plan, plus investment earnings. Plan provisions and contribution requirements are established and may be amended by CRA and would have to be approved by the Town.

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 8 - Retirement Plans (continued)

There are no unfunded past service liabilities. All of its full-time employees are eligible to contribute to the plan. Employees are eligible to participate six months from the date of employment. Both the Town and the employees contribute 4% of the employee's monthly base salary to the plan. Employees may also make additional contributions up to a maximum of 10% of compensation.

Employees are immediately vested in their participant contributions and become vested in employer contributions to the plan over a five-year period. For the year ended December 31, 2019 the Town's total payroll was \$1,097,260, the total covered payroll by the retirement plan was \$814,175. During 2019, the Town and employees each made their respectively required contribution of \$32,567, for a total of \$65,134. Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Town Council, but it may not be amended beyond the limits established by state statute. Complete financial statements for the retirement plans may be obtained from CRA, 4949 S. Syracuse St., Suite 400, Denver, Colorado, 80237.

Note 9 - Capital Assets

Capital assets activity for the year ended December 31, 2019 was as follows:

	Balance January 1, 2019	Additions	Dispositions	Balance December 31, 2019
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 1,940,462	\$ -	\$ -	\$ 1,940,462
Construction in progress	150,000	273,691	-	423,691
Total	<u>2,090,462</u>	<u>273,691</u>	<u>-</u>	<u>2,364,153</u>
Capital assets being depreciated				
Buildings	433,024	-	-	433,024
Vehicles and equipment	479,267	80,214	-	559,481
Equipment - culture and recreation	134,432	-	-	134,432
Infrastructure	5,296,993	-	-	5,296,993
Less accumulated depreciation	<u>(1,519,200)</u>	<u>(210,993)</u>	<u>-</u>	<u>(1,730,193)</u>
Capital assets being depreciated, net	<u>4,824,516</u>	<u>(130,779)</u>	<u>-</u>	<u>4,693,737</u>
Total Governmental Activities capital assets	<u>\$ 6,914,978</u>	<u>\$ 142,912</u>	<u>\$ -</u>	<u>\$ 7,057,890</u>

Town of Ridgway
Notes to the Financial Statements
December 31, 2019

Note 9 - Capital Assets (continued)

	Balance January 1, 2019	Additions	Dispositions	Balance December 31, 2019
Business-type Activities				
Capital assets not being depreciated				
Land	\$ 2,036,258	\$ -	\$ -	\$ 2,036,258
	<u>2,036,258</u>	<u>-</u>	<u>-</u>	<u>2,036,258</u>
Capital assets being depreciated				
Buildings	20,668	-	-	20,668
Improvements other than buildings	4,694,852	-	-	4,694,852
Vehicles and equipment	365,561	83,883	-	449,444
Less accumulated depreciation	(2,465,016)	(135,453)	-	(2,600,469)
Capital assets being depreciated, net	<u>2,616,065</u>	<u>(51,570)</u>	<u>-</u>	<u>2,564,495</u>
Total Business-Type Activities Capital Assets	<u>\$ 4,652,323</u>	<u>\$ (51,570)</u>	<u>-</u>	<u>\$ 4,600,753</u>

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

General government	\$ 15,039	Water	\$ 83,070
Public safety	14,297	Sewer	52,383
Culture and recreation	6,298		<u>\$ 135,453</u>
Public works, including depreciation of general infrastructure assets	<u>175,359</u>		
Total depreciation expenses	<u>\$ 210,993</u>		

Required Supplementary Information

Town of Ridgway
General Fund
Schedule of Revenues-Budget and Actual
December 31, 2019

Revenues	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Taxes:				
General property taxes	\$ 260,065	\$ 260,065	\$ 260,025	\$ (40)
Property taxes-debt service	19,547	19,547	19,176	(371)
Specific Ownership taxes	25,000	25,000	29,125	4,125
General sales taxes	1,278,048	1,278,048	1,498,742	220,694
Franchise taxes	40,000	40,000	44,367	4,367
Lodging tax	72,000	72,000	92,449	20,449
Interest on delinquent taxes	500	500	1,038	538
Delinquent taxes	100	100	-	(100)
Sales tax-penalty and interest	4,000	4,000	13,881	9,881
Excise Development Tax	3,000	3,000	15,000	12,000
Total taxes	<u>1,702,260</u>	<u>1,702,260</u>	<u>1,973,803</u>	<u>271,543</u>
Licenses and permits:				
Liquor licenses	2,300	2,300	5,505	3,205
Other	15,830	15,830	34,437	18,607
Sales tax and license	8,500	8,500	19,105	10,605
Building permit fees	75,000	75,000	63,685	(11,315)
Total licenses and permits	<u>101,630</u>	<u>101,630</u>	<u>122,732</u>	<u>21,102</u>
Intergovernmental revenues				
Grants	151,690	151,690	109,050	(42,640)
State shared revenue:				
Lottery funds	10,000	10,000	11,491	1,491
Cigarette taxes	2,700	2,700	2,314	(386)
Motor vehicle registration fees	6,000	6,000	5,388	(612)
Mineral leasing and other	10,000	10,000	20,708	10,708
Road and bridge apportionment	22,612	22,612	22,612	-
Highway user's taxes	52,080	52,080	68,400	16,320
Total intergovernmental revenues	<u>255,082</u>	<u>255,082</u>	<u>239,963</u>	<u>(15,119)</u>
Fines and forfeits	<u>12,000</u>	<u>12,000</u>	<u>4,995</u>	<u>(7,005)</u>
Miscellaneous revenues:				
Interest	5,000	5,000	20,297	15,297
Consulting services	95,000	95,000	65,508	(29,492)
P & Z applications	5,000	5,000	5,250	250
Reimbursements and refunds	27,000	27,000	41,673	14,673
Other	44,700	44,700	89,786	45,086
Total miscellaneous revenues	<u>176,700</u>	<u>176,700</u>	<u>222,514</u>	<u>45,814</u>
Charges for services-trash	<u>154,000</u>	<u>154,000</u>	<u>159,447</u>	<u>5,447</u>
Transfers in	-	-	-	-
Total revenues	<u><u>\$ 2,401,672</u></u>	<u><u>\$ 2,401,672</u></u>	<u><u>\$ 2,723,454</u></u>	<u><u>\$ 321,782</u></u>

Town of Ridgway
General Fund
Schedule of Expenditures-Budget and Actual
December 31, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
General Government				
Personnel				
Salary and wages	\$ 427,917	\$ 427,917	\$ 454,741	\$ (26,824)
Employee benefits	128,611	128,611	132,556	(3,945)
Council and Mayor	19,850	19,850	20,850	(1,000)
P and Z compensation	17,400	17,400	17,400	-
Town Attorney	70,000	70,000	44,648	25,352
Total personnel	<u>663,778</u>	<u>663,778</u>	<u>670,195</u>	<u>(6,417)</u>
Administration				
Treasurer fees	7,500	7,500	5,209	2,291
Audit and budget	5,900	5,900	6,150	(250)
Insurance and bonds	6,000	6,000	8,000	(2,000)
Printing and publishing	2,500	2,500	501	1,999
Office supplies and postage	7,000	7,000	4,543	2,457
Utilities	1,600	1,600	1,358	242
Telephone	3,500	3,500	2,061	1,439
Repairs and maintenance	700	700	-	700
Elections	2,500	2,500	117	2,383
Janitor services	6,800	6,800	2,267	4,533
Conference and school	14,000	14,000	3,795	10,205
Dues	2,800	2,800	3,588	(788)
Consulting services	120,000	120,000	80,002	39,998
Miscellaneous	151,641	151,641	85,817	65,824
Reimbursable bonds and permits	12,500	12,500	20,704	(8,204)
Tourism promotion	50,400	50,400	67,123	(16,723)
Leases	3,000	3,000	2,933	67
Meeting and community events	14,000	14,000	10,380	3,620
Website	3,000	3,000	-	3,000
Filing and recording	850	850	891	(41)
Total administrative	<u>416,191</u>	<u>416,191</u>	<u>305,439</u>	<u>110,752</u>
Capital outlay				
Office equipment	8,500	8,500	7,974	526
Records management	250	250	11	239
Total capital outlay	<u>8,750</u>	<u>8,750</u>	<u>7,985</u>	<u>765</u>
Total general government	<u>\$ 1,088,719</u>	<u>\$ 1,088,719</u>	<u>\$ 983,619</u>	<u>\$ 105,100</u>

**Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2019**

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Public Safety				
Personnel				
Salary and wages	\$ 225,720	\$ 225,720	\$ 225,278	\$ 442
Municipal Judge	1,656	1,656	1,656	-
Court Clerk	4,140	4,140	4,140	-
Employee benefits	86,761	86,761	83,186	3,575
Juvenile diversion	6,500	6,500	6,500	-
Total personnel	<u>324,777</u>	<u>324,777</u>	<u>320,760</u>	<u>4,017</u>
Administration				
Utilities	1,600	1,600	1,358	242
Gas and oil	7,500	7,500	7,419	81
Telephone	4,000	4,000	4,690	(690)
Uniforms	3,000	3,000	2,568	432
Radio and radar repair	750	750	216	534
Office supplies	1,500	1,500	1,307	193
Dues and schools	7,750	7,750	1,527	6,223
Equipment purchases	8,000	8,000	2,241	5,759
Traffic and investigations	2,000	2,000	1,608	392
Dispatch services	44,214	44,214	44,205	9
Testing and examinations	500	500	193	307
Contractual services	35,658	35,658	23,866	11,792
Other	19,680	19,680	16,467	3,213
Vehicle maintenance	8,000	8,000	7,663	337
Computer services	1,551	1,551	1,214	337
Total administration	<u>145,703</u>	<u>145,703</u>	<u>116,542</u>	<u>29,161</u>
Capital Outlay				
Vehicle purchase	-	-	-	-
Total capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other				
Weed control	500	500		500
Mosquito control	12,000	12,000	10,308	1,692
Total other	<u>12,500</u>	<u>12,500</u>	<u>10,308</u>	<u>2,192</u>
Total public safety	<u>\$ 482,980</u>	<u>\$ 482,980</u>	<u>\$ 447,610</u>	<u>\$ 35,370</u>

Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2019

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Public Works				
Personnel				
Salaries	\$ 96,553	\$ 96,553	\$ 95,531	\$ 1,022
Employee benefits	36,188	36,188	35,807	381
Total personnel	<u>132,741</u>	<u>132,741</u>	<u>131,338</u>	<u>1,403</u>
Administration				
Repairs and maintenance	16,500	16,500	10,971	5,529
Supplies	17,100	17,100	1,308	15,792
Gas, oil and diesel	5,500	5,500	4,886	614
Tools	500	500	6	494
Utilities	2,400	2,400	2,130	270
Telephone	1,450	1,450	1,307	143
Safety equipment	1,000	1,000	533	467
Street signs	5,000	5,000	2,321	2,679
Consulting services	225,200	225,200	228,335	(3,135)
Street lighting	10,000	10,000	5,592	4,408
Miscellaneous	15,096	15,096	22,334	(7,238)
Computer services	317	317	389	(72)
Total administration	<u>300,063</u>	<u>300,063</u>	<u>280,112</u>	<u>19,951</u>
Capital Outlay				
Storm Drainage	40,000	40,000	-	40,000
Gravel and paving	36,500	36,500	8,788	27,712
Equipment Leases	-	-	-	-
Dust prevention	40,000	40,000	37,080	2,920
Equipment purchase	29,250	29,250	18,732	10,518
Vehicle purchase	30,000	30,000	31,250	
Total capital outlay	<u>175,750</u>	<u>175,750</u>	<u>95,850</u>	<u>81,150</u>
Total public works	<u>608,554</u>	<u>608,554</u>	<u>507,300</u>	<u>102,504</u>
Trash removal	<u>\$ 154,000</u>	<u>\$ 154,000</u>	<u>\$ 159,132</u>	<u>\$ (5,132)</u>

Town of Ridgway
General Fund
Statement of Expenditures-Budget and Actual
December 31, 2019

continued

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Culture and recreation				
KVNF radio	\$ 1,000	\$ 1,000	\$ 1,000	-
Voyage after school program	7,000	7,000	7,000	-
Other donations	35,500	35,500	28,200	7,300
Uncompahgre Volunteer Legal Aid	3,000	3,000	3,000	-
Ouray County partners program	1,000	1,000	1,000	-
Eco Action Partners	5,000	5,000	-	5,000
Second chance humane society	6,500	6,500	6,500	-
Region 10	-	-	20,807	(20,807)
Affordable housing incentives	1,500	1,500	1,500	-
Total culture and recreation	<u>60,500</u>	<u>60,500</u>	<u>69,007</u>	<u>(8,507)</u>
Community Center				
Utilities	1,600	1,600	1,358	242
Maintenance and repairs	5,000	5,000	700	4,300
Janitorial services	6,800	6,800	2,267	4,533
Supplies	4,000	4,000	3,529	471
Total community center	<u>17,400</u>	<u>17,400</u>	<u>7,854</u>	<u>9,546</u>
Parks				
Personnel				
Salaries and benefits	87,500	87,500	76,294	11,206
Employee benefits	14,959	14,959	15,043	(84)
Total personnel	<u>102,459</u>	<u>102,459</u>	<u>91,337</u>	<u>11,122</u>
Administration				
Utilities	4,000	4,000	6,433	(2,433)
Gas and oil	1,400	1,400	2,311	(911)
Repairs and maintenance	8,000	8,000	4,326	3,674
Janitorial	3,000	3,000	1,000	2,000
Supplies and materials	21,000	21,000	16,863	4,137
Insurance	6,459	6,459	6,458	1
Urban forest management	10,000	10,000	9,700	300
River Corridor maintenance	5,000	5,000	3,615	1,385
Events and festivals	59,000	59,000	55,195	3,805
Other	9,513	9,513	11,458	(1,945)
Total administration	<u>127,372</u>	<u>127,372</u>	<u>117,359</u>	<u>10,013</u>
Capital outlay	<u>48,250</u>	<u>48,250</u>	<u>35,591</u>	<u>12,659</u>
Total parks	<u>278,081</u>	<u>278,081</u>	<u>244,287</u>	<u>33,794</u>
Debt service	<u>118,681</u>	<u>118,681</u>	<u>119,081</u>	<u>(400)</u>
Transfers	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 2,808,915</u>	<u>\$ 2,808,915</u>	<u>\$ 2,537,890</u>	<u>\$ 272,275</u>

**Town of Ridgway
Capital Projects Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Year Ended December 31, 2019**

	Original Budget	Final Budget	Actual	Favorable (Unfavorable)
Revenues				
Intergovernmental	\$ 325,000	\$ 325,000	\$ 150,000	\$ (175,000)
Donations	175,000	175,000	147,120	\$ (27,880)
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>297,120</u>	<u>(202,880)</u>
Expenditures				
Current:				
Culture and recreation				
Capital outlay	500,000	500,000	273,932	226,068
Total expenditures	<u>500,000</u>	<u>500,000</u>	<u>273,932</u>	<u>226,068</u>
Excess (deficiency) of revenues over expenditures	-	-	23,188	23,188
Other financing sources (uses)				
Transfers in (out)	-	-	-	-
Fund balance, January 1	-	-	37,482	37,482
Fund balance, December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,670</u>	<u>\$ 60,670</u>

Town of Ridgway
Water Fund-(non GAAP Budgetary Basis)
Schedule of Revenues and Expenditures-Budget and Actual
December 31, 2019

	Budgeted			Variable Favorable (Unfavorable)
Revenues	Original	Final	Actual	
Charges for services	\$ 518,130	\$ 518,130	\$ 595,396	\$ 77,266
Tap fees and contributions	66,000	66,000	31,250	(34,750)
Investment income	4,500	4,500	10,804	6,304
Other	57,500	57,500	12,765	(44,735)
Total revenues	646,130	646,130	650,215	4,085
Expenditures				
Salaries and fringe benefits	170,172	170,172	172,585	(2,413)
Supplies	12,000	12,000	28,264	(16,264)
Insurance	7,403	7,403	7,425	(22)
Professional fees	28,846	28,846	3,075	25,771
Repairs and maintenance	155,000	155,000	33,228	121,772
Vehicle expense	10,500	10,500	10,936	(436)
GIS mapping	4,500	4,500	1,167	3,333
Testing and permits	6,150	6,150	5,691	459
Capital outlay	46,750	46,750	45,257	1,493
Consulting and engineering	90,500	90,500	43,168	47,332
Utilities and telephone	14,450	14,450	16,016	(1,566)
Plant Expenses	22,000	22,000	19,800	2,200
Computer services	317	317	422	(105)
Other	38,400	38,400	23,730	14,670
Equipment Lease	-	-	-	-
Debt service-CWCB	7,571	7,571	7,571	-
Debt service-Montrose Bank	14,665	14,665	6,706	7,959
Debt service-CWRPD	22,500	22,500	22,500	-
Debt service-DOLA	9,795	9,795	9,795	-
Debt service- CWCB	30,918	30,918	30,918	-
Total expenditures	692,437	692,437	488,254	204,183
Excess of revenues over expenditures	(46,307)	(46,307)	161,961	208,268
Available Resources-January 1	433,514	433,514	561,429	127,915
Available Resources-December 1	\$ 387,207	\$ 387,207	\$ 723,390	\$ 336,183

Town of Ridgway
Sewer Fund-(Non GAAP Budgetary Basis)
Schedule of Revenues and Expenditures-Budget and Actual
December 31, 2019

	Budgeted		Actual	Variable
	Original	Final		Favorable (Unfavorable)
Revenues				
Charges for services	\$ 314,750	\$ 314,750	\$ 315,476	\$ 726
Tap fees and contributions	66,000	66,000	29,250	(36,750)
Investment income	8,000	8,000	18,689	10,689
Miscellaneous	3,100	3,100	4,036	936
Total revenues	<u>391,850</u>	<u>391,850</u>	<u>367,451</u>	<u>(24,399)</u>
Expenditures				
Salaries and fringe benefits	138,830	155,066	139,868	15,198
Consulting and engineering	7,500	32,750	15,328	17,422
Repairs and maintenance	32,500	22,000	28,921	(6,921)
Vehicle expense	10,000	10,500	9,545	955
GIS mapping	4,000	8,000	1,167	6,833
Testing and permits	4,400	4,400	3,898	502
Insurance	7,403	6,653	7,587	(934)
Professional fees	6,746	9,400	3,075	6,325
Supplies	12,000	7,000	5,787	1,213
Utilities and telephone	46,600	43,450	41,431	2,019
Computer services	317	2,500	410	2,090
Debt service	15,915	15,915	15,915	-
Other	12,700	23,529	11,743	11,786
Capital outlay	44,750	38,833	45,392	(6,559)
Total expenditures	<u>343,661</u>	<u>379,996</u>	<u>330,067</u>	<u>49,929</u>
Excess of revenues over expenditures	48,189	11,854	37,384	25,530
Available Resources-January 1	<u>852,039</u>	<u>698,534</u>	<u>899,731</u>	<u>201,197</u>
Available Resources-December 1	<u>\$ 900,228</u>	<u>\$ 710,388</u>	<u>\$ 937,115</u>	<u>\$ 226,727</u>

LOCAL HIGHWAY FINANCE REPORT		City or County: Ridgway
		YEAR ENDING : December 2019
This Information From The Records Of (example - City of _ or County of _ Town of Ridgway	Prepared By: Phone:	Pam Kraft 970-626-5308x11

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	269,765
3. Other local imposts (from page 2)	29,125
4. Miscellaneous local receipts (from page 2)	4,995
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	303,885
B. Private Contributions	
C. Receipts from State government (from page 2)	73,188
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	377,073

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	124,786
3. Road and street services:	
a. Traffic control operations	2,321
b. Snow and ice removal	52,637
c. Other	12,457
d. Total (a. through c.)	67,415
4. General administration & miscellaneous	
5. Highway law enforcement and safety	184,872
6. Total (1 through 5)	377,073
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	377,073

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		377,073	377,073		0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:

Colorado

YEAR ENDING (mm/yy):

December 2019

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	4,995
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	29,125	g. Other Misc. Receipts	
6. Total (1. through 5.)	29,125	h. Other	
c. Total (a. + b.)	29,125	i. Total (a. through h.)	4,995
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	67,800	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	5,388	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	5,388	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	73,188	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

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

Notes and Comments: