
Ouray County, Colorado
Financial Statements and
Independent Auditor's Report
as of
December 31, 2012

Ouray County
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INDEPENDENT AUDITOR'S REPORT

To the Board of Commissioners
Ouray County, Colorado

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Ouray County, Colorado, as of and for the year ended December 31, 2012, and the related notes to the financial statements, which collectively comprise the County'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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Ouray County, Colorado, as of December 31, 2012, and the respective changes in financial position 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 3-14 and 41-45 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 Ouray County, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements, Schedule of revenues, expenditures and changes in fund balances 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 nonmajor fund financial statements, Schedule of revenues, expenditures and changes in fund balances 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 nonmajor fund financial statements, Schedule of revenues, expenditures and changes in fund balances 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
June 26, 2013

OURAY COUNTY
Management's Discussion and Analysis
Fiscal Year Ended December 31, 2012

As management of Ouray County (the "County"), we offer readers of the County's basic financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2012. We encourage readers to consider the information presented here in conjunction with additional information provided in the financial statements.

FINANCIAL HIGHLIGHTS

- The County's assets exceeded its liabilities by \$ 7,720,097 (i.e. net assets) as of December 31, 2012, an increase of \$ 286,174 in comparison to the prior year.
- Governmental funds reported combined ending fund balances of \$ 3,128,934, decrease of \$ 25,465 in comparison with the prior year.
- The County's fund balance for the General Fund was \$ 921,492, an increase of \$ 61,628 in comparison to the prior year.
- Total long-term liabilities decreased by \$ 75,169 during the 2012 fiscal year, with new debt issued of \$193,604.
- General property tax, sales tax, and other tax totaled \$ 3,580,154, or 61% of general revenues.

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County'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 County's finances in a manner similar to a private-sector business.

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

The **statement of activities** presents information showing how the County'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 County that are principally supported by taxes and intergovernmental revenues (*Governmental Activities*). The Governmental Activities of the County include general government, judicial, public safety, health and welfare, public works, and recreation and culture.

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 County's funds can be divided into two categories: Governmental 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 County maintains four major government funds, the General, Road and Bridge, Public Health and the Social Services Funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for those funds.

Fiduciary Funds-The County maintains one type of fiduciary fund, the County Treasurer's Agency 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 County's financial position. For the year ended December 31, 2012, the County's combined assets exceeded liabilities by \$7,720,097. Of this amount, \$2,873,532 is unrestricted and available to meet the County's ongoing financial obligations.

By far the largest portion of net position is the investment in capital assets (net of related debt) of \$4,671,684 (61% of net assets). 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 County's governmental activities net assets for 2012:

	<u>2011</u>	<u>2012</u>
Assets		
Current and other assets	\$ 5,839,625	\$ 6,055,029
Capital assets	4,943,726	5,093,500
Total assets	<u>\$ 10,783,351</u>	<u>\$ 11,148,529</u>
Current Liabilities	\$ 290,689	\$ 910,898
Non-current liabilities		
Compensated absences	167,217	80,521
Loans payable	496,985	421,816
Total liabilities	<u>954,891</u>	<u>1,413,235</u>
Deferred inflows of resources		
Deferrd property tax revenue	<u>2,396,335</u>	<u>2,448,523</u>
Net Position		
Investment in capital assets, net of related debt	4,446,741	4,671,684
Restricted	174,881	174,881
Unrestricted	2,812,301	2,873,532
Total net position	<u>\$ 7,433,923</u>	<u>\$ 7,720,097</u>

An additional portion of net assets, \$174,881, represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$2,873,532 (37% of net assets), may be used to meet the government's ongoing obligations to citizens and creditors.

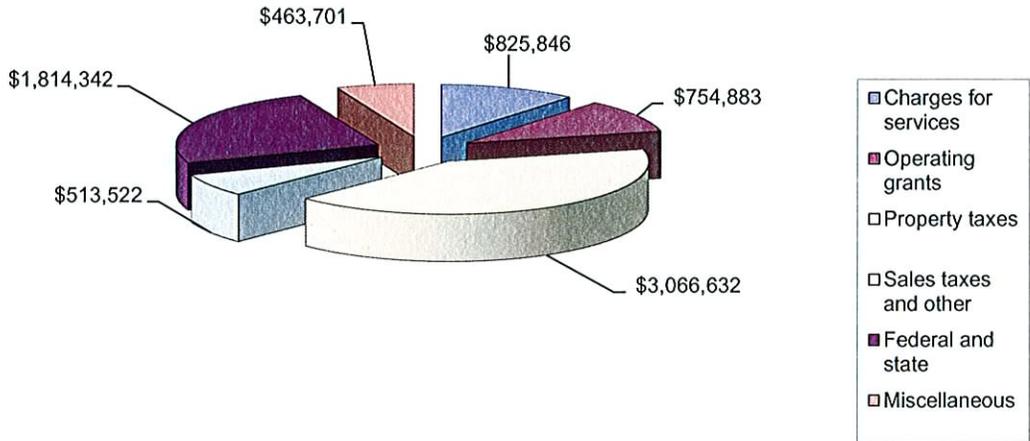
Change in Net Position

Governmental activities increase the County's net assets by \$286,174 in 2012.

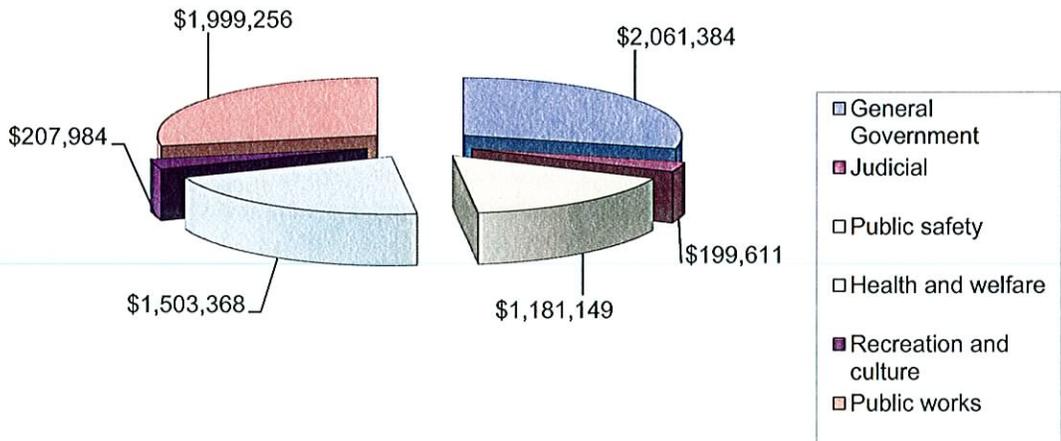
	Governmental Activities	
	2011	2012
Revenues		
Program revenues		
Charges for services	\$ 733,549	\$ 825,846
Operating grants	752,487	754,883
General Revenues		
Property taxes	3,453,678	3,066,632
Sales taxes and other	491,379	513,522
Federal and state	1,982,258	1,814,342
Miscellaneous	398,865	463,701
Totals	<u>7,812,216</u>	<u>7,438,926</u>
Expenses		
General Government	2,003,493	2,061,384
Judicial	178,121	199,611
Public safety	1,283,320	1,181,149
Health and welfare	1,707,912	1,503,368
Recreation and culture	218,715	207,984
Public works	2,006,760	1,999,256
Total Expenses	<u>7,398,321</u>	<u>7,152,752</u>
Increase in net assets	413,895	286,174
Beginning	7,020,028	7,433,923
Ending	<u>\$ 7,433,923</u>	<u>\$ 7,720,097</u>

Governmental Activities

Revenues by Source-Governmental Activities



Expenses by Department-Governmental Activities



FINANCIAL ANALYSIS OF GOVERNMENT'S FUNDS

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

As of the end of 2012, the County's governmental funds reported combined ending fund balances of \$3,128,934, decrease of \$25,465 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 39% of this total amount, \$1,220,577, constitutes unassigned fund balance, which is available for appropriation at the County's discretion. The remainder of the fund balances are reserved for State constitution mandated emergency reserve, trust funds and inventory or committed for other purposes.

The County has five major governmental funds, the General, Road and Bridge, Social Services, Public Health and Emergency Medical Services Funds. At the end of 2012, unassigned fund balance of the General Fund was \$839,023. 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 of the County's General Fund increased by \$61,628 during 2012.

GENERAL FUND BUDGETARY HIGHLIGHTS

The County budgeted \$3,457,698 for 2012 expenditures. Actual expenditures were \$3,350,346.

CAPITAL ASSET AND DEBT ADMINISTRATION

The County's investment in capital assets for its governmental activities as of December 31, 2012, was \$4,671,684. As required for this year by GASB 34, the investment in capital assets includes land, buildings, building improvements, equipment and furniture and infrastructure assets.

Long-term Debt

As of December 31, 2012, the County had long-term debt as follows:

Governmental Activities	Balance 1/1/2012	Additions	Reductions	Balance 12/31/2012	Due Within One Year
Capital leases					
2008 Toyotal FJ Cruiser	10,332	-	5,066	5,266	5,266
Backhoe and 2008 Truck	19,886	-	19,886	-	-
2008 Toyotal FS Cruiser (2)	11,326	-	11,326	-	-
Boiler	157,200	-	16,759	140,441	17,513
2009 Ambulance	52,445	-	25,772	26,673	26,673
2009 Silverado Pickup	10,709	-	5,248	5,461	5,461
Various heavy equipment	235,087	-	55,435	179,652	57,602
2012 Chevy Tahoe 4X4	-	24,035	-	24,035	5,394
Motor Grader	-	94,400	54,112	40,288	40,228
Total	<u>\$ 496,985</u>	<u>\$ 118,435</u>	<u>\$ 193,604</u>	<u>\$ 421,816</u>	<u>\$ 158,137</u>

ECONOMIC FACTORS AND FUTURE YEAR'S BUDGET

Service Levels:

The 2013 budget was developed and based upon budget polices and annual goals established by the Board of County Commissioners, Elected Officials and Department Heads. Budget work sessions were conducted with elected officials and department heads to introduce the effects of estimated revenue and expenditures on the 2013 budget. The 2009, 2010, 2011, 2012 and 2013 budgets were developed using a conservative approach and necessary adjustments were made to departmental operating budgets to create departmental efficiencies that have allowed the County to maintain service levels without impacting public service provision.

Revenue Estimates:

Revenue projections are conservative and are based on the following:

1. Property tax revenue is based on current assessed valuations provided by the County Assessor multiplied by the current mill levy to arrive at the property tax revenue collected for all funds.
2. Budgeted revenues for 2013 are based in part on projected 2012 revenues, taking into consideration potential reductions or increases in revenue generated from other sources such as building permits, licenses, grants and other service-based fees.
3. A close watch is being kept on State and Federal revenue sources in the future due to continued budgetary constraints. In 2013, a 5.3% decrease was experienced in revenue derived from Payment in Lieu of Taxes (PILT), which is a Federal revenue source, impacting the General Fund budget and causing a \$20,514 shortfall.
4. The 2012 Budget reflected a 13.39% decrease in property tax revenue. This is a revenue decline of \$379,520 over prior year property tax revenue and affects all funds supported by a County mill levy, most particularly the General Fund.
5. In preparation of the 2014 Budget, it is estimated that a 16.13% decrease in property tax revenue will be experienced creating a revenue decline of \$389,212 for the 2014 budget year. This revenue decrease will affect all funds supported by a County mill levy, most particularly the General Fund.

Expenditure Calculations:

Expenditure calculations are derived annually through the budget process. Department Heads and Elected Officials receive their budget packets and budget guidelines in July, and submit their completed budget packets and requests to the County Administrator in August. All requests are compiled and prepared by the County Administrator for submittal and review by the Board of County Commissioners. Budget workshops are scheduled with Elected Officials and Department Heads in September to review the initial draft budget and to help prioritize capital expenditures and new position requests. In addition to budget workshops with elected officials and department heads, the Board of County Commissioners meets with the County Administrator in budget work sessions to discuss and provide direction for the continued development of each year's budget. Creation of past budgets has been challenging due to the economic downturn. The creation of the 2014 budget will require additional financial strategy due to the significant decrease in property tax revenue that the County will experience.

Property Valuation:

The net assessed property valuation for budget year 2011 was \$210,799,580.
The net assessed property valuation for budget year 2012 was \$182,571,600.
The net assessed property valuation for budget year 2013 was \$183,823,010.
The preliminary assessed property valuation for budget year 2014 is estimated to be \$154,171,050.

Property valuations have been declining causing significant reductions in property tax revenue for budget year 2012 and will cause further significant reductions in 2014, which together illustrates a total property tax reduction of 29.52%.

Ouray County Mill Levies:

2012 Mill Levies:	
County General Fund:	9.074
Road and Bridge Fund:	1.500
Social Services Fund:	.552
EMS Fund:	<u>2.000</u>
Subtotal:	13.126
Recovery of Taxes Abated:	<u>.036</u>
Total 2012 Mill Levy:	<u>13.162</u>

2013 Mill Levies:	
County General Fund:	9.074
Road and Bridge Fund:	1.500
Social Services Fund:	.552
EMS Fund:	<u>2.000</u>
Subtotal:	13.126
Recovery of Taxes Abated:	<u>.194</u>
Total 2013 Mill Levy	<u>13.320</u>

Human Resources:

Employee development is an ongoing, important element, as is attracting and retaining quality staff. A major accomplishment that commenced in 2004 was the development and implementation of Employee Performance Evaluations.

A bonus merit award, not to exceed 1%, was provided to employees in 2005, 2006, 2007, 2008, 2009, 2010, 2011 and 2012 as a result of performance evaluations. This practice is being continued for the 2013 budget year.

Through adoption of Resolution 2010-048, the Board will be continuing its practice of evaluating vacated positions that may arise as a result of resignation or termination in order to decide if a position is an essential position to the organization that should be replaced. The Board began this practice in 2008 by and through Resolution 2008-055 and has revised and adopted resolutions thereafter continuing this procedure. The Board believes that it is good fiscal and organizational policy to evaluate positions as they are vacated to examine the position need and funding in order to determine if the position is an essential position to the organization for various reasons such as health, safety and welfare, and to consider organizational efficiencies and effectiveness.

It is an organizational goal to minimize budgetary increases to the County for health insurance costs, while at the same time avoiding exorbitant employee contributions. Ouray County solicited a request for proposal (RFP) for employee health insurance benefits in 2009 for the 2010 budget year. After analysis and meeting with the Personnel / Employee Benefits Committee, the Board of County Commissioners authorized award to County Technical Services, Inc. (CTSI), for the provision of employee health insurance. Premium rates were maintained at the same level for 2010 as they were in 2009; however, premium rates reflected an 8% increase for 2011, a 4% increase in 2012 and a 1% decrease for 2013. It is a standing goal to offer preventative medical options and education to all employees in order to decrease risk and premium costs in the future. It is unknown at the time what the premium rates will be for the 2014 budget year.

In past budget years, Ouray County has budgeted cost of living adjustments (COLA's) for its employees as illustrated below. However, after fully examining the County's budget status in preparation of the 2012 and 2013 budgets, it was clear that the County would be unable to offer a cost of living adjustment (COLA) to its employees in 2012 and 2013. This is the fourth year of no COLA's as this same practice was followed in 2010 and 2011 as well.

History of Cost of Living Adjustments (COLA's):

- 2010: 0.0% COLA, with no adjustment to the salary matrix
- 2011: 0.0% COLA, with no adjustment to the salary matrix
- 2012: 0.0% COLA, with no adjustment to the salary matrix
- 2013: 0.0% COLA, with no adjustment to the salary matrix

Contributions to Outside Agencies and Programs:

Funding contribution requests to outside agencies and programs decreased in 2012 and again in 2013 both reflecting contribution reductions to the Ouray County Fair Board. The Ouray County Fair Board has been successful in its fundraising efforts and consequently has been able to request less funding from the County to develop and implement the Ouray County Fair.

	<u>2012 Budget</u>	<u>2013 Budget</u>
Ouray Historical Society	\$ 200.00	\$ 200.00
Ridgway Railroad Museum	\$ 100.00	\$ 100.00
Public Lands Partnership	\$ 1,000.00	\$ 1,000.00
Tri-County Water Cons. Dist.	\$ 100.00	\$ 100.00
Fair Board	\$ 5,000.00	\$ 3,000.00
Yankee Boy Cons. Association (YBCA)	\$ 0.00	\$ 0.00
High Country Rec. Support	\$ 4,000.00	\$ 4,000.00
Second Chance Humane Society	\$ 100.00	\$ 100.00
Voyager Program	\$ 500.00	\$ 500.00
	<u>\$ 11,000.00</u>	<u>\$ 9,000.00</u>

Capital and Operating Reserves:

Allocated reserves have been established by the Board of County Commissioners to reflect three months emergency operating reserves for the General Fund, Road and Bridge Fund, and EMS Fund. Additional reserves have been established as well for these funds reflecting dedicated reserves, and dollars allocated towards future capital projects and purchases. Allocation of capital reserves has been an on-going priority for the Board.

Capital Budget Purchases and Improvements:

The 2013 General Fund (Fund 020) capital expenditures consist primarily of lease purchase payments for Sheriff's Department vehicles, a Weed Department vehicle, and for the Courthouse boiler. In addition, there are capital expenditures in the Capital 595 department for fairgrounds improvements to be funded by a DOLA grant and Conservation Trust Fund dollars, a SORNA grant for fingerprinting equipment and an Emergency Management grant for emergency operation center improvements.

The 2013 Road and Bridge Fund (Fund 040) capital expenditures consist of lease purchase payments for heavy equipment and vehicles and for a capital road repair to County Road 361. The County Road 361 project was awarded funding from the Colorado Division of Parks and Wildlife (CPW), Trails Grant Program and will actually begin in 2014.

The 2013 EMS Fund (Fund 800) capital expenditures consists of a final lease purchase payment for a 2007 ambulance purchased in 2009, and for the purchase of a quick response vehicle funded by a grant at 50%.

2013 Capital Budget Purchases and Improvements:

General Fund Capital: (020 - 195, 295, 395, 495, 595)

The General Fund Capital Purchases and Improvements consist of capital purchases, lease purchases, capital project and purchase of service items totaling \$264,703.

Capital Purchase, Lease Purchase, Capital Projects and Purchase of Service items include:

<u>Fund & Department</u>	<u>Description</u>	<u>Amount</u>
	<u>Existing Lease Purchases</u>	
020-195	Weed Dept. Vehicle	\$ 5,654
020-195	Courthouse ESCO – Boiler (\$23,832.95 + \$2,383.05)	\$ 26,216
020-295	Sheriff's Dept. Vehicle Payments	\$ 23,656

New Lease Purchase and Purchase

020-295	Sheriff's Office New Vehicle	
	Payment plus equipment (estimated)	\$ 8,000
Subtotal:		\$ 63,526

Capital Project and Services items include:

<u>Fund & Department</u>	<u>Description</u>	
020-295	Emergency Operation Center Improvements: <i>(Grant funding to offset majority of expense)</i>	\$ 12,807
020-295	SORNA Grant – Fingerprinting Equipment	\$ 23,646
020-595	Capital Improvement Projects – Fairgrounds and Ouray County 4-H Event Center (OC4HEC): <i>(These projects and services will be funded, in part, with Conservation Trust Fund Dollars and Energy Impact Assistance Grant Dollars, if awarded)</i>	
	<ul style="list-style-type: none">• Roof Replacement and Energy Improvement Upgrades Project – OC4HEC:	\$157,224
	<ul style="list-style-type: none">• Fairgrounds Grandstands Inspection and Engineering:	<u>\$ 7,500</u>
Subtotal:		\$201,177
Total General Fund Capital:		<u>\$264,703</u>

Road and Bridge Fund Capital: (040 - 895)

The Road and Bridge Fund, Capital Purchases and Improvements consist of lease purchase payments for equipment and vehicles, and a capital project totaling \$168,984.

Capital Purchase and Lease Purchase items include:

<u>Fund & Department</u>	<u>Description</u>	<u>Amount</u>
	<u>Existing Lease Purchases</u>	
040-895	2011 Chevy Crew Cab, Used Pneumatic Roller, Water Truck and 2012 Kenworth T800 Tractor	\$ 53,318
Subtotal:		\$ 53,318

Capital project items include:

<u>Fund and Department</u>	<u>Description</u>	
040-895	County Road 361 Crib Wall Repair <i>(This project, if awarded, will be funded by a State of Colorado, OHV Grant)</i>	\$115,666
Subtotal:		\$115,666
Total Road and Bridge Fund Capital:		<u>\$168,984</u>

Beginning in 2003, a Road and Bridge Impact Fees Fund was established for the deposit of impact fees collected at the building permit stage. The creation of this fund enabled the segregation of these dollars to be used specifically for capital facilities to serve new development. Such capital facilities expenditures include capital equipment lease purchase payments and capital road improvements. In 2013, \$27,594 will be transferred from this fund to the Road and Bridge Fund to be used for County Road capital equipment lease purchase payments.

It is important to note that the demands of road improvements and maintenance continue to far exceed the resources of the County with the current available funds. Passage of the 1% sales tax for Road and Bridge has allowed the Road and Bridge Department to alleviate some of its resource shortfalls in order to crush more aggregate, assist with capital purchases and leases, improve road surfaces, and hire an additional 1.5 FTE. The amounts utilized for 2009, 2010, 2011, 2012; and the amount to be utilized for 2013 from the Road and Bridge Sales Tax Fund are as follows:

2009: \$299,397 2010: \$435,000 2011: \$475,000 2012: \$475,000 2013: \$475,000

EMS Fund Capital: (800-295)

The EMS Fund, Capital Purchases and Improvements consist of a final lease purchase payment for an ambulance and the purchase of a quick response vehicle funded by a grant at 50% for a total of \$54,807

Capital Lease Purchase items include:

<u>Department & Fund</u>	<u>Description</u>	<u>Amount</u>
	<u>Existing Lease Purchase</u>	
800-295	2007 Ambulance purchased in 2009 (Final payment)	\$ 27,607
	<u>New Purchase</u>	
800-295	Quick Response Vehicle (Grant funded – 50%)	\$ 27,200
Subtotal:		\$ 54,807
	Total EMS Fund Capital:	\$ 54,807

The EMS Fund was created in 2005 as a result of a voter-approved mill levy to fund emergency medical services. Commencing in 2007, the fund was able to accumulate and establish three months of emergency reserves as per policy adopted by the Board of County Commissioners. The department has been very successful and has thrived under its leadership.

Social Services Fund (050):

The Social Services Budget has increased slightly for 2013. Due to economic conditions, the department has seen increased human services needs over the past couple of years. The department continues to provide much-needed services to the community and citizens of Ouray County and has been served well by its Director and staff.

Special Grant Fund (690):

The Special Grant Fund is being utilized for grants that are not General Fund, Road and Bridge Fund, EMS Fund, or Public Health Fund related. In 2010, the fund was used to manage the CDOT Enhancement Grant (wildlife ramps and fencing), which later was fully funded by the Federal Government with ARRA dollars in the amount of \$166,666. In 2010, 2011, and 2012 the fund was utilized for grants benefitting the Voyager Youth Program. For the 2013 budget year, the Special Grant Fund will be utilized for the administration of the Voyager Youth Program grant in the amount of \$31,239. In addition, the fund is being utilized to manage the update to the Ouray County Multi-hazard/Multi Jurisdictional grant.

Highway 361 Fund (760) (aka CR 361):

On May 24, 1984, the County entered into a contract with the State of Colorado for the use and benefit of the State Highway Commission and the State Department of Highways concerning State Highway 361 (SH 361). The State Highway Commission approved the abandonment of SH 361 and the transfer of all future financial and maintenance responsibilities associated with SH 361, and Ouray County agreed to accept SH 361 onto their County road system for the consideration of \$250,000. Of this amount, \$50,000 was paid to the County R & B Fund to be used for immediate repairs to SH 361. A second \$50,000 was paid to the County R & B Fund for the purchase of road maintenance equipment to be used on SH 361 and other roads and bridges in the county. The remaining \$150,000 was paid to the Ouray County R & B Trust for a period of 21 years. After the 21-year period was up, the Trust was dissolved in June of 2005 and the remaining dollars were placed in a newly designated county fund entitled the Highway 361 Fund (fund number 760). There is approximately \$140,195 currently in the Highway 361 Fund. A portion of this amount (\$30,000) has been appropriated in the 2013 budget to be used to repair a portion of County Road 361.

Public Access Group (PAG) Fund (860):

A separate fund was established in 2008 to begin the segregation and accounting of grant and donation dollars received and expended on behalf of the Public Access Group (PAG). The PAG consists of multi-agency partners inclusive of Ouray County, United States Forest Service, Bureau of Land Management, Ouray Trail Group, Thunder Mountain Wheelers, Uncompahgre Valley Trail Riders, Western Slope Four Wheelers, and Ouray County Historical Society. *The purpose of PAG is "to preserve public access on existing and historical public trails and roads for the future use and enjoyment of all citizens, users and visitors."* The PAG successfully completed a project funded by a State of Colorado Trails Grant. A project coordinator, contracted by the County, worked diligently with PAG members, the Board of County Commissioners, Staff and the public to complete the scope of work by June, 30, 2012. Approximately \$4,500 remains in the PAG Fund.

Road and Bridge Sales Tax Fund (870):

A new fund was created in 2009 entitled the "Road and Bridge Sales Tax Fund" (Fund 870). This fund was created to segregate the collection of the 1% sales tax passed exclusively for Road and Bridge by the electorate in the 2008 General Election. Monies derived from the collections of Road and Bridge Sales Tax is placed in the Road and Bridge Sales Tax Fund for efficiency of use, tracking and accountability. Funding has and will be transferred from this fund to the Road and Bridge Fund (Fund 040) annually, as appropriated by the Board of County Commissioners. In the 2013 budget, \$475,000 has been appropriated by the Board for transfer to the Road and Bridge Fund to help offset the cost of providing services, funding capital purchases and leases, crushing aggregate, and improving road surfaces.

Public Health Fund (890):

A new fund was created in 2010 for the Public Health Department to segregate public health dollars and its associated programs pursuant to SB 08-194 and C.R.S. 25-1-511 (2). Monies may be appropriated from the County General Fund, State and Federal governmental agencies, grants, gifts, donations, and fees for public health purposes. Approximately 58% of the revenue supporting the Public Health Fund is transferred from the General Fund to the Public Health Fund. The Public Health Department provides an essential service to the community and citizens of Ouray County.

Contingency Fund (030):

This fund contains a balance of \$174,882 to meet the TABOR contingency requirement. TABOR requires that the County retain 3% of its fiscal year spending excluding bonded debt service. These dollars are designated in a fund entitled "Contingency Fund." Additional funding from emergency reserves from all funds should be transferred to the Contingency Fund in 2013 to increase the TABOR contingency reserves.

2013 Budget Summary Conclusion:

The Board of County Commissioners and the County Administrator will continue to administer the County Budget using a conservative approach. Adequate reserves are in place for emergency operations for the General Fund, Road and Bridge Fund, and EMS Fund. Lifting of the TABOR and 5.5% limitation restrictions (aka "De-Brucing") as approved by the electorate of Ouray County has preserved the mill levy for the County. This "De-Brucing" action has been crucial to the County's continued provision of essential public services. The Board of County Commissioners and County Staff have made it a practice in the past and will continue to do so into the future to seek efficiencies and improvements in order to maintain mandated and essential county services. In addition, the Board of County Commissioners continues to seek input from Elected Officials, Department Heads, Staff and the general public concerning the improvement of County operations and services.

*Connie J. Hunt
County Administrator
Ouray County*

OURAY COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2012

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 3,203,802
Restricted cash	85,025
Property taxes receivable	2,448,523
Accrued interest receivable	275
Accounts receivable	108,882
Due from other governmental units	111,382
Inventories	28,129
Capital assets, net	5,093,500
Total assets	11,079,518
LIABILITIES	
Accounts payable	408,409
Deferred revenue	152
Long-term liabilities	
Due more than one year:	
Leases payable	421,816
Compensated absences	80,521
Total liabilities	910,898
Deferred inflows of resources	
Deferred property tax revenue	2,448,523
NET POSITION	
Invested in capital assets	4,671,684
Restricted for:	
Emergencies	174,881
Unrestricted	2,873,532
Total net position	\$ 7,720,097

See accompanying notes to the basic financial statements

OURAY COUNTY, COLORADO
STATEMENT OF ACTIVITIES

For the Year Ended December 31, 2012

Functions/Programs	Program Revenues				Net (Expense) Revenue
	Expenses	Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Activities
Primary government:					
Governmental activities:					
General government	\$ 2,061,384	\$ 581,418	\$ -	\$ -	\$ (1,479,966)
Judicial	199,611	-	-	-	(199,611)
Public Safety	1,181,149	198,427	-	-	(982,722)
Health and welfare	1,503,368	-	-	-	(1,503,368)
Recreation and culture	207,984	-	23,647	-	(184,337)
Public Works	1,999,256	46,001	731,236	-	(1,222,019)
Total governmental activities	\$ 7,152,752	\$ 825,846	\$ 754,883	\$ -	(5,572,023)
General Revenues					
Taxes:					
Property taxes					3,066,632
Sales taxes and miscellaneous					513,522
Federal and state					1,814,342
Miscellaneous					463,701
Total General Revenues					5,858,197
Changes in Net Position					
Net Position-January 1					286,174
Net Position-December 31					7,433,923
					\$ 7,720,097

See accompanying notes to the basic financial statements

OURAY COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2012

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Social Services Fund</u>
ASSETS			
Cash and cash equivalents	\$ 986,451	\$ 444,943	\$ 233,648
Restricted Cash	82,469		2,556
Property taxes receivable	1,692,826	279,779	102,941
Accrued interest receivable	275		
Accounts receivable			83,017
Due from other governmental	24,618	32,711	29,435
Due from other funds	4,210		
Inventories	-	28,129	-
Total assets	<u>\$ 2,790,849</u>	<u>\$ 785,562</u>	<u>\$ 451,597</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 176,531	\$ 91,890	\$ 82,144
Due to other funds		4,210	
Deferred revenue	-	-	152
Total liabilities	<u>176,531</u>	<u>96,100</u>	<u>82,296</u>
Deferred inflows of resources			
Deferred property tax revenue	<u>1,692,826</u>	<u>279,779</u>	<u>102,941</u>
Fund balances:			
Nonspendable			
Inventory	-	28,129	-
Restricted for			
Emergency reserve	-	-	-
Road 361	-	-	-
Parks and recreation	-	-	-
Other purposes	82,469	-	-
Committed			
Road Improvements	-	-	-
E-911	-	-	-
Health and welfare	-	-	266,360
Public safety	-	-	-
Assigned			
Fairgrounds	-	-	-
Other grant projects	-	-	-
Unassigned	<u>839,023</u>	<u>381,554</u>	<u>-</u>
Total fund balances	<u>921,492</u>	<u>409,683</u>	<u>266,360</u>
Total liabilities and fund balances	<u>\$ 2,790,849</u>	<u>\$ 785,562</u>	<u>\$ 451,597</u>

See accompanying notes to the basic financial statements

<u>Emergency Medical Services</u>	<u>Public Health Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 604,674	\$ 53,080	\$ 881,006	\$ 3,203,802
	-	-	85,025
372,977	-	-	2,448,523
	-	-	275
25,865	-	-	108,882
	-	24,618	111,382
	-	-	4,210
	-	-	28,129
<u>\$ 1,003,516</u>	<u>\$ 53,080</u>	<u>\$ 905,624</u>	<u>\$ 5,990,228</u>
\$ 27,809	\$ 17,947	\$ 12,088	\$ 408,409
	-	-	4,210
	-	-	152
<u>27,809</u>	<u>17,947</u>	<u>12,088</u>	<u>412,771</u>
<u>372,977</u>	<u>-</u>	<u>-</u>	<u>2,448,523</u>
-	-	-	28,129
-	-	174,881	174,881
-	-	140,194	140,194
-	-	122,532	122,532
-	-	-	82,469
-	-	315,541	315,541
-	-	59,960	59,960
-	35,133	-	301,493
602,730	-	20,130	622,860
-	-	38,650	38,650
-	-	21,648	21,648
-	-	-	1,220,577
<u>602,730</u>	<u>35,133</u>	<u>893,536</u>	<u>3,128,934</u>
<u>\$ 1,003,516</u>	<u>\$ 53,080</u>	<u>\$ 905,624</u>	<u>\$ 5,990,228</u>

See accompanying notes to the basic financial statements

OURAY COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO THE STATEMENT OF NET POSITION
December 31, 2012

Total governmental fund balances	\$ 3,128,934
Amounts reported for governmental activities in the statement of activities are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,093,500
Long-term liabilities, including bonds payable and compensated absences, are not due and payable in the current period and therefore are not reported in the funds.	
Compensated absences	(80,521)
Leases payable	(421,816)
	<hr/>
Net position of governmental activities	<u>\$ 7,720,097</u>

See accompanying notes to the basic financial statements

OURAY COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2012

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Social Services Fund</u>
REVENUES			
Property Taxes	\$ 1,768,981	\$ 290,696	\$ 106,976
Sales Taxes	513,522	-	-
Intergovernmental	358,787	934,215	1,123,462
Licenses and permits	182,444	6,562	-
Charges for services	46,001	-	-
Fees, fines and forfeits	375,214	17,198	-
Miscellaneous	83,649	243,704	1,969
Total revenues	<u>3,328,598</u>	<u>1,492,375</u>	<u>1,232,407</u>
EXPENDITURES			
Current:			
General government	1,940,693	-	-
Judicial	199,611	-	-
Public safety	623,619	-	-
Health and welfare	33,441	-	1,206,100
Recreation and culture	188,890	-	-
Public Works	100,566	1,839,366	-
Debt Service	68,729	117,374	-
Capital outlay	36,951	344,754	-
Total expenditures	<u>3,192,500</u>	<u>2,301,494</u>	<u>1,206,100</u>
Excess (deficiency) of revenues over expenditures	<u>136,098</u>	<u>(809,119)</u>	<u>26,307</u>
OTHER FINANCING SOURCES (USES)			
Loan Proceeds	24,035	94,400	-
Transfers in	83,376	528,503	-
Transfers out	(181,881)	(38,976)	(4,672)
Total other financing sources (uses)	<u>(74,470)</u>	<u>583,927</u>	<u>(4,672)</u>
Net change to fund balance	61,628	(225,192)	21,635
Fund balance, January 1	859,864	634,875	244,725
Fund balance, December 31	<u>\$ 921,492</u>	<u>\$ 409,683</u>	<u>\$ 266,360</u>

See accompanying notes to the basic financial statements

<u>Emergency Medical Services</u>	<u>Public Health Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 387,596	\$ -	\$ 512,383	\$ 3,066,632
-	-	-	513,522
18,473	50,049	84,239	2,569,225
-	-	-	189,006
158,961	-	39,466	244,428
-	-	-	392,412
1,428	63,625	69,326	463,701
<u>566,458</u>	<u>113,674</u>	<u>705,414</u>	<u>7,438,926</u>
-	-	69,975	2,010,668
-	-	-	199,611
472,418	-	48,905	1,144,942
-	263,827	-	1,503,368
-	-	-	188,890
-	-	-	1,939,932
27,607	-	-	213,710
-	-	-	381,705
<u>500,025</u>	<u>263,827</u>	<u>118,880</u>	<u>7,582,826</u>
<u>66,433</u>	<u>(150,153)</u>	<u>586,534</u>	<u>(143,900)</u>
-	-	-	118,435
6,000	179,881	-	797,760
<u>(22,787)</u>	<u>(20,941)</u>	<u>(528,503)</u>	<u>(797,760)</u>
<u>(16,787)</u>	<u>158,940</u>	<u>(528,503)</u>	<u>118,435</u>
49,646	8,787	58,031	(25,465)
553,084	26,346	835,505	3,154,399
<u>\$ 602,730</u>	<u>\$ 35,133</u>	<u>\$ 893,536</u>	<u>\$ 3,128,934</u>

See accompanying notes to the basic financial statements

OURAY COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2012

Net change in fund balances - total governmental funds **\$ (25,465)**

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.

Fixed assets current additions	\$	375,776	
Depreciation expense		(226,002)	
Excess of capital outlay over depreciation		149,774	149,774

The issuance of long-term debt provides current resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net assets. This is the amount by which issuance of long-term debt exceeded principal payments on debt in the current period.

Loan proceeds	\$	(118,435)	
Decrease in accrued vacation and sick leave		86,696	
Principal payment on long-term debt		193,604	161,865

Change in net position of governmental funds **\$ 286,174**

OURAY COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2012

Treasurer's
Agency Fund

Cash and investments \$ 328,430

Due to other governments \$ 328,430

See accompanying notes to the basic financial statements

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies

The accounting and reporting policies of Ouray County, Colorado conform to generally accepted accounting principles (GAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

A. Reporting Entity

Ouray County is located in western Colorado with a population of approximately 4,000. The principal town and city are Ridgway and Ouray. Ouray County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. The County has six other elected officials; the Assessor, the Clerk and Recorder, the Coroner, the Sheriff, the Surveyor and the Treasurer. Ouray County is included in the Seventh Judicial District. An elected District Attorney for the District serves Montrose, Delta, Gunnison, San Miguel, Hinsdale and Ouray Counties. The County's General Fund accounts for all financial operating transactions of the offices of the elected officials and all Ouray County contributions to the Seventh Judicial District Attorney's office.

Blended presented component unit. E-911 Authority serves all the citizens of the County for emergency telephone services.

B. Government-wide and Fund Financial Statements

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

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

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. The County considers revenues to be available if they are collectible within 180 days except for property taxes which are considered available if they are collectible within sixty days after year-end. Property taxes, sales taxes, licenses, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded when payment is due.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

The government reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The *Road and Bridge Fund* records costs related to County road and bridge construction and maintenance. By State law, Colorado counties are required to maintain a road and bridge fund. A portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

- The *Social Services Fund* accounts for the administration and operations of the County's public health and welfare system.
- The *Emergency Medical Services Fund* accounts for the administration and operations of the County's ambulance services.
- The *Public Health Fund* accounts for the administration and operations of the County's public health department.

The government reports the following non-major governmental funds:

- *Conservation Trust Fund* reflects the receipt of the County's share of Colorado Lottery funds and money from other sources to be used for recreation purposes within the County.
- *Contingent Fund* reflects the accumulation and disbursement of funds set aside to be used as needed for unforeseen contingencies.
- *Fairgrounds Fund* reflects the accumulation and disbursement of funds set aside to be used as needed for operation and maintenance of the fairgrounds.
- *Special Grant Administration Fund* reflects receipts and disbursements of funds from special grants.
- *E-911 Authority* reflects receipts from service users to be used for emergency telephone services.
- *Road and Bridge Impact Fees Fund* reflects receipts from impact fees to be used for road projects.
- *Samson Law Fund* reflects receipt of court fees.
- *Road and Bridge 361* reflects principal and interest to be used to maintain Highway 361.
- *Public Access Group Fund* reflects receipts from grants and donations to be used to preserve public access on existing and historical public trails and roads.
- *Road and Bridge Sales Tax Fund* reflects the collection of 1% sales tax to be used for additional road and bridge expenditures.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(continued)

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are certain charges between the County's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues included all taxes.

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 County's enterprise funds and internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include 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.

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Investments

The County considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits. In addition, because the treasury pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

1. Cash and Investments

For purposes of the statement of cash flows, the proprietary fund types consider all highly liquid investments with an original maturity of one year or less to be cash equivalents.

2. Receivable and Payable Balances

Significant components of receivables and payables are disaggregated in the financial statements. All receivables are expected to be collected within one year. All material payables are expected to be paid within one year with the exception of the amounts for the accrual for compensated absences and capital leases.

3. Property Taxes

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable either in two installments due on February 28 and June 15 or in full on April 30. The County, through the Ouray County Treasurer, bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County. Taxes levied in 2012 for collection in 2013 are recorded in governmental funds as taxes receivable and deferred inflow of resources as of December 31, 2012 since the amount is measurable but not available until 2013. An allowance for uncollectible taxes is not provided as the uncollectible amounts were determined to be negligible based upon an analysis of historical trends.

4. Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. At year end, outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances." These amounts are eliminated in the Total Column on the "statement of net position" column. Any residual balances outstanding between "discrete presented component units" and the "primary government" are reported on a separate line.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

5. Inventories

Inventories are valued at cost which is determined using the first-in, first-out method. Inventories in most Governmental funds are recorded as expenditures when purchased. Inventories in the Road and Bridge Fund are recorded as expenditures when consumed rather than when purchased.

6. Capital Assets

Capital assets, which include property, plant equipment, and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation on capital assets, with the exception of infrastructure, is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	20 to 50 Years
Land improvements (depreciable)	25 to 30 Years
Equipment and Furniture	5 to 7 Years

As allowed by GASB Statement No. 34, *Basic Financial Statements - and Management's Discussion and Analysis -for State and Local Governments*, the County has adopted an alternative method for reporting costs associated with certain infrastructure assets. Under this alternative method, referred to as the "modified approach," infrastructure assets are not depreciated, and maintenance and preservation costs are expensed. The County capitalizes costs related to new construction, major replacements, and improvements that increase the capacity and/or efficiency of infrastructure assets reported under the modified approach.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

7. Future Compensated Absences

The personnel rules policy manual state that all vacation may accrue up to 200 hours. Sick leave is accrued at twelve (12) days per year. Upon resignation, termination, retirement or separation from retirement or separation from employment an employee with 20 years of employment shall be eligible for payment at the rate of one-fourth ($\frac{1}{4}$) of the employee's current hourly rate for accumulated sick leave up to 480 hours.

8. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements. Long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. At December 31, 2012 the only long term debt that Ouray County had was from the accrual of compensated absences and capital leases.

9. Fund Equity

Beginning with fiscal year 2011, the County 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;
- 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.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 1 – Summary of Significant Accounting Policies (continued)

D. Assets, Liabilities, and Net Assets or Equity (continued)

10. Net Position

Net position represent the difference between assets and liabilities. Net position invested in capital assets, consists of capital assets, net of accumulated depreciation. Net position is reported as restricted when there are constraints placed on their use either by law through constitutional provisions or enabling legislation or through restrictions externally imposed by creditors, grantors, laws, or regulations of other governments.

The reserve for emergencies as required by Section 20 to Article X of the Colorado Constitution, also known as the Taxpayer's Bill of Rights (TABOR) is classified as restricted net assets on the entity-wide statements. The County, through voter approval, has been authorized to retain, expand, and benefit from all non-property tax revenues collected during 1995, and each subsequent year.

11. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

12. Contraband Proceeds

The Colorado Contraband Forfeiture Act requires the proceeds from the seizure of contraband be audited although they are not subject to the appropriations process. During 2012, the County had no proceeds from the seizures of contraband.

Note 2- Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual budgets are adopted for all funds, except agency funds, of the County. The Budget Office submits a proposed operating budget for the following calendar year to the County Commissioners prior to October 15 of each year. The budget is prepared using the modified accrual basis of accounting. The operating budget includes proposed expenditures/expenses and the anticipated revenues. As required by statute, public hearings are conducted to obtain citizen's comments. Prior to the levy of property tax, the budget is legally adopted through the passage of a budget adoption and appropriation resolution.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 2- Stewardship, Compliance, and Accountability (continued)

B. Budgeted Level of Expenditures

The budgetary control is maintained at the department level for the general fund and at specific fund level for all other funds. Although the budget shows various classifications by object and by function, the department directors are authorized to transfer budgeted amounts within each of the object classifications. All annual appropriations lapse at year end.

For the budget to actual reporting required by state statues the proprietary funds present the adjustments necessary to reconcile ending net income (loss) on the budgetary basis to the GAAP basis net change in fund equity.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

Note 3- Cash and Investments

A. Deposits

Title II, Article 10.5 of the Colorado Revised Statutes, (the Public Deposit Protection Act of 1989); require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral, as promulgated by the State banking board, having a market value in excess of 102% of the aggregate uninsured public deposits. Eligible collateral must be held in a single financial institution collateral pool in the custody of any federal reserve bank or any branch thereof or of any depository trust company which is a member of the federal reserve system, and which is supervised by the state banking board. The Statutes further restrict such deposits to eligible public depositories having their principal offices within the State of Colorado. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At year end the carrying amount of the County's Primary Government's Funds deposits were \$ 2,073,558 and the bank balance was \$ 2,081,476. Of the bank balance \$ 872,967 was covered by FDIC insurance. The remaining \$ 1,208,509 was collateralized under the above referenced statute.

B. Investments

Colorado statues 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; written repurchase agreements collateralized by certain authorized securities; certain money market funds; guaranteed investments contracts and local government investment pools.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 3- Cash and Investments (continued)

The local government investment pool is the Colorado Government Liquid Asset Trust (COLOTRUST). This pooled investment vehicle was established by local government entities in Colorado to pool surplus funds for investment purposes. This pool is overseen by the State Securities Commission. COLOTRUST operate similarly to money market funds and each share valued at \$1.00. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by each pooled investment 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 each pool investor. 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.

Table 1 - Summary of Combined Cash and Investments Held By Primary Government and Component Unit

Description	Cost
Cash on hand	\$ 400
Demand deposits	1,322,794
Colotrust	1,543,299
Certificates of deposit and savings	765,194
Outstanding Warrants – Social Services	(14,430)
Total	\$ 3,617,257

Note 4- Interfund Transactions

Due to/Due From

The County reports interfund balances between many of its funds. The sum of all balances presented in this table agrees with the sum of interfund balances presented in the balance sheets for governmental and proprietary funds.

Inter-fund receivable and payable balances at December 31, 2012 were as follows:

Fund	Inter-fund Receivable	Inter-fund Payable
General Fund	\$ 4,210	-
Road and Bridge	-	\$4,210

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 4- Interfund Transactions (continued)

Transfers

Transfers are indicative of funding for various County operations and re-allocation of special revenues. The following schedule briefly summarizes the County's transfer activity:

Fund	Transfers In	Transfers (Out)
<i>General</i>	\$ 83,376	\$ 181,881
<i>Road and Bridge</i>	\$ 528,503	\$ 38,976
<i>Public Health</i>	\$ 179,881	\$ 20,941
<i>Road and Bridge Impact</i>		\$ 53,318
<i>EMS</i>	\$ 6,000	\$ 22,787
<i>Road and Bridge Sales Tax</i>		\$ 475,185
<i>Social Services</i>		\$ 4,672

*These transfers were eliminated in the consolidation for governmental activities.

Note 5- Capital Assets

	Balance 1/1/12	Additions	Dispositions	Balance 12/31/2012
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 631,934	\$	\$	\$ 631,934
Land improvements	741,070			741,070
Infrastructure	315,587	249,729		565,316
	<u>1,688,591</u>	<u>249,729</u>		<u>1,938,320</u>
Capital assets being depreciated				
Buildings and improvements	3,059,760			3,059,760
Equipment and furniture	3,663,603	126,047		3,789,650
	<u>6,723,363</u>	<u>126,047</u>		<u>6,849,410</u>
Less accumulated depreciation				
Buildings and improvements	(758,672)	(60,536)		(819,208)
Equipment and furniture	(2,709,556)	(165,466)		(2,875,022)
	<u>(3,468,228)</u>	<u>(226,002)</u>		<u>(3,694,230)</u>
Capital assets being depreciated, net	<u>3,255,135</u>	<u>(99,955)</u>		<u>3,155,180</u>
Total governmental Activities capital assets	<u>\$ 4,943,726</u>	<u>\$ 149,774</u>	<u>\$ -</u>	<u>\$ 5,093,500</u>

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 5- Capital Assets (continued)

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

<i>Governmental activities:</i>	
General government	\$ 66,612
Public safety	61,979
Public works	78,317
Culture and Recreation	<u>19,094</u>
Total depreciation expense-governmental activities	<u>\$ 226,002</u>

Note 6- Long-Term Liabilities

Long-term obligations

The County has entered into various capital leases and financed the following items:

2008 Toyota FJ Cruiser \$ 24,402 due in five annual payments of \$ 5,474 including interest at 3.95%, beginning June 23, 2009.

Boiler \$ 190,636 due in ten annual payments of \$ 23,832.95, including interest at 4.5% beginning July 15, 2010.

2009 Ford 450-Med Tech Ambulance \$ 125,691 due in five annual payments of \$ 27,606.99, including interest at 3.5% beginning September 1, 2009.

2009 Chevrolet Silverado Crew Cab Pickup \$ 15,753, due in 4 payments of \$ 5,682.64, including interest at 4% beginning August 5, 2010.

Various heavy equipment \$298,063, due in 5 payments of \$64,626.86, including interest at 3.9% beginning August 18, 2011.

2012 Chevy Tahoe 4X4 \$24,035, due in 4 payments of \$6,845.57, including interest at 5.0% beginning August 15, 2013.

2008 Motor Grader 770D \$94,400, due in 8 payments of \$10,822.36, including a buyout of \$7,821.12 at the end of the lease.

The annual requirements to amortize the above debt are as follows:

2008 Toyota FJ Cruiser

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	<u>\$ 5,266</u>	<u>\$ 208</u>	<u>\$ 5,474</u>

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 6- Long-Term Liabilities (continued)

Boiler

	Principal	Interest	Total
2013	\$ 17,513	\$ 6,320	\$ 23,833
2014	18,301	5,532	23,833
2015	19,125	4,708	23,833
2016	19,985	3,848	23,833
2017	20,885	2,948	23,833
2018	21,825	2,008	23,833
2019	22,807	1,026	23,833
	<u>\$ 140,441</u>	<u>\$ 26,390</u>	<u>\$ 166,831</u>

2009 Ford 450-Med Tech Ambulance

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 26,673	\$ 934	\$ 27,607

2009 Chevrolet Silverado Crew Cab Pickup

	Principal	Interest	Total
2013	\$ 5,461	\$ 222	\$ 5,683

Various heavy equipment

	Principal	Interest	Total
2013	\$ 57,602	\$ 7,025	\$ 64,627
2014	59,855	4,772	64,627
2015	62,195	2,432	64,627
Total	<u>\$ 179,652</u>	<u>\$ 14,229</u>	<u>\$ 193,881</u>

2012 Chevy Tahoe 4X4

	Principal	Interest	Total
2013	\$ 5,394	\$ 1,452	\$ 6,846
2014	5,913	933	6,846
2015	6,209	637	6,846
2016	6,519	327	6,846
Total	<u>\$ 24,035</u>	<u>\$ 3,349</u>	<u>\$ 27,384</u>

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 6- Long-Term Liabilities (continued)

2008 Motor Grader 770D has a principal payment balance due in 2012 of \$40,228.

The following is a summary of capitalized leases for the year ended December 31, 2012

Governmental Activities	Balance 1/1/2012	Additions	Reductions	Balance 12/31/2012	Due Within One Year
Capital leases					
2008 Toyota FJ Cruiser	\$ 10,332	\$ -	\$ 5,066	\$5,266	\$ 5,266
Backhoe and 2008 Truck	19,886	-	19,886	-	-
2008 Toyota FS Cruiser (2)	11,326	-	11,326	-	-
Boiler	157,200	-	16,759	140,441	17,513
2009 Ambulance	52,445	-	25,772	26,673	26,673
2009 Silverado Pickup	10,709	-	5,248	5,461	5,461
Various heavy equipment	235,087	-	55,435	179,652	57,602
2012 Chevy Tahoe 4X4	-	24,035	-	24,035	5,394
Motor Grader	-	94,400	54,112	40,288	40,228
Total	<u>\$496,985</u>	<u>\$ 118,435</u>	<u>\$ 193,604</u>	<u>\$ 421,816</u>	<u>\$ 158,137</u>

Note 7- Retirement Plan

Ouray County is a member employer of the Colorado County Officials and Employees Retirement Association (CCOERA). This association was formed by Colorado State Statute to provide retirement benefits to employees of Colorado local governments. CCOERA administers two different retirement plans a 401(a) Defined Contribution Plan and a 457 Deferred Compensation Plan.

Ouray County provides pension benefits for all of its full-time employees with the Colorado County Officials and Employees Retirement Association Retirement Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate one year from the date of employment. Elected officials are eligible to participate immediately. Participation is mandatory for all eligible employees and for all elected officials. Both the County and the employee contribute 5% of the employee's monthly base salary to the plan. Employees may also make additional contributions up to a maximum of 10% of compensation.

The County's contribution for each employee (and interest allocated to the employee's account) is 100% vested after ten years. If an elected official fails to become re-elected, they immediately become fully vested. Any non-vested County contributions forfeited by an employee who leaves the County's employment are remitted to the County. The County's total payroll was \$ 2,874,664 in 2012. The total payroll covered by the pension plan was \$ 2,619,527 in 2012. The total contribution paid was \$ 303,772 in 2012 (12 % of covered payroll), \$ 173,036 by the employees and \$ 130,736 by the County.

The County has no liability for losses under the plan.

Complete financial statements for the retirement plans may be obtained from the CCOERA, 4949 S. Syracuse St., Suite 400, Denver, Colorado, 80237.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 8- Post Employment Benefits

The County provides no post employment benefits to employees who retire from the County other than those mandated by the State and Federal governments.

The "Consolidated Omnibus Budget Reconciliation Act of 1985" (COBRA), that is mandated by the Federal Government, requires that employers allow eligible employees the opportunity to purchase medical and dental insurance for various periods of time after their employment is discontinued. Ouray County complies with the Federal Statutes.

Note 9- Noncash Program Activity

Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures
For the Year Ended December 31, 2012

Ouray County Department of Social Services
Expenditure/Revenue Report
For the Year Ended December 2012

	County EBT Expended Authorizations	State & Fed Share of All Authorizations	Expenditures By County Warrant	County EBT Authorizations Plus Expend By Co. Warrant	Total County Expenditures
TANF	\$ 30,843.08	\$ (39,537.64)	\$ 14,815.20	\$ 45,658.28	\$ 6,120.64
Child Care	36,103.30	(35,501.43)	5,335.98	41,439.28	5,937.85
Child Welfare	20,273.54	(167,798.06)	186,673.99	206,947.53	39,149.47
Administration	-	(85,346.51)	113,969.46	113,969.46	28,622.95
CORE Services	-	(245,957.43)	245,627.99	245,627.99	(329.44)
IV-D Administration	-	(4,333.12)	5,245.85	5,245.85	912.73
Aid to Needy Disabled	6,301.17	(5,040.93)	-	6,301.17	1,260.24
Old Age Pension	48,156.16	(50,270.23)	2,114.07	50,270.23	-
Home Care Allowance	10,463.00	(9,939.85)	-	10,463.00	523.15
LEAP	49,209.33	(54,375.91)	5,166.58	54,375.91	-
General Assistance	-	-	5,138.08	5,138.08	5,138.08
TANF Collections	-	(1,969.39)	-	-	(1,969.39)
Miscellaneous	(738.42)	(120,965.42)	14,702.87	13,964.45	(107,000.97)
Subtotal	200,611.16	(821,035.92)	598,790.07	799,401.23	(21,634.69)
Food Assistance	411,371.44	(411,371.44)	-	411,371.44	-
Grant Total	<u>\$ 611,982.60</u>	<u>\$ (1,232,407.36)</u>	<u>\$ 598,790.07</u>	<u>\$ 1,210,772.67</u>	<u>\$ (21,634.69)</u>

Welfare payments authorized by the Ouray County Department of Human Services. These County authorizations are paid by the Colorado Department of Human Services by QUEST debit cards or by electronic funds transfer (EFT).

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 9- Noncash Program Activity (continued)

- A. County share of EBT authorizations - these amounts are settled monthly by a reduction of State cash advances to the County.
- B. Expenditures made by County warrants or other County payment methods
- C. This represents the total cost of the welfare programs that are administered by Ouray County.
- D. This total matches the expenditures on the Social Services Department Fund Statement of Revenues, Expenditures, and Changes in Fund Balance.

Note 10- Budget Amendment

During 2012 the County amended its budget. The following is a schedule of the changes to the original budget:

Fund	Original Budget	Amendment	Final Budget
General	\$ 3,457,698	\$	\$ 3,457,698
Road and Bridge	2,041,562	220,048	2,261,610
Social Services	1,373,467		1,373,467
Public Health	302,761		302,761
Conservation Trust	65,000		65,000
Road and Bridge Sales Tax	510,000		510,000
Special Grant	31,239	500	31,739
Road and Bridge Impact Fees	53,718	281	53,999
E-911	62,000		62,000
EMS	550,801		550,801
Samson Law Fund	2,015	106	2,121
Public Access Group	15,415		15,415
Road and Bridge 361	22,877		22,877
Totals	\$ 8,488,553	\$220,935	\$ 8,709,488

Note 11-Risk Management

Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County has joined together with other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The Pool provides the County with general property, vehicle comprehensive and collision, and various liability insurance coverage.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 11-Risk Management (continued)

The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the Pool will purchase insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Note 12 -Special Assessment

On September 1, 1996, a special assessment bond for Local Improvement District No. 1995-1 was issued. This bond does not constitute a debt or an indebtedness of Ouray County within the meaning of any constitutional or statutory limitation or provision, and shall not be considered or held to be a general obligation of the County. No property of the County shall be liable to be forfeited or taken in payment of the special assessment bonds.

In 1997 a special assessment bond for Local Improvement District No. 1997-1 was issued. This bond does not constitute a debt of an indebtedness of Ouray County within the meaning of any constitutional or statutory limitations or provision, and shall not be considered or held to be a general obligation of the County. No property of the County shall be liable to be forfeited or taken in payment of the special assessment bonds.

Note 13 -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. The amendment is complex and subject to judicial interpretation. However, the County had made certain interpretations of the amendment's language in order to determine its compliance.

The County, through voter approval, has been authorized to retain, expand and benefit from all non-proprietary tax revenues collected during 1995 and each subsequent year. Also, the County's reserve for emergencies is classified as restricted net assets and is the Contingent Fund.

Note 14 -New Accounting Pronouncements

GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, implemented this year provides financial reporting guidance for deferred outflows of resources and deferred inflows of resources. The Statement of Net Assets is renamed the Statement of Net Position and includes four components: assets, deferred outflows of resources, liabilities and deferred inflows of resources. The Town has determined that property taxes revenue that are related to a future period have been recorded as deferred inflows.

Ouray County, Colorado
Notes to Basic Financial Statements
December 31, 2012

Note 14 -New Accounting Pronouncements (continued)

GASB 65, *Items Previously Reported as Assets and Liabilities*, will be effective for the Town beginning with its year ending December 31, 2012. This statement requires certain items that are currently reported as assets and liabilities to be reclassified as deferred outflows resources, deferred inflows of resources, or current-period outflows and inflows.

Required Supplementary Information

OURAY COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

ACTUAL AND BUDGET
Year Ended December 31, 2012

REVENUES	Budgeted		Actual	Variance
	Original	Final		
Property taxes	\$ 1,802,928	\$ 1,802,928	\$ 1,768,981	\$ (33,947)
Sales taxes and other	511,700	511,700	513,522	1,822
Intergovernmental	320,307	320,307	358,787	38,480
Licenses and permits	130,500	130,500	182,444	51,944
Charges for services	42,500	42,500	46,001	3,501
Fees, fines and forfeits	362,316	362,316	375,214	12,898
Miscellaneous	66,350	66,350	83,649	17,299
Total revenues	3,236,601	3,236,601	3,328,598	91,997
EXPENDITURES				
Assessor	252,284	252,284	250,616	1,668
Administration other	186,802	186,802	198,915	(12,113)
Administrator	256,885	256,885	239,030	17,855
Board of County Commissioners	197,024	197,024	189,921	7,103
Clerk and Recorder	253,025	253,025	237,911	15,114
County Attorney	122,998	122,998	132,811	(9,813)
County Coroner	36,891	36,891	32,054	4,837
County Jail	40,500	40,500	46,086	(5,586)
Courthouse Security	42,004	42,004	40,800	1,204
District Attorney	66,800	66,800	66,800	-
Elections	41,800	41,800	33,757	8,043
Employee Benefits	51,230	51,230	49,509	1,721
Extension Services	5,255	5,255	5,020	235
Fairgrounds	178,788	178,788	174,874	3,914
Information Technology	154,360	154,360	154,205	155
Juvenile Diversion	10,000	10,000	10,000	-
Land Use	242,126	242,126	214,977	27,149
Maintenance of Buildings	163,733	163,733	170,506	(6,773)
Public Telecommunications	3,000	3,000	3,852	(852)
Public Trustee	27,268	27,268	25,389	1,879
Recreation and Culture	11,000	11,000	10,164	836
Sheriff	526,747	526,747	526,733	14
Social Programs	1,863	1,863	922	941
Surveyor	2,868	2,868	3,718	(850)
Transfer Station	1,200	1,200	465	735
Treasurer	171,860	171,860	167,219	4,641
Weed department	90,052	90,052	100,566	(10,514)
Total department expenses	3,138,363	3,138,363	3,086,820	51,543
Debt service payments	58,072	58,072	68,729	(10,657)
Capital Outlay	79,382	79,382	12,916	66,466
OTHER FINANCING SOURCES (USES)				
Transfers in	148,376	148,376	83,376	(65,000)
Transfers out	(181,881)	(181,881)	(181,881)	-
Total other financing sources and (uses)	(33,505)	(33,505)	(98,505)	(65,000)
Net change to fund balance	(72,721)	(72,721)	61,628	134,349
Fund balance, January 1	769,505	769,505	859,864	90,359
Fund balance, December 31	\$ 696,784	\$ 696,784	\$ 921,492	\$ 224,708

OURAY COUNTY, COLORADO
ROAD AND BRIDGE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property taxes	\$ 297,457	\$ 297,457	\$ 290,696	\$ (6,761)
Intergovernmental:				
Federal shared revenues	202,979	202,979	202,979	-
State shared revenues	728,150	728,150	731,236	3,086
State Grants	90,031	90,031	-	(90,031)
Total intergovernmental revenues	<u>1,021,160</u>	<u>1,021,160</u>	<u>934,215</u>	<u>(86,945)</u>
Licenses and permits	<u>3,000</u>	<u>3,000</u>	<u>6,562</u>	<u>3,562</u>
Miscellaneous:				
Refund of expenditures	150,000	150,000	241,463	91,463
Other miscellaneous revenues	2,750	2,750	2,241	(509)
Total miscellaneous revenues	<u>152,750</u>	<u>152,750</u>	<u>243,704</u>	<u>90,954</u>
Fees	<u>16,000</u>	<u>16,000</u>	<u>17,198</u>	<u>1,198</u>
Total revenues	<u>1,490,367</u>	<u>1,490,367</u>	<u>1,492,375</u>	<u>2,008</u>
EXPENDITURES				
Operations	1,736,469	1,736,469	1,839,366	(102,897)
Debt service	122,551	122,551	117,374	5,177
Capital outlay	143,566	363,614	250,354	113,260
Total expenditures	<u>2,002,586</u>	<u>2,222,634</u>	<u>2,207,094</u>	<u>15,540</u>
Excess (deficiency) of revenues over expenditures	<u>(512,219)</u>	<u>(732,267)</u>	<u>(714,719)</u>	<u>17,548</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	551,195	551,195	528,503	(22,692)
Transfers out	(38,976)	(38,976)	(38,976)	-
Total other financing sources (uses)	<u>512,219</u>	<u>512,219</u>	<u>489,527</u>	<u>(22,692)</u>
Net change to fund balance	-	(220,048)	(225,192)	(5,144)
Fund balance, January 1	<u>342,857</u>	<u>342,857</u>	<u>634,875</u>	<u>292,018</u>
Fund balance, December 31	<u>\$ 342,857</u>	<u>\$ 122,809</u>	<u>\$ 409,683</u>	<u>\$ 286,874</u>

OURAY COUNTY, COLORADO
SOCIAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 107,925	\$ 107,925	\$ 106,976	\$ (949)
County administration	73,792	73,792	92,485	18,693
Old age pension	47,050	47,050	60,210	13,160
Aid to the needy and disabled	4,000	4,000	5,041	1,041
Child care	35,000	35,000	35,501	501
Food assistance	450,000	450,000	411,371	(38,629)
Child welfare	109,878	109,878	167,798	57,920
Core services	250,552	250,552	245,958	(4,594)
Leap	108,300	108,300	54,376	(53,924)
CSBG grant	15,000	15,000	6,851	(8,149)
Colorado works	44,000	44,000	39,538	(4,462)
Child support	4,660	4,660	4,333	(327)
Miscellaneous	100	100	1,969	1,869
Total revenues	<u>1,250,257</u>	<u>1,250,257</u>	<u>1,232,407</u>	<u>(17,850)</u>
EXPENDITURES				
County funded grants	14,500	14,500	8,064	6,436
County administration	100,000	100,000	113,969	(13,969)
Old age pension	47,800	47,800	60,733	(12,933)
Colorado works	70,000	70,000	45,658	24,342
Aid to the needy and disabled	5,000	5,000	6,301	(1,301)
Child care	55,000	55,000	41,439	13,561
General assistance	7,500	7,500	5,138	2,362
Leap	108,300	108,300	54,376	53,924
Child welfare	240,878	240,878	206,947	33,931
Core services	253,989	253,989	245,628	8,361
CSBG grant	15,000	15,000	6,639	8,361
Child support	5,500	5,500	5,246	254
Food assistance	450,000	450,000	411,371	38,629
Cost allocation	-	-	(737)	737
Total expenditures	<u>1,373,467</u>	<u>1,373,467</u>	<u>1,210,772</u>	<u>162,695</u>
Excess (deficiency) of revenues over expenditures	(123,210)	(123,210)	21,635	144,845
Fund balance, January 1	244,725	244,725	244,725	-
Fund balance, December 31	<u>\$ 121,515</u>	<u>\$ 121,515</u>	<u>\$ 266,360</u>	<u>\$ 144,845</u>

OURAY COUNTY, COLORADO
PUBLIC HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental:				
Federal shared revenues	\$ 15,593	\$ 15,593	\$ 17,060	\$ 1,467
State shared revenues	23,546	23,546	32,989	9,443
Total intergovernmental revenues	<u>39,139</u>	<u>39,139</u>	<u>50,049</u>	<u>10,910</u>
Miscellaneous:				
Refund of expenditures	32,502	32,502	25,036	(7,466)
Grants	22,039	22,039	21,152	
Other miscellaneous revenues	29,200	29,200	17,437	(11,763)
Total miscellaneous revenues	<u>83,741</u>	<u>83,741</u>	<u>63,625</u>	<u>(19,229)</u>
Total revenues	<u>122,880</u>	<u>122,880</u>	<u>113,674</u>	<u>(8,319)</u>
EXPENDITURES				
Public Health	281,820	281,820	263,827	17,993
Total expenditures	<u>281,820</u>	<u>281,820</u>	<u>263,827</u>	<u>17,993</u>
Excess (deficiency) of revenues over expenditures	<u>(158,940)</u>	<u>(158,940)</u>	<u>(150,153)</u>	<u>8,787</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	179,881	179,881	179,881	-
Transfers out	(20,941)	(20,941)	(20,941)	-
Total other financing sources (uses)	<u>158,940</u>	<u>158,940</u>	<u>158,940</u>	<u>-</u>
Net change to fund balance	-	-	8,787	8,787
Fund balance, January 1	26,346	26,346	26,346	-
Fund balance, December 31	<u>\$ 26,346</u>	<u>\$ 26,346</u>	<u>\$ 35,133</u>	<u>\$ 8,787</u>

OURAY COUNTY, COLORADO
EMERGENCY MEDICAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes	\$ 393,143	\$ 393,143	\$ 387,596	\$ (5,547)
Intergovernmental	150	150	201	51
Charges for services	134,000	134,000	158,961	24,961
Grants	17,334	17,334	18,272	938
Miscellaneous	2,500	2,500	1,428	(1,072)
Total revenues	<u>547,127</u>	<u>547,127</u>	<u>566,458</u>	<u>19,331</u>
EXPENDITURES				
Public safety	500,407	500,407	472,418	27,989
Debt service payments	27,607	27,607	27,607	-
Total expenditures	<u>528,014</u>	<u>528,014</u>	<u>500,025</u>	<u>27,989</u>
Excess (deficiency) of revenues over expenditures	19,113	19,113	66,433	47,320
OTHER FINANCING SOURCES (USES)				
Transfers out	(22,787)	(22,787)	(22,787)	-
Transfers in	6,000	6,000	6,000	-
Total other financing sources (uses)	<u>(16,787)</u>	<u>(16,787)</u>	<u>(16,787)</u>	<u>-</u>
Net change to fund balance	2,326	2,326	49,646	47,320
Fund balance, January 1	519,621	519,621	553,084	33,463
Fund balance, December 31	<u>\$ 521,947</u>	<u>\$ 521,947</u>	<u>\$ 602,730</u>	<u>\$ 80,783</u>

OURAY COUNTY, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
December 31, 2012

	<u>Conservation Trust</u>	<u>Contingent</u>	<u>Fairgrounds</u>	<u>Special Grant</u>	<u>Road and Bridge Impact</u>
ASSETS					
Cash and cash equivalents	\$ 126,532	\$ 174,881	\$ 38,650	\$ 29,597	\$ 106,945
Due from other governmental	-	-	-	-	-
Total assets	<u>126,532</u>	<u>174,881</u>	<u>38,650</u>	<u>29,597</u>	<u>106,945</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 4,000	\$ -	\$ -	\$ 7,949	\$ -
Total liabilities	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>7,949</u>	<u>-</u>
Fund balances					
Reserved for:					
Emergencies	-	174,881	-	-	-
Unreserved:	122,532	-	38,650	21,648	106,945
Total fund balances	<u>122,532</u>	<u>174,881</u>	<u>38,650</u>	<u>21,648</u>	<u>106,945</u>
Total liabilities and fund balances	<u>\$ 126,532</u>	<u>\$ 174,881</u>	<u>\$ 38,650</u>	<u>\$ 29,597</u>	<u>\$ 106,945</u>

<u>Samson Law</u>	<u>E-911 Authority</u>	<u>Road and Bridge 361</u>	<u>Public Access Group</u>	<u>Road and Bridge Sales Tax</u>	<u>Total Nonmajor Governmental Funds</u>
\$ 15,509	\$ 59,960	\$ 140,194	\$ 4,760	\$ 183,978	\$ 881,006
-	-	-	-	24,618	24,618
<u>15,509</u>	<u>59,960</u>	<u>140,194</u>	<u>4,760</u>	<u>208,596</u>	<u>905,624</u>
\$ -	\$ -	\$ -	\$ 139	\$ -	\$ 12,088
-	-	-	139	-	12,088
-	-	-	-	-	174,881
15,509	59,960	140,194	4,621	208,596	718,655
15,509	59,960	140,194	4,621	208,596	893,536
<u>\$ 15,509</u>	<u>\$ 59,960</u>	<u>\$ 140,194</u>	<u>\$ 4,760</u>	<u>\$ 208,596</u>	<u>\$ 905,624</u>

OURAY COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Year Ended December 31, 2012

	Conservation Trust	Contingent	Fairgrounds	Special Grant Fund	Road and Bridge Impact
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	23,647	-	-	31,739	-
Charges for services	-	-	-	-	-
Interest earnings	249	-	-	-	-
Miscellaneous	-	-	45	-	68,128
Total revenues	<u>23,896</u>	<u>-</u>	<u>45</u>	<u>31,739</u>	<u>68,128</u>
EXPENDITURES					
Current:					
General government	8,000	-	-	31,535	681
Public safety	-	-	-	-	-
Total expenditures	<u>8,000</u>	<u>-</u>	<u>-</u>	<u>31,535</u>	<u>681</u>
Excess (deficiency) of revenues over expenditures	15,896	-	45	204	67,447
OTHER FINANCING SOURCES (USES)					
Transfer out	-	-	-	-	(53,318)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(53,318)</u>
Net change to fund balance	15,896	-	45	204	14,129
Fund balance, January 1	106,636	174,881	38,605	21,444	92,816
Fund balance, December 31	<u>\$ 122,532</u>	<u>\$ 174,881</u>	<u>\$ 38,650</u>	<u>\$ 21,648</u>	<u>\$ 106,945</u>

<u>Samson Law</u>	<u>E-911 Authority</u>	<u>Road and Bridge 361</u>	<u>Public Access Group</u>	<u>Road and Bridge Sales Tax</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ 512,383	\$ 512,383
12,050	-	-	16,803	-	84,239
-	39,466	-	-	-	39,466
-	8	896	-	-	1,153
-	-	-	-	-	68,173
<u>12,050</u>	<u>39,474</u>	<u>896</u>	<u>16,803</u>	<u>512,383</u>	<u>705,414</u>
2,121	-	-	12,352	15,286	69,975
-	48,905	-	-	-	48,905
<u>2,121</u>	<u>48,905</u>	<u>-</u>	<u>12,352</u>	<u>15,286</u>	<u>118,880</u>
9,929	(9,431)	896	4,451	497,097	586,534
-	-	-	-	(475,185)	(528,503)
-	-	-	-	(475,185)	(528,503)
9,929	(9,431)	896	4,451	21,912	58,031
5,580	69,391	139,298	170	186,684	835,505
<u>\$ 15,509</u>	<u>\$ 59,960</u>	<u>\$ 140,194</u>	<u>\$ 4,621</u>	<u>\$ 208,596</u>	<u>\$ 893,536</u>

OURAY COUNTY, COLORADO
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 24,000	\$ 24,000	\$ 23,647	\$ (353)
Interest income	150	150	249	99
Total revenues	<u>24,150</u>	<u>24,150</u>	<u>23,896</u>	<u>(254)</u>
EXPENDITURES				
Recreation	-	-	<u>8,000</u>	<u>(8,000)</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>(8,000)</u>
Excess (deficiency) of revenues over expenditures	24,150	24,150	15,896	(8,254)
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(65,000)</u>	<u>(65,000)</u>	<u>-</u>	<u>65,000</u>
Net change to fund balance	(40,850)	(40,850)	15,896	56,746
Fund balance, January 1	<u>106,637</u>	<u>106,637</u>	<u>106,636</u>	<u>(1)</u>
Fund balance, December 31	<u>\$ 65,787</u>	<u>\$ 65,787</u>	<u>\$ 122,532</u>	<u>\$ 56,745</u>

OURAY COUNTY, COLORADO
CONTINGENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
Net change to fund balance	-	-	-	-
Fund balance, January 1	<u>174,881</u>	<u>174,881</u>	<u>174,881</u>	-
Fund balance, December 31	<u>\$ 174,881</u>	<u>\$ 174,881</u>	<u>\$ 174,881</u>	<u>\$ -</u>

OURAY COUNTY, COLORADO
FAIRGROUNDS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Miscellaneous	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45</u>	<u>\$ 45</u>
EXPENDITURES				
Recreation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change to fund balance	<u>-</u>	<u>-</u>	<u>45</u>	<u>45</u>
Fund balance, January 1	<u>38,650</u>	<u>38,650</u>	<u>38,605</u>	<u>(45)</u>
Fund balance, December 31	<u><u>\$ 38,650</u></u>	<u><u>\$ 38,650</u></u>	<u><u>\$ 38,650</u></u>	<u><u>\$ -</u></u>

OURAY COUNTY, COLORADO
SPECIAL GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 31,239	\$ 31,239	\$ 31,739	\$ 500
EXPENDITURES				
General Government	31,239	31,739	31,535	204
Total expenditures	<u>31,239</u>	<u>31,739</u>	<u>31,535</u>	<u>204</u>
Excess (deficiency) of revenues over expenditures	-	(500)	204	704
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	-	-
Net change to fund balance	-	(500)	204	704
Fund balance, January 1	21,444	21,444	21,444	-
Fund balance, December 31	<u>\$ 21,444</u>	<u>\$ 20,944</u>	<u>\$ 21,648</u>	<u>\$ 704</u>

OURAY COUNTY, COLORADO
ROAD AND BRIDGE IMPACT FEES
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Impact fees	\$ 40,000	\$ 40,000	\$ 68,128	\$ 28,128
EXPENDITURES				
General Government	400	681	681	-
Total expenditures	<u>400</u>	<u>681</u>	<u>681</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	39,600	39,319	67,447	28,128
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(53,318)</u>	<u>(53,318)</u>	<u>(53,318)</u>	<u>-</u>
Net change to fund balance	(13,718)	(13,999)	14,129	28,128
Fund balance, January 1	<u>92,815</u>	<u>92,815</u>	<u>92,816</u>	<u>1</u>
Fund balance, December 31	<u>\$ 79,097</u>	<u>\$ 78,816</u>	<u>\$ 106,945</u>	<u>\$ 28,129</u>

OURAY COUNTY, COLORADO
E-911 AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Charges for services	\$ 45,000	\$ 45,000	\$ 39,466	\$ (5,534)
Interest income	20	20	8	(12)
Total revenues	<u>45,020</u>	<u>45,020</u>	<u>39,474</u>	<u>(5,546)</u>
EXPENDITURES				
Public safety	62,000	62,000	48,905	13,095
Total expenditures	<u>62,000</u>	<u>62,000</u>	<u>48,905</u>	<u>13,095</u>
Net change to fund balance	(16,980)	(16,980)	(9,431)	7,549
Fund balance, January 1	64,500	64,500	69,391	4,891
Fund balance, December 31	<u>\$ 47,520</u>	<u>\$ 47,520</u>	<u>\$ 59,960</u>	<u>\$ 12,440</u>

OURAY COUNTY, COLORADO
SAMSON LAW FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
State revenues	\$ 1,450	\$ 1,450	\$ 12,050	\$ 10,600
Total revenues	<u>1,450</u>	<u>1,450</u>	<u>12,050</u>	<u>10,600</u>
EXPENDITURES				
General government	2,015	2,121	2,121	-
Total expenditures	<u>2,015</u>	<u>2,121</u>	<u>2,121</u>	<u>-</u>
Net change to fund balance	(565)	(671)	9,929	10,600
Fund balance, January 1	<u>5,580</u>	<u>5,580</u>	<u>5,580</u>	<u>-</u>
Fund balance, December 31	<u><u>\$ 5,015</u></u>	<u><u>\$ 4,909</u></u>	<u><u>\$ 15,509</u></u>	<u><u>\$ 10,600</u></u>

OURAY COUNTY, COLORADO
ROAD AND BRIDGE 361 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interest Earnings	\$ -	\$ -	\$ 896	\$ 896
EXPENDITURES	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers out	(22,877)	(22,877)	-	22,877
Net change to fund balance	(22,877)	(22,877)	896	23,773
Fund balance, January 1	139,298	139,298	139,298	-
Fund balance, December 31	<u>\$ 116,421</u>	<u>\$ 116,421</u>	<u>\$ 140,194</u>	<u>\$ 23,773</u>

OURAY COUNTY, COLORADO
PUBLIC ACCESS GROUP FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Grants	\$ 19,309	\$ 19,309	\$ 16,803	\$ (2,506)
Total revenues	<u>19,309</u>	<u>19,309</u>	<u>16,803</u>	<u>(2,506)</u>
EXPENDITURES	<u>15,415</u>	<u>15,415</u>	<u>12,352</u>	<u>3,063</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Net change to fund balance	3,894	3,894	4,451	557
Fund balance, January 1	89	89	170	81
Fund balance, December 31	<u>\$ 3,983</u>	<u>\$ 3,983</u>	<u>\$ 4,621</u>	<u>\$ 638</u>

OURAY COUNTY, COLORADO
ROAD AND BRIDGE SALES TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
Year Ended December 31, 2012

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Sales Taxes	\$ 510,000	\$ 510,000	\$ 512,383	\$ 2,383
EXPENDITURES	35,000	35,000	15,286	19,714
OTHER FINANCING SOURCES (USES)				
Transfers out	(475,000)	(475,000)	(475,185)	(185)
Net change to fund balance	-	-	21,912	21,912
Fund balance, January 1	158,757	158,757	186,684	27,927
Fund balance, December 31	<u>\$ 158,757</u>	<u>\$ 158,757</u>	<u>\$ 208,596</u>	<u>\$ 49,839</u>

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Ouray
	YEAR ENDING : December 2012
This Information From The Records Of (example - City of _ or County of _) Prepared By: Connie Hunt Phone:970-325-7263	

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	311,810
3. Other local imposts (from page 2)	350,577
4. Miscellaneous local receipts (from page 2)	882,892
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)	1,545,279
B. Private Contributions	
C. Receipts from State government (from page 2)	748,433
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	2,293,712

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	250,354
2. Maintenance:	1,417,602
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other	
d. Total (a. through c.)	0
4. General administration & miscellaneous	421,764
5. Highway law enforcement and safety	311,810
6. Total (1 through 5)	2,401,530
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	9,906
b. Redemption	107,468
c. Total (a. + b.)	117,374
3. Total (1.c + 2.c)	117,374
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	2,518,904

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
	606,746	2,293,712	2,518,904		381,554

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado Ouray
YEAR ENDING (mm/yy):
December 2012

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	273,207	a. Interest on investments	1,491
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	53,318	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	6,562	f. Charges for Services	
5. Specific Ownership &/or Other	17,490	g. Other Misc. Receipts	
6. Total (1. through 5.)	77,370	h. Other	881,401
c. Total (a. + b.)	350,577	i. Total (a. through h.)	882,892
	(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	714,493	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	33,790	d. Federal Transit Admin	
d. Other (Specify) - Wildlife funds	150	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	33,940	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	748,433	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		30,306	30,306
(2). Capacity Improvements			0
(3). System Preservation		220,048	220,048
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	250,354	250,354
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	250,354	250,354
			(Carry forward to page 1)

Notes and Comments: