

**Ouray County, Colorado  
Financial Statements and  
Independent Auditor's Report  
as of  
December 31, 2014**

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, 2014, 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, 2014, 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 39-43 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  
August 18, 2015

**OURAY COUNTY**  
Management's Discussion and Analysis  
Fiscal Year Ended December 31, 2014

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, 2014. 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 \$8,859,790 (i.e. net assets) as of December 31, 2014, an increase of \$782,465 in comparison to the prior year.
- Governmental funds reported combined ending fund balances of \$3,725,188, increase of \$73,652 in comparison with the prior year.
- The County's fund balance for the General Fund was \$1,004,434, decrease of \$49,223 in comparison to the prior year.
- Total long-term liabilities increased by \$110,844 during the 2014 fiscal year, with new debt issued of \$235,167.
- General property tax, sales tax, and other tax totaled \$3,373,362, or 55% 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, liabilities and deferred inflows of resources 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, 2014, the County's combined assets exceeded liabilities and deferred inflows of resources by \$8,859,790. Of this amount, \$3,308,917 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 \$5,375,992 (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 position for 2014 and 2013:

	<u>2014</u>	<u>2013</u>
<b>Assets</b>		
Current and other assets	\$ 6,133,213	\$ 5,987,829
Capital assets	5,774,805	4,939,394
<b>Total assets</b>	<u>\$ 11,908,018</u>	<u>\$ 10,927,223</u>
<b>Current Liabilities</b>	\$ 363,465	\$ 384,098
<b>Non-current liabilities</b>		
Compensated absences	241,390	225,635
Loans payable	398,813	287,969
<b>Total liabilities</b>	<u>1,003,668</u>	<u>897,702</u>
<b>Deferred inflows of resources</b>		
Deferred property tax revenue	<u>2,044,560</u>	<u>2,027,587</u>
<b>Net Position</b>		
Investment in capital assets, net of related debt	5,375,992	4,651,425
Restricted	174,881	174,881
Unrestricted	3,308,917	3,175,628
<b>Total net position</b>	<u>\$ 8,859,790</u>	<u>\$ 8,001,934</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, \$3,308,917 (37% of net assets), may be used to meet the government's ongoing obligations to citizens and creditors.

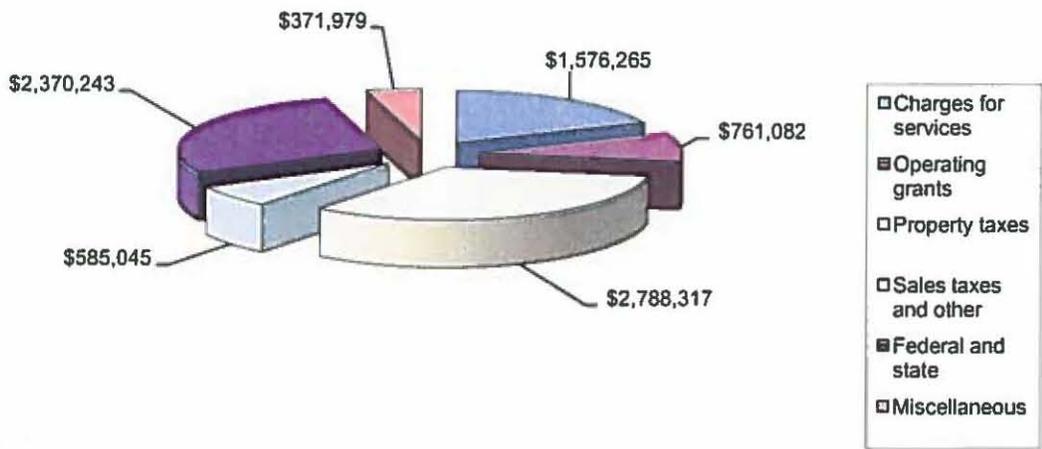
## Change in Net Position

Governmental activities increase the County's net position by \$782,465 in 2014.

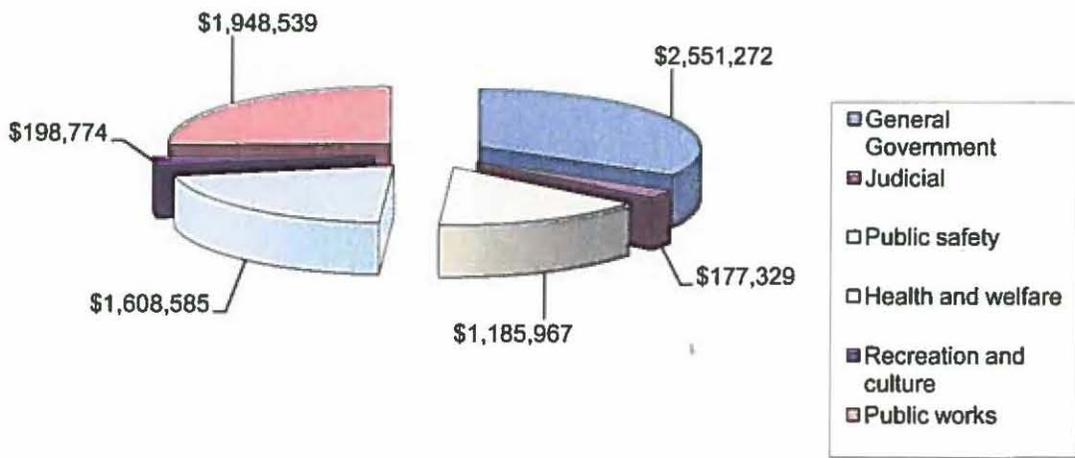
	Governmental Activities	
	2014	2013
<b>Revenues</b>		
<b>Program revenues</b>		
Charges for services	\$ 1,576,265	\$ 965,136
Operating grants	761,082	744,204
<b>General Revenues</b>		
Property taxes	2,788,317	3,159,178
Sales taxes and other	585,045	534,850
Federal and state	2,370,243	1,855,530
Miscellaneous	371,979	410,389
<b>Totals</b>	<b>8,452,931</b>	<b>7,669,287</b>
<b>Expenses</b>		
General Government	2,551,272	2,217,654
Judicial	177,329	178,043
Public safety	1,185,967	1,254,656
Health and welfare	1,608,585	1,489,150
Recreation and culture	198,774	209,409
Public works	1,948,539	1,992,129
<b>Total Expenses</b>	<b>7,670,466</b>	<b>7,341,041</b>
<b>Increase in net position</b>	<b>782,465</b>	<b>328,246</b>
<b>Beginning</b>	<b>8,001,934</b>	<b>7,673,688</b>
<b>Ending</b>	<b>\$ 8,784,399</b>	<b>\$ 8,001,934</b>

## 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 2014, the County's governmental funds reported combined ending fund balances of \$3,725,188, increase of \$73,652 in comparison with the prior year. Of the combined ending fund balances for all governmental funds 27% of this total amount, \$1,004,434, 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 2014, unassigned fund balance of the General Fund was \$1,004,434. 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 decreased by \$49,223 during 2014.

### GENERAL FUND BUDGETARY HIGHLIGHTS

The County budgeted \$4,549,207 for 2014 expenditures. Actual expenditures were \$4,553,908.

### CAPITAL ASSET AND DEBT ADMINISTRATION

The County's investment in capital assets for its governmental activities as of December 31, 2014, was \$5,375,992. 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, 2014, the County had long-term debt as follows:

Governmental Activities	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014	Due Within One Year
Capital leases					
Boiler	\$ 122,928	-	\$ (18,301)	\$ 104,627	\$ 19,125
Various heavy equipment	122,050	-	(59,855)	62,195	62,195
2012 Chevy Tahoe	18,641	-	(5,927)	12,714	6,209
2013 Chevy Tahoe	24,350	-	(5,486)	18,864	6,026
2014 Chevy Tahoe	-	23,546	-	23,546	5,275
2014 Chevy Tahoe	-	28,138	-	28,138	6,718
2014 Motor grader	-	183,483	(34,754)	148,729	35,692
<b>Total</b>	<b>\$ 287,969</b>	<b>\$ 235,167</b>	<b>\$ (124,323)</b>	<b>\$ 398,813</b>	<b>\$ 141,240</b>

## **ECONOMIC FACTORS AND FUTURE YEAR'S BUDGET**

### *Service Levels:*

Budget years 2009 through 2015 were challenging years for local governments due to the economy and the recession. The 2015 Budget reflects the following revenue changes:

- An increase in property tax revenue in the amount of \$23,239 (1.15%) for all funds supported by a mill levy. This percentage increase is a welcome addition when compared to previous years whereby the property tax revenue received for all funds supported by a mill levy, from 2012 to 2014; reflected a total reduction of \$765,326 equating to a 29.75% decrease; and
- An increase in sales tax revenue of 9.4% over the 2014 budgeted amount.

Ouray County has been proactively exercising financial planning for future years especially during these economically stressed times. Necessary adjustments were made to departmental operating budgets to create departmental efficiencies under a reduced revenue umbrella. These efficiencies have allowed the County to maintain service levels without severely impacting public service provision, while retaining employees and reducing utility costs for County facilities. Ouray County continues to look for ways to create efficiencies within county government while still providing outstanding public services.

While property tax revenue increased in 2015 by 1.15% for all funds supported by a mill levy, it is still not nearly enough to recover from the property tax revenue declines experienced over the past few years. As a consequence, commencing in 2014, Ouray County implemented reduced work weeks by reducing the days of operation for County offices to Monday through Thursday and reducing employee work hours from 40 to 36 hours per week. This same practice was maintained for 2015 with the exception of the Department of Social Services and Road and Bridge as follows:

- The majority of County offices will continue to be open on Monday through Thursday of each week except for holidays that may occur within a work week and with the exception of the Department of Social Services.
- The Department of Social Services will continue to be open 5-days per week, Monday through Friday, except for holidays that may occur within a work week.
- The Road and Bridge Department will return to forty (40) hour work weeks, Monday through Thursday except for holidays that may occur within a work week.

### **Human Resources:**

Employee development is an ongoing, important element, as is attracting and retaining qualified and quality staff. A major accomplishment that commenced in 2004 was the development and implementation of Employee Performance Evaluations. Beginning in 2005, a bonus merit award, not to exceed 1%, was appropriated in the various funds for the provision of one-time employee bonus merit awards related to performance evaluations. This practice will continue for the 2015 budget year.

### Position Replacements:

The Board of County Commissioners evaluates vacated positions that may arise as a result of resignation or termination in order to determine 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 as amended in 2010 via Resolution 2010-048. The Board believes that this practice is a good fiscal and organizational policy to follow. It offers the opportunity to review and examine positions and to consider such factors as funding, departmental workload, funded and unfunded mandated responsibilities, and health, safety and welfare impacts. The County continues to explore opportunities for organizational efficiencies and effectiveness.

### Employee Health Insurance Overview:

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 has solicited requests for proposals several times over the past several years. In 2009, Ouray County solicited a request for proposal (RFP) for employee health insurance benefits 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. The premium rates for 2010 were maintained at the same rate as 2009. Premium rates reflected an 8% increase in 2011, a 4% increase in 2012, a 1% decrease in 2013 and a 9% increase for 2014.

In 2015, premium rates for employee health insurance increased by 8.77%. The 2014 and 2015 premium increases are due in part to the changes created by the Health Care Reform Act and by claims history of the overall CTSI health pool.

For the 2014 and 2015 budget years, the Board of County Commissioners elected to participate in a plan that offered employees the opportunity to select a plan that is covered by the County or to buy up to a plan with lesser out-of-pocket and deductible amounts as a payroll deduction. 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.

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

The County was unable to provide a cost of living adjustment (COLA) to its employees for budget years' 2010 through 2014 due to the nationwide economic downturn. However, after fully examining the County's budget during the 2015 budget process, the County was able to provide its employees a 5.5% Cost of Living Adjustment (COLA) in 2015.

Historical Summary of Cost of Living Adjustments (COLA's)	
2006:	3.0% COLA, reflective of an adjusted 3.0% salary matrix
2007:	3.0% COLA, reflective of an adjusted 3.0% salary matrix
2008:	3.5% COLA, reflective of an adjusted 3.5% salary matrix
2009:	2.0% COLA, reflective of an adjusted 2.0% salary matrix
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
2014:	0.0% COLA, with no adjustment to the salary matrix
2015:	5.5% COLA, reflective of an adjusted 5.5% salary matrix

**Classification and Compensation Study:**

In an effort to ensure that compensation for county positions is within appropriate market ranges comparable to other County Government positions and other professional positions within the region, Ouray County has appropriated funding for participation in a Classification and Compensation Study with San Miguel County. Fifteen thousand dollars (\$15,000) has been appropriated for this purchase of service. This study will be completed in 2015 and will include the review and provision of compensation ranges for positions and review and modification of job descriptions to ensure FLSA compliance and format consistency.

**Property Valuation Summary:**

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 net assessed property valuation for budget year 2014 was \$153,744,860.

The net assessed property valuation for budget year 2015 was \$155,515,330

The preliminary net assessed property valuation for budget year is estimated to be \$ \_\_\_\_\_.

Property valuations have been declining, which caused significant reductions in property tax revenue for budget years' 2012 and 2014, equating to a total property tax revenue reduction of 29.75% for these years. Property valuations for 2015 have increased slightly increasing property tax revenue by 1.15%. Likewise, a slight increase in property valuations is expected for 2016 with an estimated percentage increase in property tax revenue of \_\_\_\_\_.

**Ouray County Mill Levies:**

**2014 Mill Levies:**

County General Fund:	9.074
Road and Bridge Fund:	1.500
Social Services Fund:	.552
EMS Fund:	<u>2.000</u>
<b>Subtotal:</b>	<b>13.126</b>
Recovery of Taxes Abated:	<u>.062</u>
<b>Total 2014 Mill Levy:</b>	<b><u>13.188</u></b>

**2015 Mill Levies:**

County General Fund:	9.074
Road and Bridge Fund:	1.500
Social Services Fund:	.552
EMS Fund:	<u>2.000</u>
<b>Subtotal:</b>	<b>13.126</b>
Recovery of Taxes Abated:	<u>.021</u>
<b>Total 2015 Mill Levy:</b>	<b><u>13.147</u></b>

**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.

**Revenue Estimates:**

Estimated 2015 revenue is conservative and based on the following:

1. Property tax revenue estimates were based on current assessed valuations provided by the County Assessor and multiplied by the current mill levies to arrive at the property tax revenue for all funds in 2015. Property tax revenue for 2015 increased by 1.15% for a total increase of \$23,239 for all funds supported by a mill levy.
2. Other budgeted revenues for 2015 are based in part on projected 2014 revenues, taking into consideration potential reductions / increases in revenue generated from other sources such as licenses, grants and other service-based fees.
3. Estimated 2015 revenue from sales tax reflects a 9.4% increase over the 2014 budgeted amount.
4. Estimated severance tax revenue for 2015 reflects a 37% increase over the 2014 budgeted amount.
5. Estimated 2015 revenue for the entire Ouray County Budget, inclusive of all funds, is 3.8% lower than 2014 budgeted revenues. This reduction is due in part to completion of three large grant-funded capital projects as follows:
  - a) Fairgrounds Grandstands project in the amount of \$475,000,
  - b) Fairgrounds facility improvements to the Ouray County 4-H Event Center in the amount of \$174,761, and
  - c) Completion of the Waste Tire project that was originally budgeted in the amount of \$75,000 with costs escalating upwards to \$600,000 based upon the discovery of an increased amount of tires.
6. Receipt of grant revenue and use of Highway 361 Fund dollars as appropriated for County Road 361 Repairs and Improvements project in the amount of \$728,005. If this project revenue were removed from the Road and Bridge Fund budget, the total revenue budget would be reduced by 26% to \$2,097,856.
7. A close watch will be kept on State and Federal revenue sources most especially Payments-in-Lieu-of-Taxes

(PILT) with regard to future funding availability.

**Expenditure Estimates:**

Estimated 2015 expenditures for the entire Ouray County Budget, inclusive of all funds, is 3.8% lower than 2014 budgeted expenditures. This reduction is due in part to completion of three large capital projects as follows:

1. Fairgrounds Grandstands project in the amount of \$612,309,
2. Fairgrounds facility improvements to the Ouray County 4-H Event Center in the amount of \$199,517, and
3. Completion of the Waste Tire project that was originally budgeted in the amount of \$75,000 with costs escalating upwards to \$600,000 based upon the discovery of an increased amount of tires.
2. The County Road 361 Repairs and Improvements project was originally budgeted for in the 2014 budget and was carried forward into the 2015 budget with an estimated cost of \$728,005 plus approximately \$190,000 in aggregate contribution from the Fortune Revenue Mine and Road and Bridge in-kind for hauling. If this project expenditure were removed from the Road and Bridge Fund budget, the total expenditure budget would be reduced by 26% to \$2,094,269.

**Contributions to Outside Agencies and Programs:**

Funding contribution requests in the General Fund were reduced for the 2014 budget year. In 2015, contributions remain similar to 2014, with slight increases in funding for continued support of the: 1) High Country, Alpine Ranger program for patrol of the high mountain roads, and 2) Public Lands Partnership program. The Alpine Ranger program is instrumental in the summer months for educating the recreating public, and for promoting safety on the high mountain roads.

	2014 Budget	2015 Budget
Ouray Historical Society	\$ 200.00	\$ 200.00
Ridgway Railroad Museum	\$ 100.00	\$ 100.00
Public Lands Partnership	\$ 100.00	\$ 500.00
Fair Board	\$ 3,000.00	\$ 3,000.00
High Country Rec. Support	\$ 2,800.00	\$ 3,300.00
Total	\$ 6,200.00	\$ 7,100.00

**2015 Capital Expenditures (Purchases and Improvements):**

The 2015 Lease Purchase Schedule consists of annual lease purchase payments for Sheriff's department vehicles, a Weed department vehicle, Road and Bridge department heavy equipment, courthouse boiler and software upgrades for the County Clerk/Recorder and County Treasurer.

Other grant-funded capital projects and purchases include:

1. Road and Bridge Fund, capital improvements and repair work for County Road 361. This project will be funded by Colorado Parks and Wildlife, Off Highway Vehicle grant dollars; Colorado Department of Local Affairs, Energy and Mineral Impact Assistance grant dollars; an aggregate contribution by Fortune Revenue Mine; in-kind hauling of material by County Road and Bridge employees; and Highway 361 Fund dollars. The project will include repairs and improvements to County Road 361 to address safety, drainage, shoring and site distance issues identified by Ouray County Engineers through a 50/50 administrative planning grant from the Colorado Department of Local Affairs.
2. Emergency Medical Services Fund, capital expenditures consist of the purchase of four (4) Lifepak 15 Heart Monitors funded through a 50/50 Emergency Medical Services Provider grant.

**General Fund Capital: (020 - 195, 295, 395, 495, 595 and departments 121 and 133)**

The General Fund Capital Purchases and Improvements consist of capital purchases, lease purchases and capital projects totaling \$127,571.

**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 for a capital project totaling \$821,031.

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 2015, \$63,318 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, apply more magnesium chloride and assist with capital purchases and leases. However, the reduction in property tax revenue in 2012 and 2014 was counterintuitive to the gain in sales tax because the sales tax dollars have been backfilling the loss of revenue from property tax during this economic downturn period. This coupled by increases in operating costs (i.e. materials, repairs, parts, etc.) has impeded the progression of departmental and road improvements.

The amounts appropriated annually in the 2009 through 2015 Budgets to be transferred from the Road and Bridge Sales Tax Fund to the Road and Bridge Fund are as follows:

2009	2010	2011	2012	2013	2014	2015
\$299,397	\$435,000	\$475,000	\$475,000	\$475,000	\$505,470	\$643,000

Pursuant to Resolution 2009-053, the Board of County Commissioners has committed to appropriating the equivalent of 1 mill to the Road and Bridge Fund from monies received by Ouray County from the federal government known as Payments-in-Lieu-of-Taxes ("PILT") as follows:

2010	2011	2012	2013	2014	2015
\$210,537	\$210,537	\$182,654	\$195,002	\$154,032	\$155,553

**EMS Fund Capital: (800-295)**

The EMS Fund Capital Purchases and Improvements consist of the purchase of (4) Lifepak 15 Heart Monitors funded through a 50/50 Emergency Medical Service Provider grant in the amount of \$140,000.

The EMS Fund was created in 2005 as a result of a voter-approved mill levy to fund emergency medical services in 2004. Ouray County has been good stewards of the property tax revenue collected for the EMS Fund and has been able to save funding to meet the three-month reserve requirements set forth in Resolution 2007-076 and save money for a future EMS facility, which is currently being discussed.

**Social Services Fund (050):**

The Social Services Budget has increased slightly for 2015. Due to economic conditions, the department has seen increased human services needs over the past few 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 budget years 2010 through 2013, the Fund was utilized for grants benefitting the Voyager Youth Program. The Special Grant Fund was not utilized in 2014 for the Voyager Youth program as Voyager sought out grants from alternative sources that did not require a government sponsor. Similarly, the Special Grant Fund will not be utilized for budget year 2015 either.

However, commencing in 2016, the Special Grant Fund will be utilized to house a FEMA Wildfire Risk Reduction Grant, if awarded.

**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. 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 \$120,000 currently in the Highway 361 Fund. A portion of this amount (\$35,473) has been appropriated in the 2015 budget to be used as a grant match for repair and improvements to a portion of County Road 361.

**Public Access Group (PAG) Fund (860):**

A separate fund was established in 2008 to house dollars for the segregation and accounting of grant funding and donations 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. There are not any revenues or expenditures planned for the 2015 budget year.

**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 a 1% sales tax passed exclusively for Road and Bridge by the electorate in the 2008 General Election. Dollars 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. An estimated \$660,000 has been appropriated in the 2015 Road and Bridge Sales Tax Fund to be collected in 2015. Funding has and will be transferred from the Road and Bridge Sales Tax Fund into the Road and Bridge Fund (Fund 040) annually, as appropriated by the Board of County Commissioners. In the 2015 budget, \$643,000 has been appropriated by the Board for transfer to the Road and Bridge Fund to help offset the cost of providing services including personnel, funding capital purchases and leases, crushing aggregate, and improving road surfaces. This transfer amount also includes the use of some Road and Bridge Sales Tax, fund balance to offset the cost of a road and bridge audit that will be undertaken and completed in 2015.

**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 help 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."

**Summary Conclusion:**

The Board of County Commissioners and the County Administrator will continue to administer the County Budget using a conservative approach. Adequate operational reserves are in place for emergency purposes 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 Ouray County. This "De-Brucing" action has been crucial to the County's continued provision of essential public services.

Both the 2014 and 2015 Budgets reflect service level reductions. These service level reductions were necessary in order to balance the budget and were driven by the decline of property tax revenue. The reduced funding created a situation whereby creative fiscal solutions were necessary. Such solution elected by the Board of County Commissioners of Ouray County was to reduce the number of workdays within a work week in order to provide public services within the County's budgetary boundaries. Citizens, visitors and companies conducting business with Ouray County may continue to do so under a reduced work week umbrella. This practice will continue for 2015. The Department of Social Services will remain open five days per week and the Road and Bridge Department will work forty hour work-weeks beginning in January of 2015, Monday through Thursday.

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 to county government in order to maintain mandated and essential county services. As always, the Board of County Commissioners continues to seek input from Elected Officials, Appointed Officials, Department Heads, Staff and the general public concerning County operations and services. Some examples of improved operations, services and efficiencies are listed below:

- Reorganization of Information Technology Department based upon an I.T. audit;
- Implementation of solicitations from Requests for Proposals for internet and telephone services that cut the expenditures in half and created efficiencies and budget reductions;
- Engaged an Energy Service Company (ESCO) to develop and implement a replacement heating system for the 1888 Courthouse. A new energy efficient boiler was installed that operates using natural gas. This boiler was also installed to operate using geothermal energy when it may become available. The new boiler provides even heat throughout the courthouse and operates more efficiently generating annual cost savings;
- Inserted storm windows in offices located on the north side of the courthouse facility to improve insulation and reduce heat loss, thus producing cost savings;
- Successfully completed \$1.6 million dollars of grant funded projects in 2014 for: 1) Fairgrounds Grandstands, 2) Ouray County 4-H Event Center Roofing, HVAC and Energy Efficiency improvements, and 3) Waste Tire Mitigation project. In addition, awards were received for improvements and repairs to County Road 361, which will commence in 2015 and two planning grants were awarded in 2015 for continued work on the 1888 courthouse and for the development of a conceptual plan for the County-owned property located in Ridgway and most especially for an EMS facility;
- Prepared a Request for Proposal and entered into a contract with Management of America to prepare annual cost allocation plans to reflect indirect costs of internal county service provision;
- Applied for a TIGER VI grant in the amount of \$9.8 million dollars for improvements to County Road 1. Award was unsuccessful, but the data gathered will be valuable for future solutions;
- Applied for a TIGER VII grant in 2015 in the amount of \$13 million dollars for improvements to County Road 1. Award is pending; and
- Solicited a Request for Proposal for a Road and Bridge Audit. This project is underway and will be completed in September 2015.

*Connie J. Hunt*  
*County Administrator*

**OURAY COUNTY, COLORADO**  
**STATEMENT OF NET POSITION**  
**December 31, 2014**

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	<u>Governmental Activities</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 3,611,693
Restricted cash	125,348
Property taxes receivable	2,044,560
Accrued interest receivable	275
Accounts receivable	109,249
Due from other governmental units	138,568
Inventories	103,520
Capital assets, net	<u>5,774,805</u>
<b>Total assets</b>	<b><u>11,908,018</u></b>
<b>LIABILITIES</b>	
Accounts payable	352,575
Due to other governmental units	10,890
Long-term liabilities	
Due more than one year:	
Leases payable	398,813
Compensated absences	<u>241,390</u>
<b>Total liabilities</b>	<b><u>1,003,668</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred property taxes	<u>2,044,560</u>
<b>NET POSITION</b>	
Invested in capital assets	5,375,992
Restricted for:	
Emergencies	174,881
Unrestricted	<u>3,308,917</u>
<b>Total net position</b>	<b><u>\$ 8,859,790</u></b>

See accompanying notes to the basic financial statements

**OURAY COUNTY, COLORADO**  
**STATEMENT OF ACTIVITIES**  
For the Year Ended December 31, 2014

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue
		Charges for Service and Fees	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
<b>Primary government:</b>					
<b>Governmental activities:</b>					
General government	\$ 2,551,272	\$ 1,171,933	\$ -	\$ -	\$ (1,379,339)
Judicial	177,329	-	-	-	(177,329)
Public Safety	1,185,967	221,426	-	-	(964,541)
Health and welfare	1,608,585	-	-	-	(1,608,585)
Recreation and culture	198,774	-	23,021	-	(175,753)
Public Works	1,948,539	182,906	738,061	-	(1,027,572)
<b>Total governmental activities</b>	<b>\$ 7,670,466</b>	<b>\$ 1,576,265</b>	<b>\$ 761,082</b>	<b>\$ -</b>	<b>(5,333,119)</b>
<b>General Revenues</b>					
Taxes:					
Property taxes					2,788,317
Sales taxes and miscellaneous					585,045
Federal and state					2,370,243
Miscellaneous					371,979
<b>Total General Revenues</b>					<b>6,115,584</b>
<b>Changes in Net Position</b>					<b>782,465</b>
Net Position-January 1					8,001,934
Net Position-December 31					<b>\$ 8,859,790</b>

See accompanying notes to the basic financial statements

**OURAY COUNTY, COLORADO  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
December 31, 2014**

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Social Services Fund</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 1,052,348	\$ 577,368	\$ 277,576
Restricted cash	122,782	-	2,566
Property taxes receivable	1,413,479	233,584	86,000
Accrued interest receivable	275	-	-
Accounts receivable	-	-	84,098
Due from other governmental	32,633	51,456	21,846
Due from other funds	4,210	-	-
Inventories	-	103,520	-
<b>Total assets</b>	<u>\$ 2,625,727</u>	<u>\$ 965,928</u>	<u>\$ 472,086</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 207,814	\$ 38,430	\$ 86,004
Due to other funds	-	4,210	-
Due to other governmental units	-	-	10,890
<b>Total liabilities</b>	<u>207,814</u>	<u>42,640</u>	<u>96,894</u>
<b>Deferred inflow of resources</b>			
Deferred property taxes	<u>1,413,479</u>	<u>233,584</u>	<u>86,000</u>
<b>Fund balances:</b>			
<b>Nonspendable</b>			
Inventory	-	103,520	-
Trust accounts	-	-	2,563
<b>Restricted for</b>			
Emergency reserve	-	-	-
Road 361	-	-	-
Parks and recreation	-	-	-
<b>Committed</b>			
Road Improvements	-	586,184	-
E-911	-	-	-
Health and welfare	-	-	286,629
Public safety	-	-	-
<b>Assigned</b>			
Fairgrounds	-	-	-
Other grant projects	-	-	-
<b>Unassigned</b>	<u>1,004,434</u>	<u>-</u>	<u>-</u>
<b>Total fund balances</b>	<u>1,004,434</u>	<u>689,704</u>	<u>289,192</u>
<b>Total liabilities, deferred inflow of resources and fund balances</b>	<u>\$ 2,625,727</u>	<u>\$ 965,928</u>	<u>\$ 472,086</u>

See accompanying notes to the basic financial statements

<b>Emergency Medical Services</b>	<b>Public Health Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 710,276	\$ 68,987	\$ 925,138	\$ 3,611,693
-	-	-	125,348
311,497	-	-	2,044,560
-	-	-	275
25,151	-	-	109,249
-	-	32,633	138,568
-	-	-	4,210
-	-	-	103,520
<u>\$ 1,046,924</u>	<u>\$ 68,987</u>	<u>\$ 957,771</u>	<u>\$ 6,137,423</u>
\$ 17,127	\$ 3,200	\$ -	\$ 352,575
-	-	-	4,210
-	-	-	10,890
<u>17,127</u>	<u>3,200</u>	<u>-</u>	<u>367,675</u>
<u>311,497</u>	<u>-</u>	<u>-</u>	<u>2,044,560</u>
-	-	-	103,520
-	-	-	2,563
-	-	174,881	174,881
-	-	123,343	123,343
-	-	64,937	64,937
-	-	438,606	1,024,790
-	-	105,011	105,011
-	65,787	-	352,416
718,300	-	21,243	739,543
-	-	11,183	11,183
-	-	18,567	18,567
-	-	-	1,004,434
<u>718,300</u>	<u>65,787</u>	<u>957,771</u>	<u>3,725,188</u>
<u>\$ 1,046,924</u>	<u>\$ 68,987</u>	<u>\$ 957,771</u>	<u>\$ 6,137,423</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, 2014**

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<b>Total governmental fund balances</b>	<b>\$ 3,725,188</b>
<b>Amounts reported for governmental activities in the statement of activities are different because:</b>	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	<b>5,774,805</b>
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	<b>(241,390)</b>
Leases payable	<b>(398,813)</b>
<b>Net position of governmental activities</b>	<b><u>\$ 8,859,790</u></b>

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, 2014**

	<u>General Fund</u>	<u>Road and Bridge</u>	<u>Social Services Fund</u>
<b>REVENUES</b>			
Property Taxes	\$ 1,524,695	\$ 251,494	\$ 92,621
Sales Taxes	585,045	-	-
Intergovernmental	840,984	962,911	1,183,973
Licenses and permits	169,863	2,164	-
Charges for services	633,021	-	-
Fees, fines and forfeits	531,685	18,106	-
Miscellaneous	80,792	184,612	278
<b>Total revenues</b>	<u>4,366,085</u>	<u>1,419,287</u>	<u>1,276,872</u>
<b>EXPENDITURES</b>			
Current:			
General government	2,444,304	-	-
Judicial	177,329	-	-
Public safety	656,063	-	-
Health and welfare	44,910	-	1,277,018
Recreation and culture	171,076	-	-
Public Works	107,666	1,710,936	-
Debt Service	48,834	93,026	-
Capital outlay	805,789	271,233	-
<b>Total expenditures</b>	<u>4,455,971</u>	<u>2,075,195</u>	<u>1,277,018</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(89,886)</u>	<u>(655,908)</u>	<u>(146)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Loan Proceeds	51,684	183,483	-
Transfers in	138,600	558,788	-
Transfers out	(149,621)	-	-
<b>Total other financing sources (uses)</b>	<u>40,663</u>	<u>742,271</u>	<u>-</u>
<b>Net change to fund balance</b>	(49,223)	86,363	(146)
<b>Fund balance, January 1</b>	<u>1,053,657</u>	<u>527,950</u>	<u>289,338</u>
<b>Fund balance, December 31</b>	<u>\$ 1,004,434</u>	<u>\$ 689,704</u>	<u>\$ 289,192</u>

See accompanying notes to the basic financial statements

<b>Emergency Medical Services</b>	<b>Public Health Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 335,270	\$ -	\$ 584,237	\$ 2,788,317
-	-	-	585,045
40,201	61,485	41,771	3,131,325
-	-	-	172,027
175,846	-	45,580	854,447
-	-	-	549,791
4,016	51,641	50,640	371,979
<u>555,333</u>	<u>113,126</u>	<u>722,228</u>	<u>8,452,931</u>
-	-	21,635	2,465,939
-	-	-	177,329
437,999	-	22,597	1,116,659
-	278,810	-	1,600,738
-	-	-	171,076
-	-	-	1,818,602
-	-	-	141,860
45,221	-	-	1,122,243
<u>483,220</u>	<u>278,810</u>	<u>44,232</u>	<u>8,614,446</u>
<u>72,113</u>	<u>(165,684)</u>	<u>677,996</u>	<u>(161,515)</u>
-	-	-	235,167
-	149,621	-	847,009
-	-	(697,388)	(847,009)
<u>-</u>	<u>149,621</u>	<u>(697,388)</u>	<u>235,167</u>
72,113	(16,063)	(19,392)	73,652
646,187	81,850	977,163	3,576,145
<u>\$ 718,300</u>	<u>\$ 65,787</u>	<u>\$ 957,771</u>	<u>\$ 3,725,188</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, 2014**

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**Net change in fund balances - total governmental funds** **\$ 73,652**

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

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

Fixed assets current additions	\$	1,110,396	
Depreciation expense		(274,984)	
Excess of capital outlay over depreciation		835,412	<b>835,412</b>

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	\$	(235,167)	
Increase in accrued vacation and sick leave		(15,755)	
Principal payment on long-term debt		124,323	<b>(126,599)</b>

**Change in net position of governmental funds** **\$ 782,465**

**OURAY COUNTY, COLORADO**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**December 31, 2014**

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	<b><u>Treasurer's Agency Fund</u></b>
<b>Cash and investments</b>	<b><u>\$ 352,273</u></b>
<b>Due to other governments</b>	<b><u>\$ 352,273</u></b>

See accompanying notes to the basic financial statements

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**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*.

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.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

**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.

**Deferred Outflows / Inflows of Resources**

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

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

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

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

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.
- 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 Fund* 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 Fund* 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.

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.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

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

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.

**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.

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 2014 for collection in 2015 are recorded in governmental funds as taxes receivable and deferred inflow of resources as of December 31, 2014 since the amount is measurable but not available until 2015. An allowance for uncollectible taxes is not provided as the uncollectible amounts were determined to be negligible based upon an analysis of historical trends.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

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

*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.

*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

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

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

*6. Capital Assets (continued)*

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.

*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, 2014, the long term debt that Ouray County has is 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;

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

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

*9. Fund Equity (continued)*

- 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.

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

*10. Net Position*

Net position represents the difference between assets, liabilities and deferred inflows. 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.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 1 – Summary of Significant Accounting Policies (continued)**

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

*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 2014, 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.

**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 statutes 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 balance.

All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget. The General Fund could be in violation of Colorado local budget law because actual expenditures exceeded budgetary amounts.

**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.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 3 – Cash and Investments (continued)**

**A. Deposits (continued)**

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 \$2,374,550 and the bank balance was \$2,396,876. Of the bank balance \$605,011 was covered by FDIC insurance. The remaining \$1,791,865 was collateralized under the above referenced statute.

**B. Investments**

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

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.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**Note 3 – Cash and Investments (continued)**

**B. Investments (continued)**

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

Description	Cost
Cash on hand	\$ 400
Demand deposits	1,763,158
Colotrust	1,714,364
Certificates of deposit and savings	626,419
Outstanding Warrants – Social Services	(15,027)
<b>Total</b>	<b>\$ 4,089,314</b>

**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, 2014 were as follows:

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

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)
General	\$ 138,600	\$ 149,621
Road and Bridge	\$ 558,788	
Public Health	\$ 149,621	
Road and Bridge Impact		\$ 53,318
Road and Bridge Sales Tax		\$ 505,470
Conservation Trust		\$ 100,600
Fair Grounds		\$ 38,000

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**Note 5 – Capital Assets**

	Balance 1/1/2014	Additions	Dispositions	Balance 12/31/2014
<b>Governmental Activities</b>				
Capital assets not being depreciated				
Land	\$ 631,934	\$ -	\$ -	\$ 631,934
Land improvements	741,070	-	-	741,070
Infrastructure	565,316	24,353	-	589,669
	<u>1,938,320</u>	<u>24,353</u>	<u>-</u>	<u>1,962,673</u>
Capital assets being depreciated				
Buildings and improvements	2,989,173	744,258	-	3,733,431
Equipment and furniture	3,919,633	341,785	-	4,261,418
	<u>6,908,806</u>	<u>1,086,043</u>	<u>-</u>	<u>7,994,849</u>
Less accumulated depreciation				
Buildings and improvements	(879,745)	(60,821)		(940,566)
Equipment and furniture	(3,027,987)	(214,163)		(3,242,150)
	<u>(3,907,732)</u>	<u>(274,984)</u>	<u>-</u>	<u>(4,182,716)</u>
Capital assets being depreciated, net	<u>3,001,074</u>	<u>811,059</u>	<u>-</u>	<u>3,812,133</u>
Total governmental Activities capital assets	<u>\$ 4,939,394</u>	<u>\$ 835,412</u>	<u>\$ -</u>	<u>\$ 5,774,806</u>

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

***Governmental activities:***

General government	\$ 62,046
Public safety	67,005
Public works	118,235
Culture and Recreation	27,698
<u>Total depreciation - governmental activities</u>	<u>\$ 274,984</u>

**Note 6 – Long-Term Liabilities**

Long-term obligations

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

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

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

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**Note 6 – Long-Term Liabilities (continued)**

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

2013 Chevy Tahoe \$24,350, due in 4 payments of \$6,846.63, including interest at 4.50% beginning on August 15, 2014.

2014 Chevy Tahoe \$23,546, due in 4 payments of \$6,710.27, including interest at 5% beginning on August 15, 2015.

2014 Chevy Tahoe \$28,138, due in 4 payments of \$7,866.64, including interest at 5% beginning on August 15, 2015.

2014 Caterpillar Motor Grader \$183,483, due in 5 payments of \$39,707.97, including interest at 2.70% beginning on September 30, 2014.

**Boiler**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
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>\$ 104,627</u>	<u>\$ 14,538</u>	<u>\$ 119,165</u>

**Various heavy equipment**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	<u>\$ 62,195</u>	<u>\$ 2,432</u>	<u>\$ 64,627</u>

**2012 Chevy Tahoe 4X4**

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 6,209	\$ 637	\$ 6,846
2016	6,505	341	6,846
Total	<u>\$ 12,714</u>	<u>\$ 978</u>	<u>\$ 13,692</u>

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**Note 6 – Long-Term Liabilities (continued)**

2013 Chevy Tahoe 4X4

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 6,026	\$ 821	\$ 6,847
2016	6,286	561	6,847
2017	6,552	294	6,846
Total	<u>\$ 18,864</u>	<u>\$ 1,676</u>	<u>\$ 20,540</u>

2014 Chevy Tahoe

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 5,275	\$ 1,435	\$ 6,710
2016	5,794	916	6,710
2017	6,086	624	6,710
2018	6,391	319	6,710
Total	<u>\$ 23,546</u>	<u>\$ 3,294</u>	<u>\$ 26,840</u>

2014 Chevy Tahoe

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 6,718	\$ 1,149	\$ 7,867
2016	6,793	1,074	7,867
2017	7,135	731	7,866
2018	7,492	375	7,867
Total	<u>\$ 28,138</u>	<u>\$ 3,329</u>	<u>\$ 31,467</u>

2014 Caterpillar Motor Grader

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 35,692	\$ 4,016	\$ 39,708
2016	36,656	3,052	39,708
2017	37,646	2,062	39,708
2018	38,735	1,046	39,781
Total	<u>\$ 148,729</u>	<u>\$ 10,176</u>	<u>\$ 158,905</u>

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

**Note 6 – Long-Term Liabilities (continued)**

The following is a summary of capitalized leases for the year ended December 31, 2014

Governmental Activities	Balance 1/1/2014	Additions	Reductions	Balance 12/31/2014	Due Within One Year
<b>Capital leases</b>					
Boiler	\$ 122,928	-	\$ (18,301)	\$ 104,627	\$ 19,125
Various heavy equipment	122,050	-	(59,855)	62,195	62,195
2012 Chevy Tahoe	18,641	-	(5,927)	12,714	6,209
2013 Chevy Tahoe	24,350	-	(5,486)	18,864	6,026
2014 Chevy Tahoe	-	23,546	-	23,546	5,275
2014 Chevy Tahoe	-	28,138	-	28,138	6,718
2014 Motor grader	-	183,483	(34,754)	148,729	35,692
<b>Total</b>	<b>\$ 287,969</b>	<b>\$ 235,167</b>	<b>\$ (124,323)</b>	<b>\$ 398,813</b>	<b>\$ 141,240</b>

**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 \$2,652,104 in 2014. The total payroll covered by the pension plan was \$2,349,880 in 2014. The total contribution paid was \$ 286,548 in 2014 (12 % of covered payroll), \$143,582 by the employees and \$117,493 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, 2014**

**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, 2014

Ouray County Department of Social Services  
Expenditure/Revenue Report  
For the Year Ended December 2014

	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	\$ 47,279.13	\$ (63,889.87)	\$ 22,706.57	\$ 69,985.70	\$ 6,095.83
Child Care	12,537.02	(13,439.00)	5,124.35	17,661.37	4,222.37
Child Welfare Mobility Grant	-	(3,999.85)	3,999.85	3,999.85	-
Child Welfare	24,554.06	(161,204.58)	174,030.89	198,584.95	37,380.37
Employment First	-	(9,607.15)	9,707.19	9,707.19	100.04
Administration	-	(104,130.26)	112,394.52	112,394.52	8,264.26
CORE Services	-	(272,567.83)	274,588.65	274,588.65	2,020.82
IV-D Administration	-	(4,081.57)	4,789.53	4,789.53	707.96
Aid to Needy Disabled	10,739.70	(12,559.25)	-	10,739.70	(1,819.55)
Old Age Pension	67,470.98	(69,027.15)	1,556.17	69,027.15	-
Home Care Allowance	1,879.00	(1,785.05)	-	1,879.00	93.95
LEAP	64,073.16	(68,195.58)	4,122.42	68,195.58	-
General Assistance	-	-	7,424.17	7,424.17	7,424.17
TANF Collections	-	(278.37)	(53.20)	(53.20)	(331.57)
Miscellaneous	10,739.37	(92,710.24)	17,958.52	28,697.89	(64,012.35)
Subtotal	<u>239,272.42</u>	<u>(877,475.75)</u>	<u>638,349.63</u>	<u>877,622.05</u>	<u>146.30</u>
Food Assistance	399,396.39	(399,396.39)	-	399,396.39	-
Grant Total	<u>\$ 638,668.81</u>	<u>\$ (1,276,872.14)</u>	<u>\$ 638,349.63</u>	<u>\$ 1,277,018.44</u>	<u>\$ 146.30</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, 2014**

**Note 9 – Noncash Program Activity**

- 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 2014 the County amended its budget. The following is a schedule of the changes to the original budget:

Fund	Original Budget	Amendment	Final Budget
General	\$ 4,141,638	\$ 407,569	\$ 4,549,207
Road and Bridge	2,719,470		2,719,470
Social Services	1,392,289		1,392,289
Public Health	304,890		304,890
Conservation Trust	105,162		105,162
Road and Bridge Sales Tax	525,000		525,000
Fairgrounds	38,000	73	38,073
Road and Bridge Impact Fees	54,018	2,967	56,985
EMS	538,571		538,571
Samson Law Fund	2,025		2,025
Public Access Group	-		-
Road and Bridge 361	23,134		23,134
<b>Totals</b>	<b>\$ 9,844,197</b>	<b>\$410,609</b>	<b>\$ 10,254,806</b>

**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.

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.

**Ouray County, Colorado**  
**Notes to Basic Financial Statements**  
**December 31, 2014**

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**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.

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

**Year Ended December 31, 2014**

REVENUES	Budgeted		Actual	Variance
	Original	Final		
Property taxes	\$ 1,541,192	\$ 1,541,192	\$ 1,524,695	\$ (16,497)
Sales taxes and other	526,100	526,100	585,045	58,945
Intergovernmental	895,222	895,222	840,984	(54,238)
Licenses and permits	173,763	173,763	169,863	(3,900)
Charges for services	111,950	519,519	633,021	113,502
Fees, fines and forfeits	566,005	566,005	531,685	(34,320)
Miscellaneous	58,245	58,245	80,792	22,547
<b>Total revenues</b>	<b>3,872,477</b>	<b>4,280,046</b>	<b>4,366,085</b>	<b>86,039</b>
<b>EXPENDITURES</b>				
Assessor	238,622	238,622	245,483	(6,861)
Administration other	249,764	657,333	761,668	(104,335)
Administrator	235,241	235,241	238,394	(3,153)
Board of County Commissioners	198,861	198,861	193,366	5,495
Clerk and Recorder	242,844	242,844	209,970	32,874
County Attorney	109,411	109,411	102,862	6,549
County Coroner	36,891	36,891	42,850	(5,959)
County Jail	50,100	50,100	59,655	(9,555)
Courthouse Security	42,004	42,004	40,789	1,215
District Attorney	74,467	74,467	74,467	-
Elections	32,865	32,865	33,403	(538)
Emergency Management	35,058	35,058	33,590	1,468
Employee Benefits	54,183	54,183	59,302	(5,119)
Extension Services	4,634	4,634	4,846	(212)
Fairgrounds	172,023	172,023	156,650	15,373
Information Technology	148,662	148,662	135,760	12,902
Juvenile Diversion	11,000	11,000	11,000	-
Land Use	217,474	217,474	216,883	591
Maintenance of Buildings	160,219	160,219	140,731	19,488
Public Telecommunications	8,000	8,000	7,141	859
Public Trustee	26,743	26,743	26,692	51
Recreation and Culture	6,200	6,200	7,285	(1,085)
Sheriff	507,833	507,833	511,029	(3,196)
Social Programs	1,100	1,100	1,255	(155)
Surveyor	2,568	2,568	2,368	200
Transfer Station	800	800	805	(5)
Treasurer	184,267	184,267	175,438	8,829
Weed department	96,718	96,718	107,666	(10,948)
<b>Total department expenses</b>	<b>3,148,552</b>	<b>3,556,121</b>	<b>3,601,348</b>	<b>(45,227)</b>
Debt service payments	48,834	48,834	48,834	-
Capital Outlay	768,131	768,131	754,105	14,026
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	138,600	138,600	138,600	-
Transfers out	(174,621)	(174,621)	(149,621)	25,000
<b>Total other financing sources and uses</b>	<b>(36,021)</b>	<b>(36,021)</b>	<b>(11,021)</b>	<b>25,000</b>
<b>Net change to fund balance</b>	<b>(129,061)</b>	<b>(129,061)</b>	<b>(49,223)</b>	<b>79,838</b>
<b>Fund balance, January 1</b>	<b>924,055</b>	<b>924,055</b>	<b>1,053,657</b>	<b>129,602</b>
<b>Fund balance, December 31</b>	<b>\$ 794,994</b>	<b>\$ 794,994</b>	<b>\$ 1,004,434</b>	<b>\$ 209,440</b>

**OURAY COUNTY, COLORADO**  
**ROAD AND BRIDGE FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

	Budgeted		Actual	Variance
	Original	Final		
<b>REVENUES</b>				
Property taxes	\$ 252,194	\$ 252,194	\$ 251,494	\$ (700)
Intergovernmental:				
Federal shared revenues	174,844	174,844	208,780	33,936
State shared revenues	727,730	727,730	754,131	26,401
State Grants	794,971	794,971	-	(794,971)
Total intergovernmental revenues	<u>1,697,545</u>	<u>1,697,545</u>	<u>962,911</u>	<u>(734,634)</u>
Licenses and permits	<u>3,450</u>	<u>3,450</u>	<u>2,164</u>	<u>(1,286)</u>
Charges for services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Miscellaneous:				
Refund of expenditures	177,627	177,627	178,369	742
Sale of fixed assets	-	-	5,320	5,320
Other miscellaneous revenues	12,866	12,866	923	(11,943)
Total miscellaneous revenues	<u>190,493</u>	<u>190,493</u>	<u>184,612</u>	<u>(5,881)</u>
Fees	<u>17,000</u>	<u>17,000</u>	<u>18,106</u>	<u>1,106</u>
<b>Total revenues</b>	<u>2,160,682</u>	<u>2,160,682</u>	<u>1,419,287</u>	<u>(741,395)</u>
<b>EXPENDITURES</b>				
Operations	1,746,634	1,746,634	1,710,936	35,698
Debt service	53,318	53,318	93,026	(39,708)
Capital outlay	919,518	919,518	87,750	831,768
<b>Total expenditures</b>	<u>2,719,470</u>	<u>2,719,470</u>	<u>1,891,712</u>	<u>827,758</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(558,788)</u>	<u>(558,788)</u>	<u>(472,425)</u>	<u>86,363</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>558,788</u>	<u>558,788</u>	<u>558,788</u>	<u>-</u>
<b>Total other financing sources (uses)</b>	<u>558,788</u>	<u>558,788</u>	<u>558,788</u>	<u>-</u>
<b>Net change to fund balance</b>	<u>-</u>	<u>-</u>	<u>86,363</u>	<u>86,363</u>
<b>Fund balance, January 1</b>	411,208	411,208	527,950	116,742
<b>Increase an inventory</b>	-	-	75,391	75,391
<b>Fund balance, December 31</b>	<u>\$ 411,208</u>	<u>\$ 411,208</u>	<u>\$ 689,704</u>	<u>\$ 278,496</u>

**OURAY COUNTY, COLORADO**  
**SOCIAL SERVICES FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Taxes	\$ 92,428	\$ 92,528	\$ 92,621	\$ 93
County administration	73,729	73,729	93,641	19,912
Old age pension	82,050	82,050	70,812	(11,238)
Aid to the needy and disabled	8,800	8,800	12,559	3,759
Child care	33,000	33,000	13,439	(19,561)
Food assistance	450,000	450,000	409,003	(40,997)
Child welfare	198,878	198,878	161,205	(37,673)
Core services	281,281	281,281	272,568	(8,713)
Leap	64,650	64,650	68,196	3,546
CSBG grant	15,000	15,000	4,089	(10,911)
Colorado works	44,107	44,107	63,890	19,783
Child support	3,660	3,660	4,082	422
Adult protection	8,824	8,824	10,489	
Miscellaneous	100	-	278	278
<b>Total revenues</b>	<u>1,356,507</u>	<u>1,356,507</u>	<u>1,276,872</u>	<u>(81,300)</u>
<b>EXPENDITURES</b>				
County funded grants	14,750	14,750	17,969	(3,219)
County administration	100,000	100,000	112,395	(12,395)
Old age pension	82,800	82,800	70,906	11,894
Colorado works	50,000	50,000	69,932	(19,932)
Aid to the needy and disabled	11,000	11,000	10,740	260
Child care	51,000	51,000	17,661	33,339
General assistance	7,500	7,500	7,424	76
Leap	64,650	64,650	68,196	(3,546)
Child welfare	245,878	245,878	198,585	47,293
Core services	283,181	283,181	274,589	8,592
CSBG grant	15,000	15,000	4,000	11,000
Child support	5,500	5,500	4,790	710
Food assistance	450,000	450,000	409,093	40,907
Adult protection	11,030	11,030	13,111	(2,081)
Cost allocation	-	-	(2,373)	2,373
<b>Total expenditures</b>	<u>1,392,289</u>	<u>1,392,289</u>	<u>1,277,018</u>	<u>115,271</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(35,782)	(35,782)	(146)	33,971
<b>Fund balance, January 1</b>	<u>265,369</u>	<u>265,369</u>	<u>289,338</u>	<u>23,969</u>
<b>Fund balance, December 31</b>	<u>\$ 229,587</u>	<u>\$ 229,587</u>	<u>\$ 289,192</u>	<u>\$ 59,605</u>

**OURAY COUNTY, COLORADO**  
**PUBLIC HEALTH FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental:				
Federal shared revenues	\$ 29,567	\$ 29,567	\$ 25,691	\$ (3,876)
State shared revenues	30,224	30,224	27,944	(2,280)
State Grants	12,500	12,500	7,850	
Total intergovernmental revenues	<u>72,291</u>	<u>72,291</u>	<u>61,485</u>	<u>(6,156)</u>
Miscellaneous:				
Refund of expenditures	35,479	35,479	31,810	(3,669)
Other miscellaneous revenues	22,500	22,500	19,831	(2,669)
Total miscellaneous revenues	<u>57,979</u>	<u>57,979</u>	<u>51,641</u>	<u>(6,338)</u>
<b>Total revenues</b>	<u>130,270</u>	<u>130,270</u>	<u>113,126</u>	<u>(12,494)</u>
<b>EXPENDITURES</b>				
Public Health	304,890	304,890	278,810	26,080
Total expenditures	<u>304,890</u>	<u>304,890</u>	<u>278,810</u>	<u>26,080</u>
<b>Excess (deficiency) of revenues over expenditures</b>	<u>(174,620)</u>	<u>(174,620)</u>	<u>(165,684)</u>	<u>8,936</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	174,620	174,620	149,621	(24,999)
Total other financing sources (uses)	<u>174,620</u>	<u>174,620</u>	<u>149,621</u>	<u>(24,999)</u>
<b>Net change to fund balance</b>	-	-	<b>(16,063)</b>	<b>(16,063)</b>
<b>Fund balance, January 1</b>	81,849	81,849	81,850	1
<b>Fund balance, December 31</b>	<u>\$ 81,849</u>	<u>\$ 81,849</u>	<u>\$ 65,787</u>	<u>\$ (16,062)</u>

**OURAY COUNTY, COLORADO**  
**EMERGENCY MEDICAL SERVICES**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 336,473	\$ 336,473	\$ 335,270	\$ (1,203)
Intergovernmental	204	204	197	(7)
Charges for services	144,600	144,600	175,846	31,246
Grants	23,360	23,360	40,004	16,644
Miscellaneous	4,000	4,000	4,016	16
<b>Total revenues</b>	<u>508,637</u>	<u>508,637</u>	<u>555,333</u>	<u>46,696</u>
<b>EXPENDITURES</b>				
Public safety	501,051	501,051	437,999	63,052
Capital outlay	37,520	37,520	45,221	(7,701)
Debt service payments	-	-	-	-
<b>Total expenditures</b>	<u>538,571</u>	<u>538,571</u>	<u>483,220</u>	<u>55,351</u>
Excess (deficiency) of revenues over expenditures	(29,934)	(29,934)	72,113	102,047
<b>Fund balance, January 1</b>	610,337	610,337	646,187	35,850
<b>Fund balance, December 31</b>	<u>\$ 580,403</u>	<u>\$ 580,403</u>	<u>\$ 718,300</u>	<u>\$ 137,897</u>

**OURAY COUNTY, COLORADO**  
**COMBINING BALANCE SHEET**  
**NON-MAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS**  
**December 31, 2014**

	<u>Conservation Trust</u>	<u>Contingent</u>	<u>Fairgrounds</u>	<u>Special Grant</u>	<u>Road and Bridge Impact</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 64,937	\$ 174,881	\$ 11,183	\$ 18,567	\$ 125,659
Due from other governmental	-	-	-	-	-
<b>Total assets</b>	<u>64,937</u>	<u>174,881</u>	<u>11,183</u>	<u>18,567</u>	<u>125,659</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances</b>					
Reserved for:					
Emergencies	-	174,881	-	-	-
Unreserved:	64,937	-	11,183	18,567	125,659
<b>Total fund balances</b>	<u>64,937</u>	<u>174,881</u>	<u>11,183</u>	<u>18,567</u>	<u>125,659</u>
<b>Total liabilities and fund balances</b>	<u>\$ 64,937</u>	<u>\$ 174,881</u>	<u>\$ 11,183</u>	<u>\$ 18,567</u>	<u>\$ 125,659</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>
\$ 16,621	\$ 105,011	\$ 123,343	\$ 4,622	\$ 280,314	\$ 925,138
-	-	-	-	32,633	32,633
<u>16,621</u>	<u>105,011</u>	<u>123,343</u>	<u>4,622</u>	<u>312,947</u>	<u>957,771</u>
<u>\$ -</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
-	-	-	-	-	174,881
<u>16,621</u>	<u>105,011</u>	<u>123,343</u>	<u>4,622</u>	<u>312,947</u>	<u>782,890</u>
<u>16,621</u>	<u>105,011</u>	<u>123,343</u>	<u>4,622</u>	<u>312,947</u>	<u>957,771</u>
<u>\$ 16,621</u>	<u>\$ 105,011</u>	<u>\$ 123,343</u>	<u>\$ 4,622</u>	<u>\$ 312,947</u>	<u>\$ 957,771</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, 2014**

	<u>Conservation Trust</u>	<u>Contingent</u>	<u>Fairgrounds</u>	<u>Special Grant Fund</u>	<u>Road and Bridge Impact</u>
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	23,021	-	-	-	-
Licenses and permits	-	-	-	-	-
Charges for services	-	-	-	-	-
Interest earnings	147	-	-	-	-
Miscellaneous	-	-	7,335	-	42,270
<b>Total revenues</b>	<u>23,168</u>	<u>-</u>	<u>7,335</u>	<u>-</u>	<u>42,270</u>
<b>EXPENDITURES</b>					
Current:					
General government	-	-	73	-	3,667
Public safety	-	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>73</u>	<u>-</u>	<u>3,667</u>
<b>Excess (deficiency) of revenues over expenditures</b>	23,168	-	7,262	-	38,603
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer out	(100,600)	-	(38,000)	-	(53,318)
<b>Total other financing sources (uses)</b>	<u>(100,600)</u>	<u>-</u>	<u>(38,000)</u>	<u>-</u>	<u>(53,318)</u>
<b>Net change to fund balance</b>	(77,432)	-	(30,738)	-	(14,715)
<b>Fund balance, January 1</b>	142,369	174,881	41,921	18,567	140,374
<b>Fund balance, December 31</b>	<u>\$ 64,937</u>	<u>\$ 174,881</u>	<u>\$ 11,183</u>	<u>\$ 18,567</u>	<u>\$ 125,659</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>
\$ -	\$ -	\$ -	\$ -	\$ 584,237	\$ 584,237
250	-	18,500	-	-	41,771
-	45,580	-	-	-	45,580
-	10	878	-	-	1,035
-	-	-	-	-	49,605
<u>250</u>	<u>45,590</u>	<u>19,378</u>	<u>-</u>	<u>584,237</u>	<u>722,228</u>
469	-	-	-	17,426	21,635
-	22,597	-	-	-	22,597
<u>469</u>	<u>22,597</u>	<u>-</u>	<u>-</u>	<u>17,426</u>	<u>44,232</u>
(219)	22,993	19,378	-	566,811	677,996
-	-	-	-	(505,470)	(697,388)
-	-	-	-	(505,470)	(697,388)
(219)	22,993	19,378	-	61,341	(19,392)
16,840	82,018	103,965	4,622	251,606	977,163
<u>\$ 16,621</u>	<u>\$ 105,011</u>	<u>\$ 123,343</u>	<u>\$ 4,622</u>	<u>\$ 312,947</u>	<u>\$ 957,771</u>

**OURAY COUNTY, COLORADO  
 CONSERVATION TRUST FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 ACTUAL AND BUDGET  
 Year Ended December 31, 2014**

	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ 24,000	\$ 24,000	\$ 23,021	\$ (979)
Miscellaneous income	150	150	147	(3)
<b>Total revenues</b>	<u>24,150</u>	<u>24,150</u>	<u>23,168</u>	<u>(982)</u>
<b>EXPENDITURES</b>				
Recreation	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	24,150	24,150	23,168	(982)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(105,162)</u>	<u>(105,162)</u>	<u>(100,600)</u>	<u>4,562</u>
<b>Net change to fund balance</b>	(81,012)	(81,012)	(77,432)	3,580
<b>Fund balance, January 1</b>	142,369	142,369	142,369	-
<b>Fund balance, December 31</b>	<u>\$ 61,357</u>	<u>\$ 61,357</u>	<u>\$ 64,937</u>	<u>\$ 3,580</u>

**OURAY COUNTY, COLORADO**  
**CONTINGENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

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	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>	-	-	-	-
<b>Net change to fund balance</b>	-	-	-	-
<b>Fund balance, January 1</b>	<u>174,881</u>	<u>174,881</u>	<u>174,881</u>	-
<b>Fund balance, December 31</b>	<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, 2014**

	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Miscellaneous	\$ -	\$ 7,335	\$ 7,335	\$ -
<b>EXPENDITURES</b>				
Recreation	-	73	73	-
Total expenditures	-	73	73	-
<b>Excess (deficiency) of revenues over expenditures</b>	-	7,262	7,262	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	-	-
Transfers out	(38,000)	(38,000)	(38,000)	-
<b>Net change to fund balance</b>	(38,000)	(30,738)	(30,738)	-
<b>Fund balance, January 1</b>	41,921	41,921	41,921	-
<b>Fund balance, December 31</b>	<u>\$ 3,921</u>	<u>\$ 11,183</u>	<u>\$ 11,183</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, 2014**

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	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
General Government	-	-	-	-
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <b>Net change to fund balance</b>	 -	 -	 -	 -
 <b>Fund balance, January 1</b>	 18,567	 18,567	 18,567	 -
<b>Fund balance, December 31</b>	<u>\$ 18,567</u>	<u>\$ 18,567</u>	<u>\$ 18,567</u>	<u>\$ -</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, 2014**

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	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Impact fees	\$ 54,018	\$ 56,985	\$ 42,270	\$ (14,715)
<b>EXPENDITURES</b>				
General Government	700	3,667	3,667	-
<b>Total expenditures</b>	<b>700</b>	<b>3,667</b>	<b>3,667</b>	<b>-</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>53,318</b>	<b>53,318</b>	<b>38,603</b>	<b>(14,715)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(53,318)	(53,318)	(53,318)	-
<b>Net change to fund balance</b>	<b>-</b>	<b>-</b>	<b>(14,715)</b>	<b>(14,715)</b>
<b>Fund balance, January 1</b>	<b>140,374</b>	<b>140,374</b>	<b>140,374</b>	<b>-</b>
<b>Fund balance, December 31</b>	<b>\$ 140,374</b>	<b>\$ 140,374</b>	<b>\$ 125,659</b>	<b>\$ (14,715)</b>

**OURAY COUNTY, COLORADO**  
**E-911 AUTHORITY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

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	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services	\$ 45,000	\$ 45,000	\$ 45,580	\$ 580
Interest income	10	10	10	-
<b>Total revenues</b>	<u>45,010</u>	<u>45,010</u>	<u>45,590</u>	<u>580</u>
<b>EXPENDITURES</b>				
Public safety	38,500	38,500	22,597	15,903
<b>Total expenditures</b>	<u>38,500</u>	<u>38,500</u>	<u>22,597</u>	<u>15,903</u>
 <b>Net change to fund balance</b>	 6,510	 6,510	 22,993	 16,483
<b>Fund balance, January 1</b>	<u>60,000</u>	<u>60,000</u>	<u>82,018</u>	<u>22,018</u>
<b>Fund balance, December 31</b>	<u>\$ 66,510</u>	<u>\$ 66,510</u>	<u>\$ 105,011</u>	<u>\$ 38,501</u>

**OURAY COUNTY, COLORADO**  
**SAMSON LAW FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**ACTUAL AND BUDGET**  
**Year Ended December 31, 2014**

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	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
State revenues	\$ 1,450	\$ 1,450	\$ 250	\$ (1,200)
<b>Total revenues</b>	<u>1,450</u>	<u>1,450</u>	<u>250</u>	<u>(1,200)</u>
<b>EXPENDITURES</b>				
General government	2,025	2,025	469	1,556
<b>Total expenditures</b>	<u>2,025</u>	<u>2,025</u>	<u>469</u>	<u>1,556</u>
<b>Excess (deficiency) of revenues over expenditures</b>	(575)	(575)	(219)	
<b>Net change to fund balance</b>	(575)	(575)	(219)	356
<b>Fund balance, January 1</b>	16,840	16,840	16,840	-
<b>Fund balance, December 31</b>	<u>\$ 16,265</u>	<u>\$ 16,265</u>	<u>\$ 16,621</u>	<u>\$ 356</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, 2014**

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	<b>Budgeted</b>		<b>Actual</b>	<b>Variance</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Grant	\$ 20,757	\$ 20,757	\$ 18,500	\$ (2,257)
Interest Earnings	-	-	878	878
	<u>20,757</u>	<u>20,757</u>	<u>19,378</u>	<u>(1,379)</u>
<b>EXPENDITURES</b>	<u>23,134</u>	<u>23,134</u>	<u>-</u>	<u>23,134</u>
Net change to fund balance	(2,377)	(2,377)	19,378	21,755
Fund balance, January 1	103,966	103,966	103,965	(1)
Fund balance, December 31	<u>\$ 101,589</u>	<u>\$ 101,589</u>	<u>\$ 123,343</u>	<u>\$ 21,754</u>

**OURAY COUNTY, COLORADO  
PUBLIC ACCESS GROUP FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
ACTUAL AND BUDGET  
Year Ended December 31, 2014**

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	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Grants	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change to fund balance</b>	-	-	-	-
<b>Fund balance, January 1</b>	<u>4,622</u>	<u>4,622</u>	<u>4,622</u>	<u>-</u>
<b>Fund balance, December 31</b>	<u>\$ 4,622</u>	<u>\$ 4,622</u>	<u>\$ 4,622</u>	<u>\$ -</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, 2014**

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	<u>Budgeted</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
<b>REVENUES</b>				
Sales Taxes	\$ 525,000	\$ 525,000	\$ 584,237	\$ 59,237
<b>EXPENDITURES</b>	19,530	19,530	17,426	2,104
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(505,470)	(505,470)	(505,470)	-
<b>Net change to fund balance</b>	-	-	<b>61,341</b>	<b>61,341</b>
<b>Fund balance, January 1</b>	222,340	222,340	<b>251,606</b>	29,266
<b>Fund balance, December 31</b>	<u>\$ 222,340</u>	<u>\$ 222,340</u>	<u>\$ 312,947</u>	<u>\$ 90,607</u>

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>	City or County: Ouray County
	YEAR ENDING : December 2014

This Information From The Records Of (example - City of or County of	Prepared By: Phone:
--	------------------------

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	438,327
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,101,620
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	255,515	b. Snow and ice removal	
3. Other local imposts (from page 2)	306,977	c. Other	
4. Miscellaneous local receipts (from page 2)	796,651	d. Total (a. through c.)	0
5. Transfers from toll facilities		4. General administration & miscellaneous	353,695
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	255,515
a. Bonds - Original Issues		6. Total (1 through 5)	2,149,157
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,359,143	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government (from page 2)</b>	760,449	2. Notes:	
<b>D. Receipts from Federal Government (from page 2)</b>	0	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	2,119,592	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	2,149,157

**IV. LOCAL HIGHWAY DEBT STATUS**  
(Show all entries at par)

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

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	499,821	2,119,592	2,149,157	470,256	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:  
Colorado  
YEAR ENDING (mm/yy):  
December 2014

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	232,099	a. Interest on investments	923
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	5,320
4. Licenses	2,164	f. Charges for Services	
5. Specific Ownership &/or Other	19,396	g. Other Misc. Receipts	
6. Total (1. through 5.)	74,878	h. Other	790,408
c. Total (a. + b.)	306,977	i. Total (a. through h.)	796,651
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	726,273	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	34,028	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	148	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	34,176	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	760,449	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)
<b>A.I. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities		156,423	156,423
(2). Capacity Improvements			0
(3). System Preservation		281,904	281,904
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	438,327	438,327
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	438,327	438,327
			(Carry forward to page 1)

Notes and Comments: