

CUSTER COUNTY, COLORADO
WESTCLIFFE, COLORADO
BASIC FINANCIAL STATEMENTS
WITH INDEPENDENT AUDITOR'S REPORT
AND CERTAIN SUPPLEMENTAL INFORMATION

December 31, 2019

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Independent Auditor's Report

August 5, 2020

Board of Commissioners
Custer County, Colorado
Westcliffe, Colorado

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of Custer County, Colorado as of and for the year ended December 31, 2019, 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 County'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 unit, each major fund, and the aggregate remaining fund information of Custer County, Colorado, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages i - vii and 29-32 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 Custer County, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements, the budgetary comparison schedules for nonmajor funds and the Local Highway Finance Report for Road, Bridges and Streets, 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, the nonmajor budgetary comparison schedules and the Local Highway Finance Report for Road, Bridges and Streets, 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 information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Garren, Ross & DeNardo, Inc.

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018

This section of the report provides readers with a narrative overview and analysis of the financial activities of Custer County for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here in conjunction with the basic financial statements to enhance their understanding of the County's financial performance.

Financial Highlights

Custer County's assets exceeded liabilities by \$9,191,089 at the end of 2019. Of this amount, \$1,505,690 may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$7,685,399 is invested in capital assets or restricted.

The County's General Fund balance was \$2,084,428 as of December 31, 2019. Of this amount, \$106,700 is reserved for emergencies.

The 2019 General Fund balance is \$447,060 more than the previous year. The total fund balance is 52% of 2019 General Fund operating expenditures plus net operating transfers. The County Commissioners' goal is to keep fund balance at no less than 5%.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for non-major funds.

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their cost through user fees and charges (business-type activities). Custer County's governmental activities include general government, public safety, roads and bridges, auxiliary, culture and recreation, and health and human services.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018

Overview of the Financial Statements (Continued)

The government-wide financial statements include not only Custer County itself (known as the primary government), but also legally separate entities which have a significant operational or financial relationship with the County. These entities, if any, are known as component units. The discreetly presented component unit is the E-911 Emergency Telephone Authority. In 2007, for the first time, the County began accounting for all transactions of the Custer County Airport Authority (now an advisory board) on its behalf, and, as such, it is now treated as a blended component unit for financial reporting purposes. More information on the functions of these activities can be found in Note 1 to the financial statements.

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. Custer County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of Custer County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-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 near-term financing requirements.

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

Custer County maintains seven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Road & Bridge Fund, Human Services Fund, Capital Improvements Fund, Emergency Services Fund, Conservation Trust Fund and the Lodging and Tourism Fund. The Custer County Airport Authority is also included as a blended component unit. The General Fund, Road & Bridge Fund, Capital Improvement Fund, and the Human Services Fund are the only funds that are considered major. Data from the other funds are combined into a single aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report. The basic governmental fund financial statements can be found on pages 5 through 8 of this report.

Proprietary Funds. There are two common types of Proprietary Funds commonly used in governmental activities. Enterprise Funds are used to report the same functions presented as business-type activities in the government-wide financial statements and Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. During the fiscal year 2019, Custer County utilized one internal service fund, the Insurance Fund, for governmental activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018

Overview of the Financial Statements (Continued)

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support Custer County's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund statement of net position can be found on page 12.

Budgetary Comparisons. Custer County adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for all major funds on pages 29 to 32 of this report. Budget to actual comparisons for each of the non-major funds are provided in other schedules elsewhere in this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 13 through 28 of this report.

Other Information. The combining statements referred to earlier in connection with the internal service fund and the non-major governmental funds can be found on pages 9 through 11 and 33 through 41, respectively.

County-Wide Financial Analysis

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2019, assets exceeded liabilities by \$9,191,089.

The following table provides a summary of the County's governmental and business-type net position for 2019 and 2018.

	<u>Assets</u>	<u>2019</u>	<u>2018</u>
Current assets		\$ 7,848,204	\$ 6,905,792
Non-current assets		5,491,374	5,701,959
	Total Assets	<u>13,339,578</u>	<u>12,607,751</u>
	<u>Liabilities</u>		
Current liabilities		717,722	878,724
Non-current liabilities		1,412,767	1,494,030
	Total Liabilities	<u>2,130,489</u>	<u>2,372,754</u>
Deferred Inflow – property taxes		<u>2,018,000</u>	<u>1,878,000</u>
	<u>Net Position</u>		
Invested in capital assets, net of related debt		4,699,271	4,706,130
Restricted for emergency / grants		2,986,128	2,716,449
Unrestricted		1,505,690	934,418
	Total Net Position	<u>\$ 9,191,089</u>	<u>\$ 8,356,997</u>

The portion of Custer County's net position (16%) represents unrestricted net position of \$1,505,690, which may be used to meet the County's ongoing obligations to citizens and creditors.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018

County-Wide Financial Analysis (Continued)

A significant portion of Custer County's net position (51%) reflects its investment in capital assets. These assets include land, buildings, machinery, equipment and infrastructure. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$2,986,128 of the County's net position (33%) represents resources that are subject to external restriction on how they may be used. The amount reserved for TABOR is \$213,300, \$72,327 is grant restricted and the remaining \$2,700,501 is restricted for use in special revenue funds.

At the end of 2019, Custer County had positive balances in all net position categories.

Changes in Net Position. Governmental activities increased the County's net position by \$834,092 in 2019 and \$158,581 in 2018. The following table summarizes the changes in Custer County's net position for governmental activities for the years ended December 31, 2019 and 2018.

Revenue		<u>2019</u>	<u>2018</u>
Program Revenue			
Charges for services	\$	1,205,675	\$ 1,044,267
Operating grants and contributions		1,544,056	1,816,395
Capital grants and contributions		155,427	49,176
General Revenue			
Taxes		5,084,748	4,647,485
Gain (Loss) on sale of assets		72,758	766
Investment earnings		122,263	102,587
	Total Revenue	<u>8,184,927</u>	<u>7,660,676</u>
Program Expenses			
General government		2,242,623	2,153,397
Public safety		1,611,548	1,625,663
Streets and highways		1,888,503	2,056,015
Health and welfare		946,294	765,476
Auxiliary		634,495	881,706
Miscellaneous		-	-
Interest expense, unallocated		27,372	19,838
	Total Expenses	<u>7,350,835</u>	<u>7,502,095</u>
	Change in Net Position	834,092	158,581
Net position beginning of year		<u>8,356,997</u>	<u>8,198,416</u>
Net position end of year	\$	<u>9,191,089</u>	\$ <u>8,356,997</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018

Financial Analysis of the County's Funds

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

Governmental Funds Overview. The focus of County 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 a governments' net resources available for spending at the end of the fiscal year.

As of the end of 2019, the combined ending fund balances of County governmental funds were \$5,155,965. Approximately 37% of this consists of unassigned fund balance which is available as working capital, and 2% is assigned fund balance, which is available for current spending in accordance with the purposes of the specific funds. The remainder of fund balance is reserved to indicate that it is not available for new spending because it is committed for the following purposes: 1) a state constitution mandated emergency reserve (\$207,900); 2) grant requirements (\$72,327); 3) restricted for use in special revenue funds (\$2,700,501) and 4) inventory (\$152,456).

The County has eight governmental funds. They are 1) General Fund; 2) Road & Bridge Fund; 3) Human Services Fund; 4) Capital Improvements Fund; 5) Emergency Service Fund; 6) Conservation Trust Fund; 7) Lodging and Tourism Fund and 8) Contingent Fund.

1. **General Fund.** This is the primary operating fund of the Custer County Government. It accounts for many of the County's core services, such as law enforcement, County General Fund activities, personnel costs, planning, and elections. The General Fund balance was \$2,084,428 as of December 31, 2019. Of this amount, \$106,700 was reserved for emergencies. The 2019 fund balance is \$447,060 more than the previous year. 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. Unreserved fund balance represents about 48% of total 2019 expenditures, while total fund balance is 52% of the same amount. 2019 expenditures and transfers for general fund activities were more than budgeted by \$78,217.
2. **Road & Bridge Fund.** The Road & Bridge fund is also state mandated. The fund records costs related to County road and bridge construction and maintenance. The Road & Bridge fund had \$1,972,867 in fund balance at the end of 2019. This amount is \$229,154 more than the previous year. 2019 expenditures for road projects were less than budgeted by \$35,572.
3. **Human Services Fund.** The Human Services Fund is mandated by state statute. This fund accounts for the local share of many federal and state public welfare programs, plus various federal and state human services grants. The fund carried a negative fund balance of (\$2,540) at the end of 2019, which was \$71,172 less than the previous year. State and federal grant funding was \$60,231 more than the previous year.
4. **Capital Improvements Fund.** The Capital Improvements Fund accounts for the acquisition of major capital facilities and equipment. These are the purchases of the Sheriff's vehicles, office and jail facility and several heavy equipment purchases for the Road and Bridge Department and the Landfill Operation.
5. **Emergency Service Fund.** The primary function of the Emergency Service Fund is to account for expenditures relating to auxiliary rural and County-wide health and medical services. This fund receives property tax revenues which help finance these services. This fund also accounts for monies received as grant funds through the Colorado Regional Trauma Advisory Council for the support of rural emergency medical services.
6. **Conservation Trust Fund.** Accounts for the receipt and expenditure of Colorado Lottery funds from the State of Colorado.

MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018

Financial Analysis of the County's Funds (Continued)

7. Lodging and Tourism Fund. The function of this fund is to account for lodging tourism tax revenue collected. The residents of Custer County approved a ballot issue in 2008 to implement a 2% tourism lodging tax assessed on persons renting a motel/hotel room or a campground space. The revenues from this tax will be used exclusively for advertising and marketing of local tourism.
8. Custer County Airport Advisory Board. The primary function of the Airport Advisory Board is to account for expenditures of the airport and related operating and grant revenues. It is a separate government included in the County's financial statements as a blended component unit due to its financial dependence.
9. Insurance Fund. (An internal service fund) This fund was established to account for County funds dedicated to general property loss and liability insurance, County official's errors and omissions insurance, and workers compensation insurance coverage.

General Fund Budgetary Highlights

The County's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

For 2019, the Board of County Commissioners appropriated \$3,892,409 for general fund expenditures and other financing uses. The budget was not amended.

	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>
Revenues	\$ 3,778,992	\$ 3,778,992	\$ 4,452,070
Expenditures and transfers	\$ 3,926,793	\$ 3,926,793	\$ 4,005,010

Actual expenditures were more than the anticipated budget and less than revenues, which caused the ending fund balance to increase \$447,060, over the prior year.

Capital Asset and Debt Administration

Capital Assets. Custer County's investment in capital assets for its governmental activities as of December 31, 2019 totals \$5,491,374 (net of accumulated depreciation). This investment includes all land, buildings, machinery, equipment, and infrastructure. The total increase in net capital assets for the current fiscal year was \$487,707.

- Additional information on the County's capital assets can be found in Note 6 of this report.

Long-term Debt. At December 31, 2019, Custer County had no bonded debt. There are capital leases outstanding of \$792,103 and other noncurrent liabilities for post disclosure landfill costs and compensated absences. Additional information can be found in Note 10.

Other Matters. The following factors are expected to have a significant effect on the County's financial position or results of operations and were taken into account in developing the 2020 budgets.

- Continued growth in Custer County caused increased demand in all service areas of the County, especially in public safety and road and bridge infrastructure.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
CUSTER COUNTY, COLORADO
December 31, 2019 and 2018**

Other Matters (Continued)

- The State of Colorado's budget crisis has led to reduction in the number of grant programs available to provide direct services and/or cost shifting responsibility back to the County budget. The program areas impacted included Community Health related programs, and Human Services.
- The Road and Bridge Department has identified two primary challenges facing the County in the near future; replacing outdated and worn out bridges and developing a systematic long term equipment schedule. A number of bridges within the County are in dire need of repair and /or replacement. It is anticipated that new funding in the form of grants will be required to address the bridge issues. The County is also actively developing an equipment upgrade and replacement program protocol that will allow the County to access State and Federal grants to replace aging and worn out road and bridge equipment.
- Population growth has impacted the County's ability to provide public safety within our judicial system. The County courthouse combined courts system needs more physical space and a more secure facility for our citizens, victims, courthouse personnel and those accused of wrong doing. New State funds are being accessed to provide better courthouse security. The County needs a better designed, more functional jail that would complement the court facilities. The County is presently working with a planning grant from the Colorado Department of Local Affairs (DOLA) to improve the jail and justice facilities as well as other grant sources for the funding of a new justice center
- Airport runway and fuel projects and improvements are underway.
- An Economic Prosperity Strategic Plan was completed.
- Committees for Broadband, Attainable Housing and Economic Development are continuing to work to find ways to improve the quality of life for Custer residents and visitors alike.

Requests for Information

This financial report is designed to provide a general overview of Custer County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in the report or for additional financial information should be addressed to the County HR/Finance Director, 205 South Sixth Street, Westcliffe, CO 81252.

BASIC FINANCIAL STATEMENTS

GOVERNMENT WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
CUSTER COUNTY, COLORADO
December 31, 2019

	Primary Government Governmental Activities	Component Unit E-911 Authority
<u>Assets</u>		
<u>Current Assets</u>		
Cash and investments held by County Treasurer	\$ 5,322,697	\$ -
Cash held by County Clerk	200	-
Cash held by County Assessor	1,207	-
Cash held by Extension Office	33,007	-
Cash in bank	-	198,534
Accounts receivable	114,073	18,141
Taxes receivable	2,190,675	-
Prepaid expenses	12,214	-
Accrued state revenue	8,309	-
Accrued federal revenue	13,366	-
Inventories	152,456	-
Total Current Assets	7,848,204	216,675
<u>Non-current Assets</u>		
Capital assets, net of depreciation	5,491,374	235,863
Total Assets	13,339,578	452,538
<u>Liabilities</u>		
<u>Current Liabilities</u>		
Accounts payable	59,605	2,953
Warrants payable	343,470	-
Accrued interest	12,209	-
Due to State of Colorado	56,519	-
Unearned revenue	63,875	-
Current maturities - capital leases	182,044	-
Total Current Liabilities	717,722	2,953
<u>Non-current Liabilities</u>		
Landfill closure costs	564,451	-
Capital leases non-current	610,059	-
Compensated absences	238,257	-
Total Non-Current Liabilities	1,412,767	-
Total Liabilities	2,130,489	2,953
Deferred Inflow - property taxes	2,018,000	-
<u>Net Position</u>		
Investment in capital assets, net of related debt	4,699,271	235,863
Temporarily restricted	2,772,828	-
Restricted for emergency	213,300	3,500
Unrestricted	1,505,690	210,222
Total Net Position	\$ 9,191,089	\$ 449,585

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF ACTIVITIES
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Position	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	Component Unit
Governmental Activities						
General government	\$ 2,242,623	\$ 993,565	\$ 637,337	\$ 25,652	\$ (586,069)	\$ -
Public safety	1,611,548	52,750	263,392	89,775	(1,205,631)	-
Streets and highways	1,888,503	126,427	24,138	-	(1,737,938)	-
Health and welfare	946,294	-	569,740	40,000	(336,554)	-
Auxiliary	634,495	32,933	49,449	-	(552,113)	-
Interest expense, unallocated	27,372	-	-	-	(27,372)	-
Total Governmental Activities	\$ 7,350,835	\$ 1,205,675	\$ 1,544,056	\$ 155,427	(4,445,677)	-
Component Unit						
E-911 Authority	\$ 88,694	\$ 115,894	\$ -	\$ -		27,200
		General Revenues				
		Property taxes			1,885,212	-
		Specific Ownership			318,453	-
		Sales and use taxes			1,269,990	-
		Highway users taxes			1,555,357	-
		Lodging and tourism taxes			55,736	-
		Gain on sale of assets			72,758	-
		Earnings on investments			122,263	472
		Total General Revenues and Transfers			5,279,769	472
		Changes in Net Position			834,092	27,672
		Net Position - January 1			8,356,997	421,913
		Net Position - December 31			\$ 9,191,089	\$ 449,585

The accompanying notes to financial statements are an integral part of this statement.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

BALANCE SHEET
GOVERNMENTAL FUNDS
CUSTER COUNTY, COLORADO
December 31, 2019

<u>Assets</u>	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Human Services Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Cash and investments held by County Treasurer	\$ 2,169,823	\$ 1,820,455	\$ 88,523	\$ 802,148	\$ 286,228	\$ 5,167,177
Cash held by County Clerk	200	-	-	-	-	200
Cash held by County Assessor	1,207	-	-	-	-	1,207
Cash held by Extension Office	33,007	-	-	-	-	33,007
Accounts receivable	56,450	5,464	1,024	-	34,495	97,433
Taxes receivable	1,207,560	633,331	109,250	19,489	220,545	2,190,175
Accrued state revenue	-	-	8,309	-	-	8,309
Accrued federal revenue	-	-	13,366	-	-	13,366
Inventories	-	145,926	-	-	6,530	152,456
Total Assets	<u>3,468,247</u>	<u>2,605,176</u>	<u>220,472</u>	<u>821,637</u>	<u>547,798</u>	<u>7,663,330</u>
<u>Liabilities</u>						
Accounts payable	43,821	7,374	3,389	-	4,980	59,564
Warrants payable	197,998	76,935	24,192	7,748	36,497	343,370
Due to State of Colorado	-	-	56,519	-	-	56,519
Unearned revenue	-	-	29,912	-	-	29,912
Total Liabilities	<u>241,819</u>	<u>84,309</u>	<u>114,012</u>	<u>7,748</u>	<u>41,477</u>	<u>489,365</u>
Deferred Inflow - property taxes	<u>1,142,000</u>	<u>548,000</u>	<u>109,000</u>	<u>-</u>	<u>219,000</u>	<u>2,018,000</u>
<u>Fund Balances</u>						
Nonspendable	-	145,926	-	-	6,530	152,456
Restricted	172,189	1,826,941	10,900	813,889	156,809	2,980,728
Committed	-	-	-	-	-	-
Assigned	-	-	-	-	123,982	123,982
Unassigned	<u>1,912,239</u>	<u>-</u>	<u>(13,440)</u>	<u>-</u>	<u>-</u>	<u>1,898,799</u>
Total Fund Balances	<u>\$ 2,084,428</u>	<u>\$ 1,972,867</u>	<u>\$ (2,540)</u>	<u>\$ 813,889</u>	<u>\$ 287,321</u>	<u>\$ 5,155,965</u>

The accompanying notes to financial statements are an integral part of this statement.

RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
CUSTER COUNTY, COLORADO
December 31, 2019

TOTAL FUND BALANCES - GOVERNMENTAL FUNDS	\$ 5,155,965
Capital assets used in governmental activities are not considered current financial resources and, therefore, are not reported in the governmental funds.	5,491,374
Revenue receivable that does not provide current financial resources is not recorded in the governmental funds.	16,640
Expenditures for services which benefit future periods are treated as prepaid expenses and included in current assets in the government wide financial statements.	12,214
Certain revenue is earned over a period years, the portion of unearned income is reported as unearned revenue in the statement of net position.	(33,963)
Long-term liabilities for capital leases (\$792,103), compensated absences (\$238,257), and landfill closure costs (\$564,451) are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(1,594,811)
Interest payable on capital leases is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements since the liability is to be paid in the near term.	(12,209)
Internal service fund is used by management to account for health insurance and workers' compensation activities. The net activity of the internal service fund is reported with governmental activities.	<u>155,879</u>
Total Net Position - Governmental Activities	\$ <u>9,191,089</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

CUSTER COUNTY, COLORADO

December 31, 2019

	<u>General Fund</u>	<u>Road & Bridge Fund</u>	<u>Human Services Fund</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Taxes	\$ 2,258,096	\$ 2,140,071	\$ 87,718	\$ 303,327	\$ 289,542	\$ 5,078,754
Penalties	3,522	1,602	229	-	641	5,994
Federal Sources	566,521	18,650	207,618	-	62,934	855,723
State Sources	203,113	-	250,527	56,019	96,280	605,939
Local Sources	129,147	-	7,583	-	-	136,730
Licenses permits	216,701	-	-	-	-	216,701
Charges for services	776,864	126,427	-	-	27,140	930,431
Other income	242,145	13,695	15,298	32,150	16,356	319,644
Reimbursed expenses	55,961	4,178	415	-	-	60,554
Total Revenues	<u>4,452,070</u>	<u>2,304,623</u>	<u>569,388</u>	<u>391,496</u>	<u>492,893</u>	<u>8,210,470</u>
Expenditures						
General Government	1,998,591	141,056	-	12,104	-	2,151,751
Public Safety	1,237,104	5,141	-	-	231,064	1,473,309
Streets and Highways	-	1,662,929	-	-	-	1,662,929
Health and welfare	293,238	-	640,560	-	-	933,798
Auxiliary services	301,190	-	-	-	266,681	567,871
Capital outlay	62,286	58,240	-	180,419	32,739	333,684
Debt service - principal	-	193,548	-	126,651	-	320,199
Debt service - interest	-	14,555	-	14,639	-	29,194
Total Expenditures	<u>3,892,409</u>	<u>2,075,469</u>	<u>640,560</u>	<u>333,813</u>	<u>530,484</u>	<u>7,472,735</u>
Excess of Revenues Over (Under) Expenditures	<u>559,661</u>	<u>229,154</u>	<u>(71,172)</u>	<u>57,683</u>	<u>(37,591)</u>	<u>737,735</u>
Other Financing Sources (Uses)						
Transfers from (to) other funds	(112,601)	-	-	82,601	30,000	-
Proceeds from capital leases	-	-	-	116,473	-	116,473
Total Other Financing Sources (Uses)	<u>(112,601)</u>	<u>-</u>	<u>-</u>	<u>199,074</u>	<u>30,000</u>	<u>116,473</u>
Net Change in Fund Balance	447,060	229,154	(71,172)	256,757	(7,591)	854,208
Fund Balances - January 1	<u>1,637,368</u>	<u>1,743,713</u>	<u>68,632</u>	<u>557,132</u>	<u>294,912</u>	<u>4,301,757</u>
Fund Balances - December 31	<u>\$ 2,084,428</u>	<u>\$ 1,972,867</u>	<u>\$ (2,540)</u>	<u>\$ 813,889</u>	<u>\$ 287,321</u>	<u>\$ 5,155,965</u>

The accompanying notes to financial statements are an integral part of this statement.

**RECONCILIATION OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**

CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

Total Change in Fund Balances - Governmental Funds	\$ 854,208
Change in receivable - revenues in the Statement of Activities that do not provide current financial resources are not reported in the governmental funds.	15,277
Expenditures for services which benefit a future period are reported as prepaid expenses and included in current assets in the government wide statement of net position. In the governmental funds financial statements they are treated as expenditures when paid.	870
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 (\$497,656) exceeds capital outlay (\$333,684).	(163,972)
In the government-wide statements, basis in capital assets that have been sold reduces income. In governmental funds the basis is not recognized.	(46,613)
Principle retirements - Retirements of principle outstanding on the County's debt result in a reduction of accumulated resources on the fund financial statement. The government wide statements show these reductions against the long-term liabilities.	320,199
The change in revenues that are allocated for future periods are not recognized in the Statement of Activities, but are recognized in the governmental funds.	5,793
Internal service fund is used by management to account for health insurance and workers' compensation activities. The net activity of the internal service fund is reported with governmental activities.	(2,967)
Interest payable on capital leases is not recorded on the fund statements because it is not a current use of cash. Interest is accrued on the government-wide statements, and the change in the liability is recognized.	1,822
In the government-wide statements, accrued compensated absences are measured by the amount earned and unused. In the governmental funds, the expenditures for compensated absences are measured by the amount of financial resources used (essentially, the amounts actually paid). Therefore, the change in the accrued compensated absences is recognized.	(4,643)
In the government-wide statements, estimated landfill closure debt is recognized as long-term debt. In the government funds, the estimated cost nor the change in the estimate are included. Therefore, the change in the estimate is recognized.	(29,409)
Current lease proceeds provide current financial resources to the governmental funds but in the Statement of Net Position the lease is reported as long term debt.	(116,473)
Total Change in Net Position - Governmental Activities	\$ <u>834,092</u>

The accompanying notes to financial statements are an integral part of this statement.

INTERNAL SERVICE FUND FINANCIAL STATEMENTS

STATEMENT OF NET POSITION
INTERNAL SERVICE FUND
 CUSTER COUNTY, COLORADO
 December 31, 2019

		<u>Internal Service Insurance Fund</u>
	<u>Assets</u>	
Current Assets		
Cash held by County Treasurer		\$ 155,520
Taxes receivable		<u>164,500</u>
	Total Current Assets	<u>320,020</u>
	<u>Liabilities</u>	
Current Liabilities		
Warrants payable		100
Accounts payable		<u>41</u>
	Total Current Liabilities	<u>141</u>
Deferred Inflow - property taxes		<u>164,000</u>
	<u>Net Position</u>	
Reserved for emergency		5,400
Unrestricted		<u>150,479</u>
	Total Net Position	<u>\$ 155,879</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUND
CUSTER COUNTY, COLORADO
December 31, 2019

	<u>Internal Service Insurance Fund</u>
Operating Revenues	
Charges for services	\$ -
Reimbursed expenses	<u>3,373</u>
Total Operating Revenues	<u>3,373</u>
Operating Expenses	
General government	107,459
Streets and Highways	<u>74,776</u>
Total Expenditures	<u>182,235</u>
Operating Income (Loss)	(178,862)
Nonoperating Revenues (Expenses)	
Property taxes	150,383
Specific ownership taxes	25,032
Penalties and Interest	<u>480</u>
Net Income (Loss) Before Other Financing Sources (Uses)	(2,967)
Operating transfers in (out)	<u>-</u>
Change in Net Position	(2,967)
Net Position - January 1	<u>158,846</u>
Net Position - December 31	<u>\$ 155,879</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

	<u>Internal Service Insurance Fund</u>
Cash Flows From Operating Activities	
Cash received for reimbursed expenses	\$ 3,373
Payments for services	<u>(182,781)</u>
Net Cash Used for Operating Activities	<u>(179,408)</u>
Cash Flows From Noncapital Financing Activities	
Cash received for property taxes	175,734
Transfers from other funds	<u>-</u>
Net Cash Provided by Noncapital Financing Activities	<u>175,734</u>
Net Increase (Decrease) in Cash	(3,674)
Cash - January 1	<u>159,194</u>
Cash - December 31	<u><u>\$ 155,520</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (2,967)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
(Increase) decrease in accounts receivable	(161)
Increase (decrease) in warrants / accounts payable	<u>(546)</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ (3,674)</u></u>

The accompanying notes to financial statements are an integral part of this statement.

FIDUCIARY FUND FINANCIAL STATEMENTS

STATEMENT OF FIDUCIARY NET POSITION
CUSTER COUNTY, COLORADO
December 31, 2019

	<u>Agency Funds</u>
<u>Assets</u>	
Cash in bank and on hand	\$ 371,065
Total Assets	\$ 371,065
<u>Liabilities</u>	
Due to other taxing units	\$ 103,423
Due to other agencies and departments	267,642
Total Liabilities	\$ 371,065

The accompanying notes to financial statements are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
CUSTER COUNTY, COLORADO
December 31, 2019

Note 1 - Summary of Significant Accounting Policies

Custer County, Colorado (“County”) was established in 1877 and operates under an elected commissioner form of government. The County provides a full range of services which include general government functions, public protection and safety, health, social services, public improvements, road and bridge operations, planning and zoning, and general administrative services.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governments. The following summary of significant accounting policies is presented to assist the reader in evaluating the County’s financial statements.

A. Financial Reporting Entity

Custer County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. There are also four other elected officials of Custer County (Assessor, Clerk and Recorder, Sheriff, and Treasurer).

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Discretely presented component units:

The E911 Emergency Telephone Service Authority Board was created by intergovernmental agreements under Colorado statutes that authorizes the County, municipalities within the County, and special districts within the County to enter into an agreement for the purpose of providing 911 emergency telephone services. According to Colorado statute the agreement creates a separate legal entity which is responsible for administering the operations of the 911 emergency telephone service program in Custer County.

Blended component units:

The Airport Authority was dissolved and replaced by an advisory board appointed by the County Commissioners. The activities of the Airport are reported in a special revenue fund.

Other related organizations

The following organizations are excluded from the accompanying financial statements because the County’s accountability for these organizations does not extend beyond various appointments:

Custer County Library District - The County Commissioners appoint the seven-member Library District Board. The Library District Board has total autonomy under the State Library Act to incur debt, establish budgets, and levy property taxes to support the District’s library system.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

Other related organizations (Continued)

Colorado Counties Casualty and Property Pool (hereinafter referred to as "CAPP") - CAPP was formed by intergovernmental agreement by member counties as a separate and independent governmental and legal entity pursuant to provisions of the Colorado Constitution and Colorado Revised Statutes. Each member county in this governmental agreement has the power under Colorado law to make provision for the property and casualty coverage which constitute the functions and services jointly provided by means of the CAPP. The Insurance Commissioner of the State of Colorado has such authority with respect to the CAPP as is provided by applicable Colorado statutes.

The purposes of the CAPP are to provide a risk management fund for defined property and casualty coverage and to assist members in controlling costs by providing specialized governmental risk management services and systems. It is the intent of the members to use member contributions to defend and indemnify, in accordance with its bylaws, any member against states liability or loss to the limit of the financial resources of the risk management fund. It is also the intent of the members to have CAPP provide needed coverage at reasonable costs. All income and assets of CAPP shall be at all times dedicated to the exclusive benefit of its members. Custer County, through its Insurance Internal Service Fund, recognizes an expense for any amounts paid to CAPP annually for these coverages.

Custer County is a member of CAPP.

B. Government-wide Financial Statements

The County's basic financial statements consist of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information. The government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

The statement of net position and the statement of activities display information about the County as a whole. In the government-wide statement of net position, the governmental activities are presented on a consolidated basis. These statements include the activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The government-wide statement of activities reflect both the direct expenses and net cost of each function of the County's governmental activities. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods and services offered by the program. Grants and contributions that are restricted to meeting the operational and capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program are included in operating grants and contributions, or capital grants and contributions. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the County.

Fund Financial Statements

The financial transactions of the County are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category - governmental and fiduciary are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and presented as non-major funds.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

C. Measurement Focus

Government-wide and Fiduciary Fund Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide financial statements are reported using the accrual basis of accounting. Revenues are reported when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. Revenues from property taxes are recognized in the fiscal year for the which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 may be both restricted and unrestricted resources 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 if any, and then general revenues.

The County reports the following major government funds:

The General Fund is the general operating fund of the County which accounts for all financial resources that are not accounted for in other funds. Operations of the County such as public safety, planning and zoning, property valuation, tax collection and distribution, vehicle licensing, County administration and other activities financed from taxes and general revenues are reflected in this 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 and a portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities.

The Human Services Fund is used to administer human services programs under state and federal regulations. Programs include, but are not limited to, Medicaid, food stamps, foster care programs, senior service programs, and temporary assistance to needy families (TANF). Financing sources are from federal, state and local grants together with dedicated property taxes and specific ownership taxes. Colorado counties are required by state law to maintain a human services fund.

The Capital Improvement Fund is used to account for and report financial resources that are restricted, committed, or assigned funds expended for the purpose of improving, equipping and furnishing the County's buildings and other property. Financing sources are from sales tax revenue and grants.

The County also reports the following fund types:

The Internal Service Funds account for the financing of goods or services provided by one department or agency to departments or agencies of the County on a cost reimbursement basis. The County's internal service fund report on self-insurance programs for employee health, risk management, unemployment, and other insurance used by County departments.

The Agency Fund accounts for assets held by the County as an agent for individuals, private organizations and other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

D. Assets and Liabilities

1. Deposits and Investments

The Custer County Treasurer maintains a cash and investment pool that is available for use by all County funds except for some agency funds. Each fund's portion of this pool is displayed as "cash and cash equivalents". Accrued interest receivable is displayed separately. The amount of interest gained through secured investments is credited to the County's general fund per Colorado State Statutes, with the exception of the Conservation Trust and the E-911 Authority. Cash and cash equivalents are stated at fair value.

The County considers cash and cash equivalents 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.

Cash equivalents are short term, liquid investments that are quickly converted to known cash amounts and that have maturities of three months or less so as to minimize the risk of value changes.

2. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes were levied on December 15 and are payable either in two installments due on February 28 and June 15, or in full on April 30. Delinquent taxes may be assessed penalties and interest by the County. The County, through the Custer County Treasurer, bills and collects its own property taxes, as well as property taxes for all other taxing authorities within the County.

3. 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 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 expenses in the fund that is reimbursed. At year end, outstanding balances between funds are reported as "due to/from other funds". Interfund balances are generally expected to be repaid within one year of the financial statement date. Any residual balances outstanding between the governmental funds are eliminated in the government-wide statement of net position.

4. Inventories and Prepaid Items

Inventories of governmental funds, which consist of expendable materials held for consumption, are stated at cost using weighted average cost method. Quantities on hand are determined by physical count.

Expendable supplies are charged directly to expenditures or expenses when purchased.

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in the government-wide financial statements if significant, and are charged directly to expenditures or expenses when paid in the fund financial statements.

5. Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges and similar items), are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$1,000 and a useful life of more than one year.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

5. Capital Assets (Continued)

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of the 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. All reported capital assets are depreciated, except for land and land improvements. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20 - 50 years
Improvements	20 years
Infrastructure - bridges	50 years
Infrastructure - roads	20 years
Equipment	3 - 5 years
Heavy equipment	10 - 20 years

GASB Statement 34 allows small governments to begin reporting infrastructure assets in the year of implementation. The County has not elected to retroactively report infrastructure assets as permitted by GASB Statement 34.

6. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial 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 so will not be recognized as an outflow of resources (expenses/expenditure) until then. The County does not have an item that qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The County has one item, property taxes. This item is deferred and recognized as an inflow of resources in the period that the amounts become available.

7. Compensated Absences

County employees are entitled to certain compensated absences based on their length of employment. Full time employees earn five days vacation during their first year of employment, twelve days vacation beginning with their second year of employment, and seventeen days vacation beginning with their sixth year of employment. Accumulated vacation can be carried forward for two years.

Sick leave is earned at the rate of one day per month (or 8 hours) for each month of employment. A maximum of sixty working days (or 480 hours) may be accumulated for actual illness.

A maximum of twenty days sick leave (or 160 hours) and days of vacation, depending on the length of employment, are paid to terminated employees.

Ultimate payment of these benefits, or liability of the County to the employee, if any, is payable only in conjunction with the employee's termination. Any such payments of vested benefits are made in a lump sum at termination.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 1 - Summary of Significant Accounting Policies (Continued)

7. Compensated Absences (Continued)

The unpaid sick leave, vacation pay and related benefits at the end of the period will generally not be paid with expendable and available resources and, as such, the liability is generally not reflected in the governmental fund financial statements. The entire liability for compensated absences is reported on the government-wide financial statements.

8. Long-term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position.

9. 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.

Note 2 - Stewardship, Compliance, and Accountability

A. Budgetary Information

An annual budget and appropriation ordinance is adopted by the Board of County Commissioners in accordance with Colorado State Budget Act. The budget is prepared on a basis consistent with generally accepted accounting principles.

Budgets are established for all governmental funds and internal service funds. Formal budgetary accounting is employed as a management control device during the year to monitor the individual departments. The fund level is the level of classification at which expenditures may not legally exceed appropriations. During the year, several supplemental appropriations were necessary. All annual appropriations lapse at year end. The County does not recognize encumbrances.

B. Expenditures in Excess of Budget Amounts

During 2019 four funds had expenditures which exceeded budgeted amounts, which may be a violation of Colorado Local Government Budget Law.

	<u>Actual</u>		<u>Budget</u>		<u>Excess</u>
General Fund	\$ 4,005,010	\$	3,926,793	\$	(78,217)
Human Services Fund	\$ 640,560	\$	593,461	\$	(47,099)
Capital Improvement Fund	\$ 333,813	\$	285,894	\$	(47,919)
Tourism Fund	\$ 57,611	\$	55,100	\$	(2,511)

C. 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. The County believes it is in compliance with the Amendment. However, the County has made certain interpretations of the Amendment's language in order to determine its compliance.

D. Deficit Fund Equity

As of December 31, 2019, the County had one fund with a deficit fund balance. Human Services Fund had a deficit fund balance of \$2,540.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 2 - Stewardship Compliance, and Accountability (Continued)

E. Grant Funding

The County receives funding from Federal, State and foundation grants which may be subject to regulatory or other oversight by granting agencies. Such oversight may include audit or other compliance procedures. Any adjustments made by a granting agency would become a liability to the County. There are no such proceedings presently in progress.

Note 3 - Cash Deposits and Investments

Deposits

The Colorado Public Deposit Protection Act, (PDPA) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized.

The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be equal to 102% of the aggregate uninsured deposits. As of December 31, 2019, the County had deposits over \$250,000 in the amount of \$238,502. These deposits are required to be collateralized under State statutes.

Custodial Credit Risk. There is a risk that, in the event of a bank failure, the County's deposits may not be returned. The County's policy for custodial credit risk parallels Colorado statutes.

A summary of cash and deposits held at year-end follows:

<u>Cash and Deposits</u>	<u>Carrying Amounts</u>	<u>Less Than One Year</u>	<u>Less Than Five Years</u>
Deposits:			
Cash on hand	\$ 5,380	\$ 5,380	\$ -
Checking	258,108	258,108	-
Savings	193,600	193,600	-
Investments:			
Certificate of deposit	11,633	-	11,633
State investment pool (Colo Trust)	5,457,989	5,457,989	-
Total	<u>\$ 5,926,710</u>	<u>\$ 5,915,077</u>	<u>\$ 11,633</u>
Governmental Activities	\$ 5,357,111		
Component Unit	198,534		
Fiduciary Fund	371,065		
	<u>\$ 5,926,710</u>		

Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. The law outlines the types of securities that public entities in Colorado may acquire and hold as investments. These include U.S. government agency securities, certain bonds of political subdivisions, bankers' acceptances, commercial paper, local government investment pools, repurchase agreements, money market funds, negotiable certificates of deposit fully covered by FDIC Insurance and guaranteed insurance contracts. The statute also includes a provision limiting any investment to a five year maturity unless the governing body authorizes a longer period.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 3 - Cash Deposits and Investments (Continued)

Investments (Continued)

The County has invested \$5,457,989 in the Colorado Government Liquid Asset Trust (ColoTrust), an investment vehicle established for local government entities in Colorado to pool surplus funds. ColoTrust operates similarly to a money market fund and each share is equal in value to \$1. Investments of ColoTrust consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury securities. A designated custodial bank provides safekeeping and depository services to ColoTrust in connection with the direct investment and withdrawal functions of ColoTrust. Substantially all securities owned by ColoTrust are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by ColoTrust.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The County has the following recurring fair value measurements as of December 31, 2019:

- Certificates of deposit are valued using a matrix pricing model (Level 2 inputs).
- The County's investment in ColoTrust are reported at fair value. However, this investment is not subject to the fair value hierarchy.

Interest Rate Risk - The County's policy of limiting investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates parallels Colorado statutes. Specifically all securities are limited to a maximum maturity of five years from date of purchase unless the governing body authorizes a longer period.

Credit Risk - The County does not have a policy which would further limit its investment choices beyond the requirements of Colorado statutes. As of December 31, 2019 the County's investment in Colo Trust rates AAAM by Standard and Poor's and Aaa by Moody's.

Note 4 - Property Tax Accrual

Property taxes which have been levied for 2019 which will not be collected until 2020 have been accrued as a receivable at December 31, 2019. An offsetting liability for deferred inflows of resources - unearned property tax revenue has been recorded on the statement of net position.

Note 5 - Interfund Transactions

Due to/from Other funds:

The County reports interfund balances between some of its funds. Balances result from the time lag between the dates when interfund goods or services are provided, transactions are recorded in the accounting system and the payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Transfers Between Funds:

Transfers between funds are generally indicative of funding for capital projects or subsidies of various County operations and re-allocation of special revenues.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 5 - Interfund Transactions (Continued)

The following schedule briefly summarizes the County's transfer activity:

Transfers from	Transfers to		
	Major Funds	Other Funds	Total
Major funds	\$ 82,601	\$ 30,000	\$ 112,601

Note 6 - Capital Assets

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

	Balances January 1	Additions	Deletions	Balances December 31
Governmental Activities				
Non Depreciable Assets				
Land	\$ 899,836	\$ 34,281	\$ 4,430	\$ 929,687
Assets in progress	154,738	49,180	119,750	84,168
Total Non Depreciable Assets	<u>1,054,574</u>	<u>83,461</u>	<u>124,180</u>	<u>1,013,855</u>
Depreciable Assets				
Buildings and improvements	4,593,133	159,489	-	4,752,622
Vehicles and heavy equipment	7,714,889	207,311	120,083	7,802,117
Office equipment	1,081,681	3,173	-	1,084,854
Infrastructure	356,198	0	-	356,198
Total Depreciable Assets	<u>13,745,901</u>	<u>369,973</u>	<u>120,083</u>	<u>13,995,791</u>
Less Accumulated Depreciation				
Buildings and improvements	2,109,436	131,056	-	2,240,492
Vehicles and heavy equipment	5,832,485	329,597	77,900	6,084,182
Office equipment	989,953	22,551	-	1,012,504
Infrastructure	166,642	14,452	-	181,094
Total Accumulated Depreciation	<u>9,098,516</u>	<u>497,656</u>	<u>77,900</u>	<u>9,518,272</u>
Total Capital Assets, Net	<u>\$ 5,701,959</u>	<u>\$ (44,222)</u>	<u>\$ 166,363</u>	<u>\$ 5,491,374</u>
Component Unit E 911				
Non Depreciable Assets				
Assets in progress	\$ -	\$ -	\$ -	\$ -
Depreciable Assets				
Equipment	645,495	-	-	645,495
Less Accumulated Depreciation				
Equipment	345,315	64,317	-	409,632
Total Capital Assets, Net	<u>\$ 300,180</u>	<u>\$ (64,317)</u>	<u>\$ -</u>	<u>\$ 235,863</u>

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

General government	\$ 55,323
Public safety	143,213
Streets and highways	228,281
Health and welfare	4,625
Auxiliary	66,214
Total - Governmental Activities	<u>497,656</u>
Component Unit - E 911	64,317
Total Depreciation Expense	<u>\$ 561,973</u>

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 7 - Risk Management

County Worker's Compensation Pool - The County is exposed to various risks of loss related to injuries of employees while on the job. The County participates, with other counties in the State of Colorado, in a County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties.

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

Colorado Counties Casualty and Property Pool - The County is exposed to various risks of loss to property and casualty losses. The County participates, with other counties in the State of Colorado, in a 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 county pays an annual contribution to Colorado Counties, Inc. 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 the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Note 8 - Defined Contribution Plan

The County provides pension benefits for all of its officials and employees through a defined contribution plan administered by the Colorado County Officials and Employees Retirement Association. Benefit terms, including contribution requirements, for the Plan are established and may be amended by the Board of Commissioners.

In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings and forfeitures, if any. Officials are eligible to participate immediately upon taking office. Employees are eligible to participate upon the completion of six months of service and attaining age twenty-one (21). As required by the terms of the plan, the County must contribute 4% of compensation to the plan and officials and employees must match employer contributions. In addition, officials and employees may make additional voluntary contributions not to exceed 10% of compensation. Officials are immediately vested 100% in employer contributions and earnings. Employees are vested at 20% per year, becoming fully vested after five years, in employer contributions and earnings. Employer contributions forfeited by an employee before becoming fully vested are returned to the County.

The County's total payroll for the year ended December 31, 2019 was \$3,434,852. The County's contributions were calculated using the base earnings of eligible, participating employees of \$2,894,450. The County's required 4% contribution for 2019 was \$115,778, officials and employees required 4% contribution was \$115,778, for a total of \$231,556.

The plan held no securities of the County or other related parties during the year or as of the end of the year.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 9 - Deferred Compensation Plan

The County offers its officials and employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457.

The plan, available to all County officials and employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to officials and employees until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the plan are deposited with the Colorado County Officials and Employees Retirement Association. During 2019 there were fifteen participants in the plan. Deferred compensation for the year ended December 31, 2019 was \$41,342.

Note 10 - Long-Term Debt

The following is a summary of the County's long-term debt transactions for the year ended December 31, 2019:

	<u>Debt Outstanding January 1</u>	<u>Additions of New Debt</u>	<u>Retirements and Repayments</u>	<u>Debt Outstanding December 31</u>	<u>Due Within One Year</u>
Capital lease obligations	\$ 995,829	\$ 116,473	\$ 320,199	\$ 792,103	\$ 182,044
Compensated absences	233,614	13,840	9,197	238,257	-
Other obligations	535,042	29,409	-	564,451	-
Totals	<u>\$ 1,764,485</u>	<u>\$ 159,722</u>	<u>\$ 329,396</u>	<u>\$ 1,594,811</u>	<u>\$ 182,044</u>

Debt outstanding as of December 31, 2019, consisted of the following:

GM Financial

2019 GMC 2500 Truck, \$7,765.62 per year or five years, dated May 6, 2019, with an effective interest rate of 5.66%. \$ 27,117

First State Bank of Colorado

Two 2016 Dodge Ram 1500 Trucks, \$15,356.64 per year for four years, dated March 23, 2016 with an effective interest rate of 3.95%. 14,764

Two 2017 Dodge Durangos, \$14,871.79 per year for six years, dated April 12, 2017, with an effective interest rate of 3.95%. 41,262

Three 2019 Mack Trucks, \$99,137.15 per year for three years dated May 24, 2018, with an effective interest rate of 3.79% 187,386

2018 Dodge Durango, \$7,646.06 per year for seven years dated December 31, 2018, with an effective interest rate of 4.3%. 39,612

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 10 - Long-Term Debt (Continued)

Chet Haga Trust

Vacant land, 6.68 acres, \$50,000 per year plus interest at 2% for ten years with a final payment of \$31,962 plus interest. \$ 481,962

Compensated Absences

Accumulated vacation and sick leave benefits for eligible employees. 238,257

Other Obligations

Estimated closure and postclosure costs of solid waste landfill 564,451

Total General Long Term Debt \$ 1,594,811

The assets acquired through capital leases total \$1,145,492 less accumulated depreciation of \$133,878. These assets are used in governmental activities.

Future minimum lease payments for all leases are as follows:

Year Ending December 31

2020	\$ 204,416
2021	188,060
2022	87,923
2023	72,051
2024	63,286
2025 - 2029	<u>252,803</u>
Minimum lease payments for all capital leases	868,539
Less: imputed interest	<u>76,436</u>
Present Value of Minimum Lease Payments	<u><u>\$ 792,103</u></u>

The annual requirements to retire all general long-term debt as of December 31, 2019 are as follows:

<u>Year Ending December 31</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 182,044	\$ 22,372	\$ 204,416
2021	171,973	16,087	188,060
2022	77,701	10,222	87,923
2023	64,077	7,974	72,051
2024	57,021	6,265	63,286
2025 - 2029	<u>239,287</u>	<u>13,516</u>	<u>252,803</u>
	792,103	76,436	868,539
Compensated absences	238,257	-	238,257
Closure and postclosure costs	<u>564,451</u>	-	<u>564,451</u>
Total	<u><u>\$ 1,594,811</u></u>	<u><u>\$ 76,436</u></u>	<u><u>\$ 1,671,247</u></u>

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 11 - Operating Leases

The County is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the County's account groups.

The following is a schedule, by years, of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of December 31, 2019:

<u>Year Ending December 31</u>	<u>Amounts</u>
2020	\$ 85,393
2021	7,355
2022	7,084
2023	3,793
2024	1,109
Total Minimum Payments Required	<u><u>\$ 104,734</u></u>

The following schedule shows the composition of current and future rental expenditures for all operating leases except those with terms of one year or less that were not renewed:

	<u>2019</u>	<u>Future Years</u>
Minimum rentals	\$ 88,305	\$ 104,734
Contingent rentals	-	-
Less: Sublease rentals	-	-
Total Rental Expenditures	<u><u>\$ 88,305</u></u>	<u><u>\$ 104,734</u></u>

Note 12 - Closure and Postclosure Care Cost

The County began operating a solid waste landfill in April of 1994. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs in its financial statements in each year based on landfill capacity used as of each balance sheet date. These costs are measured on the accrual basis and reported in the general long-term debt account group until they become current liabilities expected to be liquidated with expendable available resources of the County.

The most recent engineering report available was completed in April 2020. Estimates of closure costs were \$203,208 and thirty year postclosure maintenance costs of \$438,213 for a total of \$641,421. The \$564,451 reported as landfill closure and postclosure liability at December 31, 2019 in the government-wide financial statements represents the cumulative amount reported to date based on the use of approximately 88% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$76,971 as the remaining estimated capacity is filled. The estimated remaining landfill life is approximately 3.75 years based on current use estimates. The estimated dollar amounts are based on what it would cost to perform all closure and postclosure care in 2019. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 12 - Closure and Postclosure Care Cost (Continued)

At December 31, 2019, there are no assets restricted for payment of closure and postclosure care costs. The County paid \$0 of costs in 2019. Current regulations permit local governments to meet financial assurance requirements by satisfying certain financial tests as defined in the Regulations. The County believes it is in compliance with and satisfies these tests as of December 31, 2019.

Note 13 - Fund Balances

Government-wide Net Position:

Government-wide net position is divided into three components:

- Invested in capital assets, net of related debt - consists of the historical cost of capital assets less accumulated depreciation and less any debt that remains outstanding that was used to finance those assets.
- Restricted net position - consists of net position that is restricted by the County's creditors (for example, through debt covenants), by state enabling legislation (through restricts on shared revenues), by grantors (both federal and state), and by other contributors.
- Unrestricted - all other net position is reported in this category.

The County presents fund balances in clearly defined categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. In the fund financial statements the following classifications describe the relative strength of the spending constraints.

- *Non-spendable fund balance* - The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory) or is legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions or enabling legislation.
- *Committed fund balance* - The portion of fund balance constrained for a specific purpose according to limitations imposed by the County's highest level of decision making authority, Board of Commissioners, prior to the end of the current year. The constraint may be removed or changed only through formal action of the Board of Commissioners.
- *Assigned fund balance* - The portion of fund balance set aside for planned or intended purposes. The intended use may be expressed by the Board of Commissioners or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of the particular fund.
- *Unassigned fund balance* - The residual portion of fund balance that does not meet any of the above criteria. The County will only report a positive unassigned fund balance in the General Fund.

If both restricted and unrestricted amounts of fund balance are available for use when an expenditure is incurred, it is County policy to use restricted amounts first. Unrestricted fund balance will be used in the following order; committed, assigned and unassigned.

The specific purposes for each fund balance classification on the balance sheet are detailed in the table below:

NOTES TO FINANCIAL STATEMENTS (Continued)

CUSTER COUNTY, COLORADO

December 31, 2019

Note 13 - Fund Balances (Continued)

<u>Funds</u>	<u>Fund Balances</u>					<u>Totals</u>
	<u>Nonspendable Inventory</u>	<u>Restricted Tabor</u>	<u>Restricted</u>	<u>Assigned</u>	<u>Unassigned</u>	
General	\$ -	\$ 106,700	\$ 65,489	\$ -	\$ 1,912,239	\$ 2,084,428
Road & Bridge	145,926	64,500	1,762,441	-	-	1,972,867
Human Services	-	10,900	-	-	(13,440)	(2,540)
Cap. Improve.	-	13,300	800,589	-	-	813,889
Other Governmental	6,530	12,500	144,309	123,982	-	287,321
	<u>\$ 152,456</u>	<u>\$ 207,900</u>	<u>\$ 2,772,828</u>	<u>\$ 123,982</u>	<u>\$ 1,898,799</u>	<u>\$ 5,155,965</u>

Note 14 - EBT Authorizations, Warrant Expenditures and Total Expenditures

<u>Program</u>	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>	<u>E</u>
	<u>County EBT Authorizations</u>	<u>County Share of Authorizations</u>	<u>Expenditures By County Warrant</u>	<u>County EBT Authorizations Plus Expenditures by County Warrant</u>	<u>Total Expenditures</u>
Old Age Pension	\$ 64,931	\$ -	\$ -	\$ 64,931	\$ -
Low-Income Energy Assistance Program	123,814	-	-	123,814	-
Colorado Works	86,737	17,635	-	86,737	17,635
Regular Administration	800	948	492,151	492,951	493,099
Child Welfare	238,648	59,662	-	238,648	59,662
IV-E and parental fees Aid to the Needy	-	-	14,448	14,448	14,448
Disabled	8,463	2,116	-	8,463	2,116
Child Care	3,422	8,006	-	3,422	8,006
Core Services	10,800	2,980	-	10,800	2,980
Home Care Allowance	8,313	437	-	8,313	437
Medicaid Transportation	-	-	18,457	18,457	18,457
General Assistance	-	-	23,720	23,720	23,720
Subtotal	<u>545,928</u>	<u>91,784</u>	<u>548,776</u>	<u>1,094,704</u>	<u>640,560</u>
Food Assistance	553,787	-	-	553,787	-
Grand Total	<u>\$ 1,099,715</u>	<u>\$ 91,784</u>	<u>\$ 548,776</u>	<u>\$ 1,648,491</u>	<u>\$ 640,560</u>

A. Welfare payments authorized by the Custer 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).

NOTES TO FINANCIAL STATEMENTS (Continued)
CUSTER COUNTY, COLORADO
December 31, 2019

Note 14 - EBT Authorizations, Warrant Expenditures and Total Expenditures (Continued)

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

Note 15 - Net Change in Agency Funds

Funds Held - December 31, 2018	\$ 196,315
Receipts	7,686,942
Disbursements	<u>7,512,192</u>
Funds Held - December 31, 2019	<u><u>\$ 371,065</u></u>

The assets and liabilities as of December 31, 2019 are reported in the Statement of Fiduciary Net Position.

Note 16 - Subsequent Event

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. While the disruption is currently expected to be temporary, there is considerable uncertainty around the duration. As a result, economic uncertainties have arisen which are likely to negatively impact operations or carrying value of assets. Other financial implications may result, and such potential impact is unknown at this time.

REQUIRED SUPPLEMENTARY INFORMATION

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

GENERAL FUND

CUSTER COUNTY, COLORADO

For the year ended December 31, 2019

	<u>Budgeted Amount</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget
				Favorable
				(Unfavorable)
Revenues				
Taxes	\$ 1,923,632	\$ 1,923,632	\$ 2,258,096	\$ 334,464
Penalties	4,000	4,000	3,522	(478)
Federal Sources	543,512	543,512	566,521	23,009
State Sources	161,139	161,139	203,113	41,974
Local Sources	80,181	80,181	129,147	48,966
Licenses and permits	173,150	173,150	216,701	43,551
Charges for services	809,600	809,600	776,864	(32,736)
Reimbursed expenses	20,000	20,000	55,961	35,961
Miscellaneous	63,778	63,778	242,145	178,367
Total Revenues	<u>3,778,992</u>	<u>3,778,992</u>	<u>4,452,070</u>	<u>673,078</u>
Expenditures				
General Government	2,036,695	2,036,695	1,998,591	38,104
Public Safety	1,273,914	1,273,914	1,237,104	36,810
Health and welfare	258,298	258,298	293,238	(34,940)
Auxiliary services	313,886	313,886	301,190	12,696
Capital outlay	14,000	14,000	62,286	(48,286)
Total Expenditures	<u>3,896,793</u>	<u>3,896,793</u>	<u>3,892,409</u>	<u>4,384</u>
Excess of Revenues Over (Under) Expenditures	(117,801)	(117,801)	559,661	677,462
Other Financing Sources (Uses)				
Transfers to other funds	(30,000)	(30,000)	(112,601)	(82,601)
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	(147,801)	(147,801)	447,060	594,861
Fund Balances - January 1	<u>1,287,726</u>	<u>1,287,726</u>	<u>1,637,368</u>	<u>349,642</u>
Fund Balances - December 31	<u>\$ 1,139,925</u>	<u>\$ 1,139,925</u>	<u>\$ 2,084,428</u>	<u>\$ 944,503</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

**BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019**

	<u>Budgeted Amount</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Favorable (Unfavorable)
Revenues				
Taxes	\$ 1,887,538	\$ 1,887,538	\$ 2,140,071	\$ 252,533
Penalties	1,800	1,800	1,602	(198)
Federal sources	-	-	18,650	18,650
State sources	50,000	50,000	-	(50,000)
Charges for services	43,500	43,500	126,427	82,927
Miscellaneous	1,500	1,500	13,695	12,195
Reimbursed expenses	3,000	3,000	4,178	1,178
Total Revenues	<u>1,987,338</u>	<u>1,987,338</u>	<u>2,304,623</u>	<u>317,285</u>
Expenditures				
General Government	135,442	135,442	141,056	(5,614)
Public Safety	5,000	5,000	5,141	(141)
Streets and Highways	1,637,496	1,762,496	1,662,929	99,567
Capital outlay	-	-	58,240	(58,240)
Debt service - principal	193,548	193,548	193,548	-
Debt service - interest	14,555	14,555	14,555	-
Total Expenditures	<u>1,986,041</u>	<u>2,111,041</u>	<u>2,075,469</u>	<u>35,572</u>
Excess of Revenues Over (Under) Expenditures	1,297	(123,703)	229,154	352,857
Fund Balances - January 1	<u>1,494,496</u>	<u>1,494,496</u>	<u>1,743,713</u>	<u>249,217</u>
Fund Balances - December 31	<u>\$ 1,495,793</u>	<u>\$ 1,370,793</u>	<u>\$ 1,972,867</u>	<u>\$ 602,074</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

HUMAN SERVICES FUND

CUSTER COUNTY, COLORADO

For the year ended December 31, 2019

	<u>Budgeted Amount</u>			<u>Variance With Final Budget Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Taxes	\$ 87,730	\$ 87,730	\$ 87,718	\$ (12)
Penalties	300	300	229	(71)
Federal Sources	226,824	226,824	207,618	(19,206)
State Sources	274,176	274,176	250,527	(23,649)
Local Sources	-	-	7,583	7,583
Miscellaneous	5,000	5,000	15,713	10,713
Total Revenues	<u>594,030</u>	<u>594,030</u>	<u>569,388</u>	<u>(24,642)</u>
Expenditures				
Health and welfare	589,461	589,461	640,560	(51,099)
Capital outlay	4,000	4,000	-	4,000
Total Expenditures	<u>593,461</u>	<u>593,461</u>	<u>640,560</u>	<u>(47,099)</u>
Excess of Revenues Over (Under) Expenditures	569	569	(71,172)	(71,741)
Fund Balance - January 1	<u>129,186</u>	<u>129,186</u>	<u>68,632</u>	<u>(60,554)</u>
Fund Balance - December 31	<u>\$ 129,755</u>	<u>\$ 129,755</u>	<u>\$ (2,540)</u>	<u>\$ (132,295)</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

	Budgeted Amount		Actual	Variance With Final budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Taxes	\$ 210,000	\$ 210,000	\$ 303,327	\$ 93,327
State sources	65,000	65,000	56,019	(8,981)
Miscellaneous	120,000	154,964	32,150	(122,814)
Total Revenues	395,000	429,964	391,496	(38,468)
Expenditures				
General government	12,104	12,104	12,104	-
Public Safety	-	-	-	-
Capital outlay	132,500	132,500	180,419	(47,919)
Debt service - principal	91,687	126,651	126,651	-
Debt service - interest	14,639	14,639	14,639	-
Total Expenditures	250,930	285,894	333,813	(47,919)
Excess of Revenues Over (Under) Expenditures	144,070	144,070	57,683	(86,387)
Other Financing Sources (Uses)				
Operating transfers in (out)	-	-	82,601	82,601
Proceeds from capital lease	-	-	116,473	116,473
Total Other Financing Sources (Uses)	-	-	199,074	199,074
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	144,070	144,070	256,757	112,687
Fund Balance - January 1	482,522	482,522	557,132	74,610
Fund Balance - December 31	\$ 626,592	\$ 626,592	\$ 813,889	\$ 187,297

The accompanying notes to financial statements are an integral part of this statement.

OTHER SUPPLEMENTARY INFORMATION

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
CUSTER COUNTY, COLORADO
December 31, 2019

	<u>Contingent Fund</u>	<u>Conservation Trust Fund</u>	<u>Emergency Services Fund</u>	<u>Airport Fund</u>	<u>Custer County Lodging and Tourism</u>	<u>Totals</u>
Assets						
Cash held by County Treasurer	\$ 118,334	\$ 45,318	\$ 44,869	\$ 7,720	\$ 69,987	\$ 286,228
Accounts receivable	-	-	34,495	-	-	34,495
Taxes receivable	-	-	219,667	-	878	220,545
Inventories	-	-	-	6,530	-	6,530
Total Assets	<u>118,334</u>	<u>45,318</u>	<u>299,031</u>	<u>14,250</u>	<u>70,865</u>	<u>547,798</u>
Liabilities						
Liabilities						
Accounts payable	-	-	1,195	920	2,865	4,980
Warrants payable	-	-	36,020	352	125	36,497
Total Liabilities	<u>-</u>	<u>-</u>	<u>37,215</u>	<u>1,272</u>	<u>2,990</u>	<u>41,477</u>
Deferred Inflow - property taxes	-	-	219,000	-	-	219,000
Fund Balances						
Nonspendable	-	-	-	6,530	-	6,530
Restricted	-	45,318	42,816	800	67,875	156,809
Assigned	118,334	-	-	5,648	-	123,982
Unassigned	-	-	-	-	-	-
Total Fund Balances	<u>\$ 118,334</u>	<u>\$ 45,318</u>	<u>\$ 42,816</u>	<u>\$ 12,978</u>	<u>\$ 67,875</u>	<u>\$ 287,321</u>

The accompanying notes to financial statements are an integral part of this statement.

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
 CUSTER COUNTY, COLORADO
 December 31, 2019

	<u>Contingent Fund</u>	<u>Conservation Trust Fund</u>	<u>Emergency Services Fund</u>	<u>Airport Fund</u>	<u>Custer County Lodging and Tourism</u>	<u>Totals</u>
Revenues						
Taxes	\$ (80)	\$ -	\$ 233,886	\$ -	\$ 55,736	\$ 289,542
Penalties and interest	-	-	641	-	-	641
Federal sources	-	-	62,934	-	-	62,934
State sources	-	41,253	55,027	-	-	96,280
Charges for services	-	-	-	27,140	-	27,140
Other income	-	1,223	11,377	3,756	-	16,356
Total Revenues	<u>(80)</u>	<u>42,476</u>	<u>363,865</u>	<u>30,896</u>	<u>55,736</u>	<u>492,893</u>
Expenditures						
Public safety	-	-	231,064	-	-	231,064
Auxiliary	-	32,000	140,012	37,058	57,611	266,681
Capital outlay	-	-	29,139	3,600	-	32,739
Total Expenditures	<u>-</u>	<u>32,000</u>	<u>400,215</u>	<u>40,658</u>	<u>57,611</u>	<u>530,484</u>
Excess of Revenues Over (Under) Expenditures	<u>(80)</u>	<u>10,476</u>	<u>(36,350)</u>	<u>(9,762)</u>	<u>(1,875)</u>	<u>(37,591)</u>
Other Financing Sources (Uses)						
Operating transfers in (out)	-	-	30,000	-	-	30,000
Proceeds from capital lease	-	-	-	-	-	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>30,000</u>	<u>-</u>	<u>-</u>	<u>30,000</u>
Net Change in Fund Balance	<u>(80)</u>	<u>10,476</u>	<u>(6,350)</u>	<u>(9,762)</u>	<u>(1,875)</u>	<u>(7,591)</u>
Fund Balance - January 1	<u>118,414</u>	<u>34,842</u>	<u>49,166</u>	<u>22,740</u>	<u>69,750</u>	<u>294,912</u>
Fund Balance - December 31	<u>\$ 118,334</u>	<u>\$ 45,318</u>	<u>\$ 42,816</u>	<u>\$ 12,978</u>	<u>\$ 67,875</u>	<u>\$ 287,321</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

CONTINGENT FUND

CUSTER COUNTY, COLORADO

For the year ended December 31, 2019

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
Revenues				
Taxes	\$ -	\$ -	\$ (80)	\$ (80)
Penalties	-	-	-	-
Total Revenues	<u>-</u>	<u>-</u>	<u>(80)</u>	<u>(80)</u>
Expenditures				
General government	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	-	(80)	(80)
Other Financing Sources (Uses)				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	(80)	(80)
Fund Balance - January 1	<u>113,045</u>	<u>113,045</u>	<u>118,414</u>	<u>5,369</u>
Fund Balance - December 31	<u>\$ 113,045</u>	<u>\$ 113,045</u>	<u>\$ 118,334</u>	<u>\$ 5,289</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CONSERVATION TRUST FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

	<u>Budgeted Amount</u>			Variance With Final budget Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
State sources	\$ 30,000	\$ 30,000	\$ 41,253	\$ 11,253
Miscellaneous	-	-	1,223	1,223
Total Revenues	<u>30,000</u>	<u>30,000</u>	<u>42,476</u>	<u>12,476</u>
Expenditures				
Auxiliary services	<u>30,000</u>	<u>32,000</u>	<u>32,000</u>	<u>-</u>
Excess of Revenues Over (Under) Expenditures	-	(2,000)	10,476	12,476
Other Financing Sources (Uses)				
Operating transfers in (out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	(2,000)	10,476	12,476
Fund Balance - January 1	<u>31,961</u>	<u>31,961</u>	<u>34,842</u>	<u>2,881</u>
Fund Balance - December 31	<u>\$ 31,961</u>	<u>\$ 29,961</u>	<u>\$ 45,318</u>	<u>\$ 15,357</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
EMERGENCY SERVICES FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

	Budgeted Amount			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final budget
				Favorable
				(Unfavorable)
Revenues				
Taxes	\$ 228,415	\$ 228,415	\$ 233,886	\$ 5,471
Penalties and interest	700	700	641	(59)
Federal sources	98,000	98,000	62,934	(35,066)
State sources	60,000	60,000	55,027	(4,973)
Reimbursed expenses	100	100	11,377	11,277
Total Revenues	387,215	387,215	363,865	(23,350)
Expenditures				
Public Safety	252,395	252,395	231,064	21,331
Auxiliary services	178,092	178,092	140,012	38,080
Capital outlay	-	-	29,139	(29,139)
Total Expenditures	430,487	430,487	400,215	30,272
Excess of Revenues Over				
(Under) Expenditures	(43,272)	(43,272)	(36,350)	6,922
Other Financing Sources (Uses)				
Operating transfers in (out)	30,000	30,000	30,000	-
Excess of Revenues and Other Sources				
Over (Under) Expenditures and Other Uses	(13,272)	(13,272)	(6,350)	6,922
Fund Balance - January 1	15,114	15,114	49,166	34,052
Fund Balance - December 31	\$ 1,842	\$ 1,842	\$ 42,816	\$ 40,974

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL

CUSTER COUNTY AIRPORT

CUSTER COUNTY, COLORADO

For the year ended December 31, 2019

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Variance With</u>
	<u>Original</u>	<u>Final</u>		<u>Final budget</u>
				<u>Favorable</u>
				<u>(Unfavorable)</u>
Revenues				
Charges for services	\$ 62,500	\$ 62,500	\$ 27,140	\$ (35,360)
Reimbursed expenses	-	-	156	156
Miscellaneous	-	66,350	3,600	(62,750)
Total Revenues	<u>62,500</u>	<u>128,850</u>	<u>30,896</u>	<u>(97,954)</u>
Expenditures				
Auxiliary services	52,150	52,150	37,058	15,092
Capital outlay	-	66,350	3,600	62,750
Total Expenditures	<u>52,150</u>	<u>118,500</u>	<u>40,658</u>	<u>77,842</u>
Excess of Revenues Over				
(Under) Expenditures	10,350	10,350	(9,762)	(20,112)
Other Financing Sources (Uses)				
Operating transfers in (out)	-	-	-	-
Excess of Revenues and Other Sources				
Over (Under) Expenditures and Other Uses	10,350	10,350	(9,762)	(20,112)
Fund Balance - January 1	<u>26,968</u>	<u>26,968</u>	<u>22,740</u>	<u>(4,228)</u>
Fund Balance - December 31	<u>\$ 37,318</u>	<u>\$ 37,318</u>	<u>\$ 12,978</u>	<u>\$ (24,340)</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
CUSTER COUNTY LODGING AND TOURISM FUND
 CUSTER COUNTY, COLORADO
 For the year ended December 31, 2019

	Budgeted Amount			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final budget
				Favorable
				<u>(Unfavorable)</u>
Revenues				
Taxes	\$ 34,650	\$ 34,650	\$ 55,736	\$ 21,086
Local sources	<u>2,500</u>	<u>2,500</u>	<u>-</u>	<u>(2,500)</u>
Total Revenues	<u>37,150</u>	<u>37,150</u>	<u>55,736</u>	<u>18,586</u>
Expenditures				
Auxiliary services	55,100	55,100	57,611	(2,511)
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>55,100</u>	<u>55,100</u>	<u>57,611</u>	<u>(2,511)</u>
Excess of Revenues Over (Under) Expenditures	(17,950)	(17,950)	(1,875)	16,075
Fund Balance - January 1	<u>65,670</u>	<u>65,670</u>	<u>69,750</u>	<u>4,080</u>
Fund Balance - December 31	<u>\$ 47,720</u>	<u>\$ 47,720</u>	<u>\$ 67,875</u>	<u>\$ 20,155</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
INSURANCE FUND
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

	<u>Budgeted Amount</u>			Variance With
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final budget Favorable <u>(Unfavorable)</u>
Operating Revenues				
Charges for services	\$ -	\$ -	\$ -	\$ -
Reimbursed Expenses	2,000	2,000	3,373	1,373
Total Operating Revenues	<u>2,000</u>	<u>2,000</u>	<u>3,373</u>	<u>1,373</u>
Operating Expenditures				
General government	105,500	115,500	107,459	8,041
Streets and Highways	68,000	78,000	74,776	3,224
Total Expenditures	<u>173,500</u>	<u>193,500</u>	<u>182,235</u>	<u>11,265</u>
Operating Income (Loss)	<u>(171,500)</u>	<u>(191,500)</u>	<u>(178,862)</u>	<u>12,638</u>
Nonoperating Revenues (Expenses)				
Property taxes	150,461	150,461	150,383	(78)
Specific ownership taxes	20,800	20,800	25,032	4,232
Penalties and interest	500	500	480	(20)
Total Nonoperating Revenues (Expenses)	<u>171,761</u>	<u>171,761</u>	<u>175,895</u>	<u>4,134</u>
Net Income (Loss) Before Other Financing Sources (Uses)	261	(19,739)	(2,967)	16,772
Other Financing Sources (Uses)				
Operating transfers in (out)	-	-	-	-
Change in Net Assets	261	(19,739)	(2,967)	16,772
Fund Balance - January 1	<u>151,884</u>	<u>151,884</u>	<u>158,846</u>	<u>6,962</u>
Fund Balance - December 31	<u>\$ 152,145</u>	<u>\$ 132,145</u>	<u>\$ 155,879</u>	<u>\$ 23,734</u>

The accompanying notes to financial statements are an integral part of this statement.

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
E-911 AUTHORITY BOARD
CUSTER COUNTY, COLORADO
For the year ended December 31, 2019

	Budgeted Amount		Actual	Variance With Final budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	\$ 104,000	\$ 104,000	\$ 115,894	\$ 11,894
Other	200	200	472	272
Total Operating Revenues	104,200	104,200	116,366	12,166
Expenditures				
Public Safety	52,000	52,000	24,377	27,623
Capital outlay	61,000	61,000	-	61,000
Total Expenditures	113,000	113,000	24,377	88,623
Excess of Revenues Over (Under) Expenditures	(8,800)	(8,800)	91,989	100,789
Fund Balance - January 1	-	-	121,733	121,733
Fund Balance - December 31	\$ (8,800)	\$ (8,800)	\$ 213,722	\$ 222,522

The accompanying notes to financial statements are an integral part of this statement.

ADDITIONAL REPORTS AND SCHEDULES

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Custer County YEAR ENDING : December 2019
This Information From The Records Of (example - City of _ or County of _) County of Custer	Prepared By: Dawna Hobby Phone: (719) 783-9067

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	58,240
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,231,973
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	5,141
2. General fund appropriations		b. Snow and ice removal	430,955
3. Other local imposts (from page 2)	586,316	c. Other	
4. Miscellaneous local receipts (from page 2)	143,090	d. Total (a. through c.)	436,096
5. Transfers from toll facilities		4. General administration & miscellaneous	141,057
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	1,867,366
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes Capital Lease	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	729,406	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,556,567	2. Notes: Capital Lease	
D. Receipts from Federal Government (from page 2)	18,650	a. Interest	14,555
E. Total receipts (A.7 + B + C + D)	2,304,623	b. Redemption	193,548
		c. Total (a. + b.)	208,103
		3. Total (1.c + 2.c)	208,103
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	2,075,469

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

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total) Capital Lease	380,934		193,548	187,386

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,743,713	2,304,623	2,075,469	1,972,867	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2019

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	502,877	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	12,385
4. Licenses		f. Charges for Services	126,427
5. Specific Ownership &/or Other	83,439	g. Other Misc. Receipts - County Gov't	4,178
6. Total (1. through 5.)	83,439	h. Other	100
c. Total (a. + b.)	586,316	i. Total (a. through h.)	143,090
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,528,865	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	18,650
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	26,492	d. Federal Transit Admin	
d. Other Mineral Lease	1,210	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	27,702	g. Total (a. through f.)	18,650
4. Total (1. + 2. + 3.f)	1,556,567	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation Equip. Purchases		58,240	58,240
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	58,240	58,240
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	58,240	58,240
			(Carry forward to page 1)

Notes and Comments: