

SAGUACHE COUNTY, COLORADO

FINANCIAL STATEMENTS

December 31, 2014



Wall,
Smith,
Bateman Inc.
Certified Public Accountants

SAGUACHE COUNTY, COLORADO
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INDEPENDENT AUDITORS' REPORT



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Saguache County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Saguache County, Colorado, as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Certified Public Accountants

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2014, 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.

Emphasis of Matter

As discussed in Note 15, property tax abatement revenue was not allocated to the General Fund correctly in prior years. Beginning net position and fund balance have been restated in the governmental activities and General Fund accordingly. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 30-32 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 the County's basic financial statements. The combining and individual fund financial schedules and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of

Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* , and is also not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards* , we have also issued our report dated July 30, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



Wall, Smith, Bateman Inc.
Alamosa, Colorado

July 30, 2015

SAGUACHE COUNTY, COLORADO

BASIC FINANCIAL STATEMENTS

SAGUACHE COUNTY, COLORADO

STATEMENT OF NET POSITION

December 31, 2014

	Primary Government		TOTAL
	Governmental Activities	Business-Type Activities	
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 260,356	\$ 137,610	\$ 397,966
Investments	3,697,243	-	3,697,243
Accounts Receivable	-	75	75
Property Taxes Receivable	1,518,211	-	1,518,211
Due from Treasurer's Agency Fund	106,811	-	106,811
Due from Other Governments	443,551	-	443,551
Inventory	497,854	-	497,854
Total Current Assets	<u>6,524,026</u>	<u>137,685</u>	<u>6,661,711</u>
Noncurrent Assets:			
Capital Assets:			
Land	293,693	52,000	345,693
Buildings, net	2,094,027	307,073	2,401,100
Vehicles & Heavy Equipment, net	2,759,980	-	2,759,980
Equipment, net	224,402	4,000	228,402
Infrastructure, net	965,801	-	965,801
Total Noncurrent Assets	<u>6,337,903</u>	<u>363,073</u>	<u>6,700,976</u>
TOTAL ASSETS	<u>12,861,929</u>	<u>500,758</u>	<u>13,362,687</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	57,096	3,493	60,589
Accrued Payroll	17,855	-	17,855
Security Deposits	-	4,912	4,912
Compensated Absences (current portion)	10,857	-	10,857
Leases Payable (current portion)	91,801	-	91,801
Notes Payable (current portion)	-	22,432	22,432
Total Current Liabilities	<u>177,609</u>	<u>30,837</u>	<u>208,446</u>
Noncurrent Liabilities:			
Leases Payable	263,237	-	263,237
Notes Payable	-	391,650	391,650
Closure and Post Closure Costs	363,201	-	363,201
Compensated Absences	156,813	-	156,813
Total Noncurrent Liabilities	<u>783,251</u>	<u>391,650</u>	<u>1,174,901</u>
TOTAL LIABILITIES	<u>960,860</u>	<u>422,487</u>	<u>1,383,347</u>
DEFERRED INFLOWS OF RESOURCES - CURRENT			
Deferred Revenue - Property Tax	1,518,211	-	1,518,211
NET POSITION			
Net Investment in Capital Assets	5,619,664	(51,009)	5,568,655
Restricted for TABOR	250,000	-	250,000
Unrestricted	4,513,194	129,280	4,642,474
TOTAL NET POSITION	<u>\$ 10,382,858</u>	<u>\$ 78,271</u>	<u>\$ 10,461,129</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	TOTAL
Primary Government:							
Governmental Activities:							
General Government	\$ 3,099,080	\$ 390,175	\$ 17,539	\$ 107,994	\$ (2,583,372)	\$ -	\$ (2,583,372)
Public Safety	1,170,560	120,959	104,563	-	(945,038)	-	(945,038)
Health and Welfare	4,880,586	260,545	4,420,608	-	(199,433)	-	(199,433)
Public Works	2,735,350	112,793	3,840,212	54,078	1,271,733	-	1,271,733
Culture and Recreation	143,046	-	34,046	-	(109,000)	-	(109,000)
Interest on Long-Term Debt	2,439	-	-	-	(2,439)	-	(2,439)
Total Governmental Activities	12,031,061	884,472	8,416,968	162,072	(2,567,549)	-	(2,567,549)
Business-Type Activities:							
Housing Authority	197,853	194,781	-	-	-	(3,072)	(3,072)
Total Business-Type Activities	197,853	194,781	-	-	-	(3,072)	(3,072)
Total Primary Government	\$ 12,228,914	\$ 1,079,253	\$ 8,416,968	\$ 162,072	(2,567,549)	(3,072)	(2,570,621)
General Revenues:							
Taxes:							
General Property Taxes - Net					1,570,857	-	1,570,857
Sales Taxes					286,429	-	286,429
Other Taxes					427,123	-	427,123
Payment in Lieu of Taxes					976,053	-	976,053
Interest on Investments					8,383	294	8,677
Miscellaneous					151,769	1,820	153,589
Total General Revenues					3,420,614	2,114	3,422,728
Change in Net Position					853,065	(958)	852,107
Net Position - Beginning					9,432,247	79,229	9,511,476
Prior Period Adjustment					97,546	-	97,546
Net Position - Ending					\$ 10,382,858	\$ 78,271	\$ 10,461,129

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

SAGUACHE COUNTY, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
December 31, 2014

	<u>GENERAL FUND</u>	<u>ROAD AND BRIDGE FUND</u>	<u>SOCIAL SERVICES FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
ASSETS					
Cash and Investments	\$ 1,874,979	\$ 1,499,682	\$ 350,639	\$ 232,299	\$ 3,957,599
Property Taxes Receivable	1,285,343	-	232,868	-	1,518,211
Due from Other Funds	106,811	95,950	-	5,000	207,761
Due from Other Governments	136,035	178,532	79,638	49,346	443,551
Inventory	-	497,854	-	-	497,854
TOTAL ASSETS	<u>\$ 3,403,168</u>	<u>\$ 2,272,018</u>	<u>\$ 663,145</u>	<u>\$ 286,645</u>	<u>\$ 6,624,976</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts Payable	\$ 61,262	\$ 9,001	\$ -	\$ 4,688	\$ 74,951
Due to Other Funds	95,950	-	-	5,000	100,950
TOTAL LIABILITIES	<u>157,212</u>	<u>9,001</u>	<u>-</u>	<u>9,688</u>	<u>175,901</u>
DEFERRED INFLOWS OF RESOURCES					
Unearned Revenue - Property Tax	<u>1,285,343</u>	<u>-</u>	<u>232,868</u>	<u>-</u>	<u>1,518,211</u>
FUND BALANCE					
Nonspendable					
Inventory	-	497,854	-	-	497,854
Restricted					
Tabor	250,000	-	-	-	250,000
Assigned					
Highway and Streets	-	1,765,163	-	-	1,765,163
Health and Welfare	-	-	430,277	62,009	492,286
Culture and Recreation	-	-	-	121,231	121,231
Emergency Services	-	-	-	29,927	29,927
Renewable Energy	-	-	-	42,914	42,914
Sales Tax Contingency	-	-	-	20,000	20,000
Telecommunications	-	-	-	876	876
Designated for Subsequent Years	67,837	-	-	-	67,837
Unassigned	<u>1,642,776</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,642,776</u>
TOTAL FUND BALANCE	<u>1,960,613</u>	<u>2,263,017</u>	<u>430,277</u>	<u>276,957</u>	<u>4,930,864</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 3,403,168</u>	<u>\$ 2,272,018</u>	<u>\$ 663,145</u>	<u>\$ 286,645</u>	<u>\$ 6,624,976</u>

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

SAGUACHE COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2014

Total governmental fund balances		\$ 4,930,864
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		6,337,903
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated Absences	\$ (167,670)	
Landfill Closure and Post-Closure Costs	(363,201)	
Capital Lease Payable	(355,038)	
		(885,909)
Net position of governmental activities		\$ 10,382,858

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

SAGUACHE COUNTY, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2014

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 1,714,077	\$ 6	\$ 277,322	\$ 293,004	\$ 2,284,409
Intergovernmental Revenue	2,247,557	2,826,404	4,224,107	230,547	9,528,615
Licenses and Permits	57,912	30,537	-	-	88,449
Interest on Deposits	8,355	-	28	-	8,383
Charges for Services	720,150	108,734	-	260,545	1,089,429
Miscellaneous	48,122	85,368	1,576	16,703	151,769
TOTAL REVENUES	4,796,173	3,051,049	4,503,033	800,799	13,151,054
EXPENDITURES					
Current Expenditures:					
General Government	3,129,830	-	-	500	3,130,330
Public Safety	1,033,212	-	-	92,537	1,125,749
Health and Welfare	5,005	-	4,401,017	523,802	4,929,824
Public Works	54,000	2,599,813	-	95,700	2,749,513
Culture and Recreation	-	-	-	127,056	127,056
Capital Outlay	32,174	417,354	-	-	449,528
Debt Service	-	61,149	-	-	61,149
TOTAL EXPENDITURES	4,254,221	3,078,316	4,401,017	839,595	12,573,149
Excess (deficiency) of revenues over expenditures	541,952	(27,267)	102,016	(38,796)	577,905
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	63,500	63,500
Transfers Out	(63,500)	-	-	-	(63,500)
Captial Lease Proceeds	-	170,300	-	-	170,300
TOTAL OTHER FINANCING SOURCES (USES)	(63,500)	170,300	-	63,500	170,300
Net Change in Fund Balance	478,452	143,033	102,016	24,704	748,205
Fund Balance at Beginning of Year as Previously Stated	1,384,615	2,119,984	328,261	252,253	4,085,113
Prior Period Adjustment	97,546	-	-	-	97,546
Fund Balance at Beginning of Year, Restated	1,482,161	2,119,984	328,261	252,253	4,182,659
Fund Balance at End of Year	\$ 1,960,613	\$ 2,263,017	\$ 430,277	\$ 276,957	\$ 4,930,864

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

SAGUACHE COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2014

Net change in fund balances - total governmental funds \$ 748,205

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

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

Fixed asset additions	\$	814,252	
Depreciation expense		(595,555)	
			218,697

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Repayment of principal include:

Capital Lease Payments		58,710	
Capital Lease Proceeds		(170,300)	
			(111,590)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Compensated Absences		3,074	
Landfill Closure and Post-Closure Costs		(5,321)	
			(2,247)

Change in net position of governmental funds \$ 853,065

SAGUACHE COUNTY, COLORADO
PROPRIETARY FUND TYPES
STATEMENT OF NET POSITION
December 31, 2014

	Business-type Activities
	HOUSING AUTHORITY
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 137,610
Accounts Receivable	75
Total Current Assets	137,685
Noncurrent Assets:	
Capital Assets:	
Land	52,000
Buildings and Improvements, net	307,073
Furniture and Equipment	4,000
Total Noncurrent Assets	363,073
TOTAL ASSETS	500,758
LIABILITIES	
Current Liabilities:	
Accounts Payable	3,493
Security Deposit	4,912
Notes Payable (current portion)	22,432
Total Current Liabilities	30,837
Noncurrent Liabilities:	
Notes Payable	391,650
Total Noncurrent Liabilities	391,650
TOTAL LIABILITIES	422,487
NET POSITION	
Net Investment in Capital Assets	(51,009)
Unrestricted	129,280
TOTAL NET POSITION	\$ 78,271

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

SAGUACHE COUNTY, COLORADO
PROPRIETARY FUND TYPES
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2014

	Business-type Activities
	HOUSING AUTHORITY
OPERATING REVENUES	
Rent from Tenants and HUD Operating Subsidy	\$ 194,781
Miscellaneous	1,820
	196,601
Total Charges for Services	196,601
Total operating revenues	196,601
OPERATING EXPENSES	
Administrative	77,261
Utilities	55,599
Operating and Maintenance	14,823
Insurance	4,233
Depreciation Expense	32,223
	184,139
Total operating expenses	184,139
Operating Income (Loss)	12,462
NONOPERATING REVENUES (EXPENSES)	
Interest on Investments	294
Interest Expense	(13,714)
	(13,420)
Total Nonoperating Revenues (Expenses)	(13,420)
Changes in Net Position	(958)
Net Position, Beginning of Year	79,229
Net Position, End of Year	\$ 78,271

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

SAGUACHE COUNTY, COLORADO
PROPRIETARY FUND TYPES
STATEMENT OF CASH FLOWS
For the Year Ended December 31, 2014

	Business-type Activities
	HOUSING AUTHORITY
Cash flows from operating activities:	
Cash received from tenants and others	\$ 101,565
Cash received from HUD operating subsidy	94,981
Cash paid to employees for services	(77,261)
Cash paid to suppliers and service providers	(72,421)
	46,864
Net cash provided (used) by operating activities:	46,864
Cash flows from noncapital financing activities:	-
Cash flows from capital and related financing activities:	
Purchase of capital assets	(5,000)
Payment of note principal and interest	(35,007)
	(40,007)
Net cash provided (used) by capital and related financing activities	(40,007)
Cash flows from investing activities:	
Interest received	294
	294
Net cash provided (used) by investing activities	294
Increase (decrease) in cash and investments	7,151
Cash and cash equivalents, Beginning of the Year	130,459
Cash and cash equivalents, End of the Year	\$ 137,610
Operating income (loss)	\$ 12,462
Adjustments to reconcile net income to net cash provided (used) by operating activities	
Depreciation	32,223
(Increase) Decrease in Accounts Receivable	(55)
Increase (Decrease) in Accounts Payable	2,234
	34,402
Total adjustments	34,402
Net cash provided (used) by operating activities	\$ 46,864

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

SAGUACHE COUNTY, COLORADO
FIDUCIARY FUND TYPES
STATEMENT OF NET POSITION
December 31, 2014

	PUBLIC TRUSTEE	COUNTY TREASURER	COUNTY CLERK	COUNTY SHERIFF	TOTAL AGENCY FUNDS
ASSETS					
Cash and Cash Equivalents	\$ 8,732	\$ 1,206,960	\$ 32,678	\$ 5,894	\$ 1,254,264
TOTAL ASSETS	\$ 8,732	\$ 1,206,960	\$ 32,678	\$ 5,894	\$ 1,254,264
LIABILITIES					
Due to Other Governments	\$ -	\$ 1,100,149	\$ -	\$ -	\$ 1,100,149
Due to General Fund	-	106,811	-	-	106,811
Deposits held for Others	8,732	-	32,678	5,894	47,304
TOTAL LIABILITIES	\$ 8,732	\$ 1,206,960	\$ 32,678	\$ 5,894	\$ 1,254,264

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

SAGUACHE COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

REPORTING ENTITY

Primary Government

Saguache County is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member Board of County Commissioners (the Board). Each commissioner is elected at-large by the voters of the County to represent one of the three separate districts and must reside in the district for which he or she is elected. There are also six other elected officials - assessor, clerk and recorder, coroner, sheriff, district attorney, and treasurer. The treasurer is also the County Public Trustee.

The County provides a wide range of services to its residents including general administration, public safety, highways and streets, health and social services, public improvements, planning, zoning, airport, predatory animal and weed control.

Component Units

The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- § The organization is legally separate (can sue and be sued in their own name)
- § The County holds the corporate powers of the organization
- § The County appoints a voting majority of the organization's board
- § The County is able to impose its will on the organization
- § The organization has the potential to impose a financial benefit/burden on the County
- § There is fiscal dependency by the organization on the County
- § The organization is financially accountable to the County
- § The organization receives or holds funds that are for the benefit of the County; and the County has access to a majority of the funds held; and the funds that are accessible are also significant to the County

The Saguache County Housing Authority (the Authority) is administered and governed by the Saguache County Commissioners. The Authority is blended into the County's financial statements as an Enterprise Fund.

GOVERNMENT -WIDE AND FUND FINANCIAL STATEMENTS

The government-wide financial statements include a statement of net position and a statement of activities. Government-wide statements report information on all of the activities of the County and its component units, except for County fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected on the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

SAGUACHE COUNTY, COLORADO
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The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- § Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and
- § Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

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

MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- § The *General Fund* is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- § The *Road and Bridge Fund* is used to account for the maintenance and improvements of streets and highways. The sources of funds include highway users fees and other revenue sources.
- § The *Social Services Fund* is used to account for the operations of social programs; i.e. Temporary Aid to Needy Families, Old Age Pension, Aid to the Blind, Aid to the Needy and Disabled, among others. Financing is provided by grants, allotments, and property tax revenue.

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Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All other revenues and expenses are reported as non-operating.

§ The *Housing Authority Fund* is reported as an enterprise fund. The principal operating revenue of the Housing Authority Fund are monthly unit rental fees charged to tenants.

Fiduciary fund financial statements consist of the Agency Fund established to record transactions relating to assets held by the County as an agent for individuals, governmental entities, and non-public organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION/FUND BALANCE

Cash

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

All investments, if any, are recorded at fair market value.

Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the County. Property tax revenue is recognized by the County to the extent it results in a current receivable. The 2014 property tax levy due January 1, 2015 has been recorded in the financial statements as a receivable and a corresponding deferred inflow of resources in the financial statements.

Inventories

Inventory is valued at the lower of cost (last-in, first-out) or market. Inventory in the Road and Bridge Fund consists of expendable supplies held for use. Reported inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources", even though they are a component of net current assets. Inventory policy on government-wide statements is consistent with fund statements.

Capital Assets

Capital Assets, which include land, buildings and improvements, vehicles and equipment, construction in progress, and infrastructure assets (e.g. roads, bridges, sidewalks, underground pipe, traffic signals, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

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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. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Building and Improvements	7 – 40
Vehicles and Equipment	5 – 15
Infrastructure	25 – 40

Compensated Absences

Annual leave may be accrued to the maximum of:

Under 5 years	144 hours
5 but less than 10 years	168 hours
10 – 15 or (20) years	192 hours

Upon separation from the County, an employee shall be paid for the amount of annual leave that he/she has accrued, subject to the limitation above. All vacation leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example as a result of employee resignations or retirements.

Interest Capitalization

Interest costs are capitalized when proceeds are used to finance the construction of assets. Interest earned on proceeds of tax-exempt borrowing arrangements restricted to the acquisition of qualifying assets is offset against interest costs in determining the amount to be capitalized. There was no interest capitalized in 2014.

Unearned Revenue

Revenues on grants, which are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position is displayed in the following three components:

- § *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- § *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

SAGUACHE COUNTY, COLORADO
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- § *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

Fund Balance

Fund balances are reported based on the extent to which the County is bound to honor constraints for the specific purpose on which amounts in the fund can be spent. Fund balances are classified in the following five categories:

- § *Nonspendable Fund Balance*- amounts that cannot be spent because they are not in spendable form- such as inventory and prepaid expenses .
- § *Restricted Fund Balance*- amounts restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- § *Committed Fund Balance*- amounts that can only be used for specific purposes as a result of constraints imposed by the Board of County Commissioners , the highest level of decision making authority, through resolution or ordinance. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.
- § *Assigned Fund Balance*- amounts a government intends to use for a specific purpose; intent can be expressed by the Board of County Commissioners or by an official or body to which the governing body delegates the authority.
- § *Unassigned Fund Balance*- amounts that are available for any purpose; these amounts are reported only in the General Fund.

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

Encumbrances

The County does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are re-budgeted in the succeeding year.

Use of Estimates

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

Reclassifications

Certain amounts in 2013 have been reclassified to conform to the 2014 financial statement presentation.

SAGUACHE COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Budgets and Budgetary Accounting

Saguache County follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- § Preparation of budget documents by administrative staff, which shall be submitted to the Board no later than October 15 of each year.
- § Publication of a notice stating that the budget is available for public inspection.
- § Discussion of the budget in a meeting open to the public.
- § Adoption of the budget in a public meeting by appropriate resolution, no later than December 31.

Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP), with the exception of the enterprise funds which budget capital outlay versus depreciation expenses.

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of County Commissioners adopted supplemental appropriations during 2014. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

NOTE 3 CASH, DEPOSITS, AND INVESTMENTS

A summary of cash, deposits, and investments for the County are as follow:

Cash on Hand	\$	1,250
Cash Deposited with Banks		1,650,980
Less: amounts related to Trust & Agency Fund		(1,254,264)
		397,966
Investments		3,697,243
		3,697,243
Total cash, deposits, and investments: (Book Balance)	\$	4,095,209

Cash and Deposits

Colorado State Statutes and the County Treasurer's investment policy govern the County's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits.

SAGUACHE COUNTY, COLORADO
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Custodial Credit Risk – Deposits

The County’s investment policy addresses custodial credit risk. At December 31, 2014, \$1,493,621 was exposed to custodial credit risk. Those deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

Investments

The County’s investment policy and Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. They include:

- § Obligations of the United States and certain U.S. Government agency securities
- § Certain international agency securities
- § General obligation and revenue bonds of U.S. local government entities
- § Bankers’ acceptances of certain banks
- § Commercial paper
- § Local government investment pools
- § Repurchase agreements
- § Money market funds
- § Guaranteed investments contracts
- § Corporate or bank debt issued by eligible corporations or banks

Custodial Credit Risk - Investments

The County’s investment policy calls for investment diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. The policy allows for the investment in local government investment pools. As of December 31, 2014, the local government investment pools (C-SAFE and ColoTrust) in which the County had invested were rated AAAM by Standard & Poor’s.

<u>Investment Type</u>		<u>Moody's Rating</u>	<u>Fair Value</u>	<u>Up to 120 Days</u>	<u>121 Days to 5 Years</u>
Fixed Income					
Federal Farm Credit Bank	9%	AAA	\$ 351,028	\$ -	\$ 351,028
Federal Home Loan Bank	3%	AAA	95,071	-	95,071
Federal Home Loan Mortgage Corp	3%	AAA	106,198	-	106,198
Financing Corporation	0%	AAA	12,483	-	12,483
Certificate of Deposit	3%	unrated	100,538	-	100,538
			665,318	\$ -	\$ 665,318
Money Market Funds (unrated)					
	1%		\$ 47,613		
C-SAFE	15%		561,019		
ColoTrust	66%		2,423,293		
			3,031,925		
			\$ 3,697,243		

SAGUACHE COUNTY, COLORADO
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Interest Rate Risk

Colorado Revised Statutes and the County’s investment policy limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

The Colorado Government Liquid Asset Trust (ColoTrust), is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. ColoTrust operates similarly to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially, all securities owned by the pool 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 the pool. Investments of the pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes.

The Colorado Surplus Asset Fund Trust (C-SAFE) operates similarly to ColoTrust whereby the County acquires and redeems shares of the common law trusts as authorized by state statutes. The custodian’s internal records identify the investments owned by the pool. Investments of the pool consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury notes.

NOTE 4 PROPERTY TAXES RECEIVABLE

At December 31, 2014, the County had an estimated property tax receivable divided among the funds as follows:

General Fund	\$ 1,285,343
Public Welfare Fund	232,868
	\$ 1,518,211

NOTE 5 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The County reports interfund balances between many of its funds. The balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

Interfund receivable and payable balances at December 31, 2014, were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Agency Fund	\$ 106,811
Road and Bridge Fund	General Fund	95,950
Nonmajor Fund	Nonmajor Fund	5,000
		\$ 207,761

SAGUACHE COUNTY, COLORADO
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Interfund transfers for the year ended December 31, 2014, were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Public Health Fund	General Fund	<u>\$ 63,500</u>
		<u>\$ 63,500</u>

These transfers were made to subsidize operations in the Public Health Fund.

SAGUACHE COUNTY, COLORADO
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NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2014, was as follows:

	Balance 12/31/2013	Additions	Deletions	Balance 12/31/2014
<i>Governmental Activities:</i>				
Capital assets not being depreciated:				
Land	\$ 231,693	\$ 62,000	\$ -	\$ 293,693
Total capital assets not being depreciated	231,693	62,000	-	293,693
Capital assets being depreciated:				
Buildings and Improvements	8,430,639	104,848	66,205	8,469,282
Vehicles and Heavy Equipment	7,316,779	391,206	239,471	7,468,514
Equipment	420,160	113,330	-	533,490
Infrastructure	813,444	258,788	-	1,072,232
Total capital assets being depreciated	16,981,022	868,172	305,676	17,543,518
Less accumulated depreciation for:				
Buildings and Improvements	6,364,121	77,339	66,205	6,375,255
Vehicles and Heavy Equipment	4,388,433	443,652	123,551	4,708,534
Equipment	261,330	47,758	-	309,088
Infrastructure	79,625	26,806	-	106,431
Total accumulated depreciation	11,093,509	595,555	189,756	11,499,308
Total capital assets being depreciated, net	5,887,513	272,617	115,920	6,044,210
<i>Governmental Activities Capital Assets, net</i>	<u>\$ 6,119,206</u>	<u>\$ 334,617</u>	<u>\$ 115,920</u>	<u>\$ 6,337,903</u>
<i>Business-type Activities:</i>				
Capital assets not being depreciated:				
Land	\$ 52,000	\$ -	\$ -	\$ 52,000
Total capital assets not being depreciated	52,000	-	-	52,000
Capital assets being depreciated:				
Buildings and Improvements	1,105,535	-	-	1,105,535
Furniture and Equipment	66,636	5,000	-	71,636
Total capital assets being depreciated	1,172,171	5,000	-	1,177,171
Less accumulated depreciation for:				
Buildings and Improvements	767,239	31,223	-	798,462
Furniture and Equipment	66,636	1,000	-	67,636
Total accumulated depreciation	833,875	32,223	-	866,098
<i>Business-type Activities Capital Assets, net</i>	<u>\$ 390,296</u>	<u>\$ (27,223)</u>	<u>\$ -</u>	<u>\$ 363,073</u>

SAGUACHE COUNTY, COLORADO
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Depreciation expense was charged to functions/programs of the primary government as follows:

<i>Governmental Activities:</i>	
General Government	\$ 30,193
Public Safety	44,811
Health and Welfare	10,260
Public Works	494,301
Culture and Recreation	15,990
	<u>\$ 595,555</u>
 <i>Business-type Activities:</i>	
Housing Authority	\$ 32,223
	<u>\$ 32,223</u>

NOTE 7 LONG-TERM LIABILITIES

Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2014, were as follows:

	12/31/2013 Balance	Additions	Deletions	12/31/2014 Balance	Due Within One Year
<i>Governmental Activities:</i>					
Capital Lease	\$ 243,448	\$ 170,300	\$ 58,710	\$ 355,038	\$ 91,801
Landfill Closure and Post-Closure	357,880	5,321	-	363,201	-
Compensated Absences	170,744	-	3,074	167,670	10,857
Total Governmental Activities	<u>\$ 772,072</u>	<u>\$ 175,621</u>	<u>\$ 61,784</u>	<u>\$ 885,909</u>	<u>\$ 102,658</u>
 <i>Business-Type Activities:</i>					
DOLA-Division of Housing	\$ 268,942	\$ -	\$ 9,841	\$ 259,101	\$ 10,039
US Department of Agriculture					
Blue Waters Hacienda Project, 2004	49,304	-	10,893	38,411	11,797
Blue Waters Hacienda Project, 2005	117,128	-	558	116,570	596
Total Business-Type Activities	<u>\$ 435,374</u>	<u>\$ -</u>	<u>\$ 21,292</u>	<u>\$ 414,082</u>	<u>\$ 22,432</u>

SAGUACHE COUNTY, COLORADO
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GOVERNMENTAL ACTIVITIES:

Capital Lease

The County entered into two capital lease agreements with Caterpillar Financial Services on February 6, 2013, in the amount of \$149,800 each, payable in 60 monthly installments of \$5,410, beginning March 2013, at 3.20% interest each, with final payments due in February 2018 of the outstanding principal balances. These leases were entered into for the purchase of two Caterpillar 140M2 motor graders. These payments were made from the Road and Bridge Fund. Principal balance at December 31, 2014, was \$195,264. These assets are recorded in capital assets of the government-wide financial statements for a total of \$471,000, less accumulated depreciation of \$62,800 at December 31, 2014.

The County entered into a capital lease agreement with Caterpillar Financial Services on August 8, 2014, in the amount of \$170,300, payable in 60 monthly installments of \$3,075, beginning September 2014 at 3.2% interest, with final payment due in August 2019 of the outstanding principal balance. This lease was entered into for the purchase of a Caterpillar 140M2 motor grader. These payments were made from the Road and Bridge Fund. Principal balance at December 31, 2014, was \$159,774. This asset is recorded in the capital assets of the government-wide financial statements for a total of \$286,220, less accumulated depreciation of \$19,081 at December 31, 2014.

The annual debt service for the capital leases is as follows:

	Principal	Interest	Total
2015	\$ 91,801	\$ 10,023	\$ 101,824
2016	94,782	7,041	101,823
2017	97,860	3,964	101,824
2018	46,283	1,439	47,722
2019	24,312	293	24,605
	\$ 355,038	\$ 22,760	\$ 377,798

Landfill Closure and Post-Closure Care Costs

State and Federal law 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. The County uses the "Local Government Finance Test" as its financial mechanism to assure full payment of all closure, post closure, and if applicable, corrective action estimated costs. The estimated liability for landfill closure and post closure care costs represents the County's total current estimate of such future costs, and is based on the estimated amount to be paid if all equipment, facilities, and services required to close, monitor and maintain the landfill were acquired as of December 31, 2014. As of December 31, 2014, the County estimated that existing landfill capacity was approximately 44% utilized (filled), and that the existing landfill was expected to be filled to capacity in fiscal year 2025. The aggregate liability of \$363,201 at December 31, 2014 is comprised of \$123,116 of estimated closure costs and \$240,085 of estimated post closure costs. However, the actual costs of closure and post closure may be higher, due to inflation, changes in technology, or changes in the landfill laws and regulations.

SAGUACHE COUNTY, COLORADO
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BUSINESS -TYPE ACTIVITIES:

Colorado Department of Local Affairs – Division of Housing

The Housing Authority has entered into a mortgage note payable with Colorado Department of Local Affairs – Division of Housing (DOH) to refinance the construction of two projects operated by the Housing Authority. The note has an original principal balance in the amount of \$341,000, maturing May 2033, payable in semi-annual blended payments of \$7,585 beginning November 30, 2003, and with a stated interest rate of 2% annum. The mortgage is secured by a deed of trust on the Housing Authority’s Puerto Del Norte Haciendas housing project, which is located in Saguache County.

The 2009 and 2010 payments were deferred due to cash flow shortages . Payments resumed in December 2011. The note maturity date was extended until December 2035.

United States Department of Agriculture

The Housing Authority has entered into a mortgage note payable with the United States Department of Agriculture (USDA), with an original principal amount of \$306,000, maturing September 2013, payable in blended monthly payments of \$1,077, and with a stated interest rate of 8%. The mortgage note was entered into to refinance the construction of two projects operated by the Housing Authority and is secured by a deed of trust on the Housing Authority’s Blue Waters Haciendas housing project, which is located in Saguache County. This note was reamortized in October 2004. Monthly payments began in January 2005 with a maturity date of 2017.

The Housing Authority has entered into a mortgage note payable to the United States Department of Agriculture (USDA), with an original principal amount of \$118,592, maturing December 2054, payable in blended monthly payments of \$528, and with a stated interest rate of 6.75% per annum. The mortgage note was entered into to refinance the construction of two projects operated by the Housing Authority and is secured by a deed of trust on the Housing Authority’s Blue Waters Haciendas housing project, which is located in Saguache County.

The annual debt service for the mortgage notes payable is as follows:

	Principal	Interest	Total
2015	\$ 22,432	\$ 11,994	\$ 34,426
2016	23,655	10,837	34,492
2017	24,967	10,376	35,343
2018	11,386	10,119	21,505
2019	11,651	9,854	21,505
2020-2024	62,519	45,006	107,525
2025-2029	70,478	37,047	107,525
2030-2034	79,837	27,688	107,525
2035-2039	28,119	18,722	46,841
2040-2044	18,445	13,226	31,671
2045-2049	25,825	5,846	31,671
2050-2054	34,768	76	34,844
	<u>\$ 414,082</u>	<u>\$ 200,791</u>	<u>\$ 614,873</u>

SAGUACHE COUNTY, COLORADO
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NOTE 8 OPERATING LEASES

The County is committed under various cancellable leases for office equipment and software. These leases are considered, for accounting purposes, as operating leases. Lease expenses for the year totaled \$93,404.

NOTE 9 EMPLOYEE BENEFITS

Pension Plans

The County provides a participatory salary deferral plan under Internal Revenue Code (IRC) section 401(k), a defined contribution plan, administered by Principal Financial Group, for all County employees over the age of 18 with more than six months of employment with the County. Participating employees may contribute, on a tax-deferred basis, any whole percentage 3% or more of their total pay each period to the Plan. Federal law limits the deferral amounts in any tax year. The County matches 100% of the first 4% contributed by each employee. The County's matching contributions vest with the employee over a 4-year period. Plan provisions and contribution requirements are established and may be amended by the Board of County Commissioners.

For the year ended December 31, 2014, total employee contributions to the Plan were \$84,925 and matching County contributions totaled \$72,158.

Cafeteria Plan

The County also offers its employees a cafeteria compensation plan organized under Section 125 of the Internal Revenue Code, which includes the following benefits: medical, disability, accident and/or term life insurance, and health expense reimbursement. No cost to the County is recognized, as the plan is a salary reduction plan.

Post-Employment Health Care Benefits

All County employees covered by COBRA insurance may continue their health insurance after a reduction in work hours or termination of employment. The County recognizes no cost for such coverage, as those electing to continue COBRA coverage must reimburse the County for 100% of their premium cost for the extended coverage period.

NOTE 10 COLORADO CONTRABAND FORFEITURE ACT

The County has reviewed financial activities in the Sheriff's Department for compliance with the above referenced act. There were no sales of contraband during the year ended December 31, 2014.

NOTE 11 TABOR AMENDMENT RESERVE

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate policy change directly causing a net tax revenue gain to any local government.

The initial base for local government spending and revenue limits is 1992 fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve

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NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

increases with certain exceptions. Revenue, if any, in excess of fiscal year spending limits must be refunded in the next fiscal year unless voters approve retention of such revenue.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also required local governments to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes enterprise spending. The County has reserved a portion of the December 31, 2014 year-end balances in the General Fund for this purpose in the aggregate amount of \$250,000, which is the approximate required emergency reserve.

The County's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

The electorate of the County passed a referendum allowing the County to collect and expend the full revenues generated during 1997 and each subsequent year, from its existing tax rates, to receive and expand all sales and property revenues without regard to Article X, Section 20 of the Colorado Constitution of law. Approval of this question does not authorize any increase in property tax rates of any kind above the 1995 rates.

NOTE 12 RISK MANAGEMENT

Colorado Counties Casualty and Property Pool (CAPP)

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The inter-governmental 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 that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

At December 31, 2014, CAPP had assets of \$26,313,091, liabilities of \$8,819,100 (including \$6,386,352 reserved for losses and claims), and members' equity of \$17,493,991. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2014 amounted to \$6,697,644 and total expenses were \$4,645,672, resulting in net income, before return of surplus, of \$2,051,972.

Colorado Workers' Compensation Pool (CWCP)

The County is exposed to various risks of loss related to injuries of employees while on the job. The County has joined together with other counties in the State of Colorado to form the Colorado 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 workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially

SAGUACHE COUNTY, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
December 31, 2014

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 that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

At December 31, 2014, CWCP had assets of \$39,771,994, liabilities of \$23,062,603 (including \$22,007,352 reserved for losses and claims) and members' equity of \$16,709,391. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2014 amounted to \$10,744,101, total expenses were \$9,948,550, resulting in net income, before return of surplus, of \$795,551.

NOTE 13 COMMITMENTS AND CONTINGENCIES

Grant Programs

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time although the County expects any such amounts to be immaterial.

Litigation

The County is a party to various legal actions normally associated with governmental activities, the aggregate effect of which, in management's and legal counsel's opinion, would not be material to its financial statements.

Insurance Pools

The County is a member of the Colorado Counties Casualty and Property Pool (CAPP) and the Colorado Workers' Compensation Pool (CWCP). CAPP and CWCP have a legal obligation for claims against its members to the extent that funds are available in their annually established loss funds and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds are direct liabilities of the participating members. CAPP and CWCP have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs. The ultimate liability to the County resulting from claims not covered by CAPP and CWCP is not presently determinable.

NOTE 14 CHANGE IN ACCOUNTING ESTIMATE

The County changed its estimate of Specific Ownership Tax Class A and Class F due to other governments as of December 31, 2013 from \$459,051 to \$299,027. The difference of \$160,024 was included in revenue during 2014.

NOTE 15 PRIOR PERIOD ADJUSTMENT

A prior period adjustment of \$97,546 was recorded in the General Fund to recognize property tax abatement revenues received by the County Treasurer in prior years, but held with Agency funds rather than being properly allocated to the General Fund.

SAGUACHE COUNTY, COLORADO

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and, if applicable, each of the County's major special revenue funds.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
For the Year Ended December 31, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 1,418,050	\$ 1,418,050	\$ 1,714,077	\$ 296,027
Intergovernmental Revenue	620,027	1,666,471	2,247,557	581,086
Licenses and Permits	50,700	50,700	57,912	7,212
Interest Revenue	5,180	5,180	8,355	3,175
Charges for Services	1,077,385	1,077,385	720,150	(357,235)
Miscellaneous	24,250	24,250	48,122	23,872
TOTAL REVENUES	3,195,592	4,242,036	4,796,173	554,137
EXPENDITURES				
General Government	2,132,404	3,172,248	3,129,830	42,418
Public Safety	1,106,104	1,106,104	1,033,212	72,892
Health and Welfare	6,000	6,000	5,005	995
Public Works	-	-	54,000	(54,000)
Capital Outlay	-	-	32,174	(32,174)
TOTAL BUDGETED EXPENDITURES	3,244,508	4,284,352	4,254,221	30,131
Excess (deficiency) of revenues over expenditures	(48,916)	(42,316)	541,952	584,268
OTHER FINANCING SOURCES (USES)				
Transfers Out	(25,000)	(31,600)	(63,500)	(31,900)
TOTAL OTHER FINANCING SOURCES (USES)	(25,000)	(31,600)	(63,500)	(31,900)
Net Change in Fund Balance	(73,916)	(73,916)	478,452	552,368
Fund Balance at Beginning of Year as Previously Stated	1,750,778	1,750,778	1,384,615	(366,163)
Prior Period Adjustment	-	-	97,546	97,546
Fund Balance at Beginning of Year, Restated	1,750,778	1,750,778	1,482,161	(268,617)
Fund Balance at End of Year	\$ 1,676,862	\$ 1,676,862	\$ 1,960,613	\$ 283,751

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
ROAD AND BRIDGE FUND
For the Year Ended December 31, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 7,000	\$ 7,000	\$ 6	\$ (6,994)
Intergovernmental Revenue	2,805,053	2,805,053	2,826,404	21,351
Charges for Services	40,000	40,000	108,734	68,734
License and Permits	30,000	30,000	30,537	537
Miscellaneous	43,000	43,000	85,368	42,368
TOTAL REVENUES	2,925,053	2,925,053	3,051,049	125,996
EXPENDITURES				
Public Works	3,450,301	3,450,301	2,599,813	850,488
Capital Outlay	180,000	180,000	417,354	(237,354)
Debt Service	65,000	65,000	61,149	3,851
TOTAL EXPENDITURES	3,695,301	3,695,301	3,078,316	616,985
Excess (deficiency) of revenues over expenditures	(770,248)	(770,248)	(27,267)	742,981
OTHER FINANCING SOURCES (USES)				
Capital Lease Proceeds	-	-	170,300	170,300
TOTAL OTHER FINANCING SOURCES (USES)	-	-	170,300	170,300
Net Change in Fund Balance	(770,248)	(770,248)	143,033	913,281
Fund Balance at Beginning of Year	1,762,848	1,762,848	2,119,984	357,136
Fund Balance at End of Year	\$ 992,600	\$ 992,600	\$ 2,263,017	\$ 1,270,417

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
SOCIAL SERVICES FUND
For the Year Ended December 31, 2014

	BUDGETED AMOUNTS		ACTUAL	VARIANCE WITH
	ORIGINAL	FINAL		FINAL BUDGET
				POSITIVE
				(NEGATIVE)
REVENUES				
Taxes	\$ 253,400	\$ 253,400	\$ 277,322	\$ 23,922
Intergovernmental Revenue	7,912,988	7,912,988	4,224,107	(3,688,881)
Interest Revenue	-	-	28	28
Miscellaneous	-	-	1,576	1,576
TOTAL REVENUES	8,166,388	8,166,388	4,503,033	(3,663,355)
EXPENDITURES				
Health and Welfare	8,166,388	8,166,388	4,401,017	3,765,371
TOTAL EXPENDITURES	8,166,388	8,166,388	4,401,017	3,765,371
Net Change in Fund Balance	-	-	102,016	102,016
Fund Balance at Beginning of Year	335,443	335,443	328,261	(7,182)
Fund Balance at End of Year	\$ 335,443	\$ 335,443	\$ 430,277	\$ 94,834

Notes to Required Supplementary Information

The basis of budgeting is the same as GAAP.
The schedule is presented on the GAAP basis.

SAGUACHE COUNTY, COLORADO

SUPPLEMENTARY INFORMATION

The combining financial statements represent the second level of financial reporting for the County. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

**SAGUACHE COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to be expended for particular purposes.

PUBLIC HEALTH FUND– This fund is used to account for multiple programs of providing health services to County residents. Financing is provided by grants and fees for services.

CONSERVATION TRUST FUND – This fund is used to account for the County share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

SLV TV FUND – This fund is used to account for the operations of the telecommunications translator service.

TOURISM FUND – This fund is used to account for the County share of the lodging tax collected on each hotel/motel that is rented in Saguache County. The monies may be expended to promote Saguache County to tourists.

SALES TAX – EMERGENCY SERVICES FUND, SALES TAX – YOUTH AND SENIORS FUND, AND SALES TAX – RENEWABLE ENERGY FUND – These funds are used to account for the expenditure of County sales tax collected for emergency services, youth and senior activities, and renewable energy activities, respectively.

SAGUACHE COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
December 31, 2014

NONMAJOR
SPECIAL REVENUE FUNDS

	PUBLIC HEALTH FUND	CONSERVATION TRUST FUND	SLV TV FUND	TOURISM FUND	SALES TAX- EMERGENCY SERVICES FUND	SALES TAX- YOUTH AND SENIORS FUND	SALES TAX- RENEWABLE ENERGY FUND	TOTAL NONMAJOR GOVERNMENTAL
ASSETS								
Cash and Cash Equivalents	\$ 15,556	\$ 41,051	\$ 876	\$ 50,351	\$ 34,927	\$ 46,624	\$ 42,914	\$ 232,299
Due from Other Funds	-	-	-	-	-	5,000	-	5,000
Due from Other Governments	49,346	-	-	-	-	-	-	49,346
TOTAL ASSETS	\$ 64,902	\$ 41,051	\$ 876	\$ 50,351	\$ 34,927	\$ 51,624	\$ 42,914	\$ 286,645
LIABILITIES AND FUND BALANCE								
LIABILITIES								
Accounts Payable	\$ 2,893	\$ 1,795	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,688
Due to Other Funds	-	-	-	-	5,000	-	-	5,000
Unearned Grant Revenue	-	-	-	-	-	-	-	-
TOTAL LIABILITIES	2,893	1,795	-	-	5,000	-	-	9,688
FUND BALANCE								
Assigned								
Health and Welfare	62,009	-	-	-	-	-	-	62,009
Culture and Recreation	-	39,256	-	50,351	-	31,624	-	121,231
Emergency Services	-	-	-	-	29,927	-	-	29,927
Renewable Energy	-	-	-	-	-	-	42,914	42,914
Sales Tax Contingency	-	-	-	-	-	20,000	-	20,000
Telecommunications	-	-	876	-	-	-	-	876
TOTAL FUND BALANCE	62,009	39,256	876	50,351	29,927	51,624	42,914	276,957
TOTAL LIABILITIES AND FUND BALANCE	\$ 64,902	\$ 41,051	\$ 876	\$ 50,351	\$ 34,927	\$ 51,624	\$ 42,914	\$ 286,645

SAGUACHE COUNTY, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
For the Year Ended December 31, 2014

**NONMAJOR
SPECIAL REVENUE FUNDS**

	PUBLIC HEALTH FUND	CONSERVATION TRUST FUND	SLV TV FUND	TOURISM FUND	SALES TAX- EMERGENCY SERVICES FUND	SALES TAX- YOUTH AND SENIORS FUND	SALES TAX- RENEWABLE ENERGY FUND	TOTAL NONMAJOR GOVERNMENTAL
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ 22,975	\$ 83,343	\$ 103,343	\$ 83,343	\$ 293,004
Intergovernmental Revenue	196,501	34,046	-	-	-	-	-	230,547
Charges for Services	260,545	-	-	-	-	-	-	260,545
Miscellaneous	16,103	-	-	600	-	-	-	16,703
TOTAL REVENUES	473,149	34,046	-	23,575	83,343	103,343	83,343	800,799
EXPENDITURES								
Current Expenditures								
General Government	-	-	500	-	-	-	-	500
Public Safety	-	-	-	-	92,537	-	-	92,537
Health and Welfare	523,802	-	-	-	-	-	-	523,802
Public Works	-	-	-	-	-	-	95,700	95,700
Culture and Recreation	-	27,738	-	9,727	-	89,591	-	127,056
TOTAL EXPENDITURES	523,802	27,738	500	9,727	92,537	89,591	95,700	839,595
Excess (deficiency) of revenues over expenditures	(50,653)	6,308	(500)	13,848	(9,194)	13,752	(12,357)	(38,796)
OTHER FINANCING SOURCES (USES)								
Transfer In	63,500	-	-	-	-	-	-	63,500
TOTAL OTHER FINANCING SOURCES (USES)	63,500	-	-	-	-	-	-	63,500
Net Change in Fund Balance	12,847	6,308	(500)	13,848	(9,194)	13,752	(12,357)	24,704
Fund Balance at Beginning of Year	49,162	32,948	1,376	36,503	39,121	37,872	55,271	252,253
Fund Balance at End of Year	\$ 62,009	\$ 39,256	\$ 876	\$ 50,351	\$ 29,927	\$ 51,624	\$ 42,914	\$ 276,957

SAGUACHE COUNTY, COLORADO
ENTERPRISE FUND TYPES
COMBINING SCHEDULE OF NET POSITION
December 31, 2014

	HOUSING AUTHORITY		TOTAL ENTERPRISE FUND
	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 84,164	\$ 53,446	\$ 137,610
Accounts Receivable	20	55	75
Total Current Assets	84,184	53,501	137,685
Noncurrent Assets:			
Capital Assets:			
Land	36,000	16,000	52,000
Buildings and Improvements, net	62,128	244,945	307,073
Furniture & Equipment	2,000	2,000	4,000
Total Noncurrent Assets	100,128	262,945	363,073
TOTAL ASSETS	184,312	316,446	500,758
LIABILITIES			
Current Liabilities:			
Accounts Payable	2,273	1,220	3,493
Security Deposit	1,804	3,108	4,912
Notes Payable (current portion)	12,393	10,039	22,432
Total Current Liabilities	16,470	14,367	30,837
Noncurrent Liabilities:			
Notes Payable	142,588	249,062	391,650
Total Noncurrent Liabilities	142,588	249,062	391,650
TOTAL LIABILITIES	159,058	263,429	422,487
NET POSITION			
Net Investment in Capital Assets	(54,853)	3,844	(51,009)
Unrestricted	80,107	49,173	129,280
TOTAL NET POSITION	\$ 25,254	\$ 53,017	\$ 78,271

SAGUACHE COUNTY, COLORADO
ENTERPRISE FUND TYPES
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
For the Year Ended December 31, 2014

	HOUSING AUTHORITY		TOTAL ENTERPRISE FUND
	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	
OPERATING REVENUES			
Rent from Tenants	\$ 27,868	\$ 71,932	\$ 99,800
HUD Operating Subsidy	88,378	6,603	94,981
Miscellaneous	1,220	600	1,820
Total operating revenues	117,466	79,135	196,601
OPERATING EXPENSES			
Administrative	49,949	27,312	77,261
Utilities	26,863	28,736	55,599
Operating and Maintenance	8,511	6,312	14,823
Insurance	1,820	2,413	4,233
Depreciation Expense	21,061	11,162	32,223
Total operating expenses	108,204	75,935	184,139
Operating Income (Loss)	9,262	3,200	12,462
NONOPERATING REVENUES (EXPENSES)			
Interest on Investments	177	117	294
Interest Expense	(8,384)	(5,330)	(13,714)
Total Nonoperating Revenues (Expenses)	(8,207)	(5,213)	(13,420)
Changes in Net Position	1,055	(2,013)	(958)
Net Position, Beginning of Year	24,199	55,030	79,229
Net Position, End of Year	\$ 25,254	\$ 53,017	\$ 78,271

SAGUACHE COUNTY, COLORADO
ENTERPRISE FUND TYPES
COMBINING SCHEDULE OF CASH FLOWS
For the Year Ended December 31, 2014

	HOUSING AUTHORITY		TOTAL ENTERPRISE FUND
	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	
Cash flows from operating activities:			
Cash received from tenants and others	\$ 29,088	\$ 72,477	\$ 101,565
Cash received from HUD operating subsidy	88,378	6,603	94,981
Cash paid to employees for services	(49,949)	(27,312)	(77,261)
Cash paid to suppliers and service providers	(34,921)	(37,500)	(72,421)
Net cash provided (used) by operating activities:	<u>32,596</u>	<u>14,268</u>	<u>46,864</u>
Cash flows from noncapital financing activities:	<u>-</u>	<u>-</u>	<u>-</u>
Cash flows from capital and related financing activities:			
Purchase of Capital Assets	(2,500)	(2,500)	(5,000)
Payment of note principal and interest	(19,835)	(15,172)	(35,007)
Net cash provided (used) by capital and related financing activities	<u>(22,335)</u>	<u>(17,672)</u>	<u>(40,007)</u>
Cash flows from investing activities:			
Interest received	<u>177</u>	<u>117</u>	<u>294</u>
Net cash provided (used) by investing activities	<u>177</u>	<u>117</u>	<u>294</u>
Increase (decrease) in cash and investments	10,438	(3,287)	7,151
Cash and cash equivalents, Beginning of the Year	<u>73,726</u>	<u>56,733</u>	<u>130,459</u>
Cash and cash equivalents, End of the Year	<u>\$ 84,164</u>	<u>\$ 53,446</u>	<u>\$ 137,610</u>
Operating income (loss)	\$ 9,262	\$ 3,200	\$ 12,462
Adjustments to reconcile net income to net cash provided (used) by operating activities			
Depreciation	21,061	11,162	32,223
(Increase) Decrease in Accounts Receivable	-	(55)	(55)
Increase (Decrease) in Accounts Payable	<u>2,273</u>	<u>(39)</u>	<u>2,234</u>
Total adjustments	<u>23,334</u>	<u>11,068</u>	<u>34,402</u>
Net cash provided (used) by operating activities	<u>\$ 32,596</u>	<u>\$ 14,268</u>	<u>\$ 46,864</u>

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES AND TRANSFERS OUT
ALL NON-MAJOR GOVERNMENTAL FUNDS AND ALL PROPRIETARY FUNDS
BUDGET AND ACTUAL
For the Year Ended December 31, 2014

	<u>BUDGETED AMOUNTS</u>		<u>EXPENDITURES</u>	<u>ADJUSTMENTS</u>	<u>EXPENDITURES</u>	<u>VARIANCE WITH</u>
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>REPORTED ON</u>	<u>TO BUDGETARY</u>	<u>ON THE</u>	<u>FINAL BUDGET</u>
			<u>THE GAAP</u>	<u>BASIS</u>	<u>BUDGETARY</u>	<u>POSITIVE</u>
			<u>BASIS</u>	<u>BASIS</u>	<u>BASIS</u>	<u>(NEGATIVE)</u>
Governmental Funds						
Non-major Governmental Funds						
Special Revenue Funds						
Public Health Fund	\$ 507,266	\$ 534,558	\$ 523,802	\$ -	\$ 523,802	\$ 10,756
Conservation Trust Fund	33,000	33,000	27,738	-	27,738	5,262
SLV TV Fund	500	500	500	-	500	-
Tourism Fund	14,500	14,500	9,727	-	9,727	4,773
Sales Tax - Emergency Services Fund	80,000	95,537	92,537	-	92,537	3,000
Sales Tax - Youth and Seniors Fund	80,000	92,591	89,591	-	89,591	3,000
Sales Tax - Renewable Energy Fund	80,000	98,698	95,700	-	95,700	2,998
Total Non-major Governmental Funds	<u>\$ 795,266</u>	<u>\$ 869,384</u>	<u>\$ 839,595</u>	<u>\$ -</u>	<u>\$ 839,595</u>	<u>\$ 29,789</u>
Proprietary Funds						
Enterprise Funds						
Blue Waters Housing Authority	\$ 113,705	\$ 113,705	\$ 116,588	\$ (19,061)	\$ 97,527	\$ 16,178
Puerto Del Norte Haciendas Housing Authority	80,101	80,101	81,265	(9,162)	72,103	7,998
Total Proprietary Funds	<u>\$ 193,806</u>	<u>\$ 193,806</u>	<u>\$ 197,853</u>	<u>\$ (28,223)</u>	<u>\$ 169,630</u>	<u>\$ 24,176</u>

Adjustments to budgetary basis include costs of capitalized assets and depreciation expense.

SAGUACHE COUNTY, COLORADO

OTHER SCHEDULES AND REPORTS

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2014

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE			
<i>Rural Rental Housing Loans</i>			
Rural Rental Housing Loans			
Loan Funds	10.415		\$ 154,981
Interest Subsidy	10.415		3,635
Total <i>Rural Rental Housing Loans</i>			<u>158,616</u>
COLORADO DEPT. OF HUMAN SERVICES			
<i>SNAP Cluster</i>			
State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561		54,764
<i>Food Distribution Cluster</i>			
FEDERAL GRANTOR AWARD PASSED THROUGH THE STATE AND CARE AND SHARE FOOD BANK:			
Commodity Supplemental Food Program	10.565		39,281
Total <i>Food Distribution Cluster</i>			<u>39,281</u>
COLORADO DEPT. OF TREASURY			
<i>Forest Service Schools and Roads Cluster</i>			
Schools and Roads - Grants to States	10.665		
Title I and Title III Funds			
Passed to Subrecipients: Title I Funds			953,799
Direct Expenditures: Title I Funds			195,356
Direct Expenditures: Title III Funds			54,000
Total <i>Forest Service Schools and Roads Cluster</i>			<u>1,203,155</u>
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
COLORADO DEPT. OF HUMAN SERVICES			
<i>TANF Cluster</i>			
Temporary Assistance for Needy Families	93.558		261,783
Child Support Enforcement	93.563		74,687
Low-Income Home Energy Assistance	93.568		396,144
<i>CCDF Cluster</i>			
Child Care and Development Block Grant	93.575		35,678
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596		(50,912)
Total <i>CCDF Cluster</i>			<u>(15,234)</u>
Stephanie Tubbs Jones Child Welfare Services Program	93.645		2,158
Foster Care-Title IV-E	93.658		61,126
Adoption Assistance	93.659		32,546
Social Services Block Grant	93.667		61,077
<i>Medicaid Cluster</i>			
Medical Assistance Program	93.778		94,585

SAGUACHE COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2014

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/ PROGRAM OR CLUSTER TITLE	FEDERAL CFDA NUMBER	PASS-THROUGH ENTITY IDENTIFYING NUMBER	FEDERAL EXPENDITURES
COLORADO DEPT. OF PUBLIC HEALTH AND ENVIRONMENT			
Public Health Emergency Preparedness	93.069	EPR-HW4-HHS	8,322
Immunization Cooperative Agreements	93.268	IMM-KA3/4/KT3-HHS	5,488
Breastfeeding Promotion and Support- Improving Maternity Care	93.741	EPR-HW5-HHS	2,171
Preventive Health and Health Services Block Grant	93.991	PRV-HC3-HHS	7,500
Maternal and Child Health Services Block Grant	93.994	MCH-MC4/5-HHS	4,658
U.S. DEPARTMENT OF HOMELAND SECURITY			
COLORADO DEPT. OF LOCAL AFFAIRS			
Emergency Management Performance Grants	97.042		21,456
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
COLORADO HOUSING AND FINANCE AUTHORITY			
<i>Section 8 Project-Based Cluster</i>			
Section 8 Housing Assistance Payments Program	14.195		88,378
CENTER HOUSING AUTHORITY			
<i>Housing Voucher Cluster</i>			
Section 8 Housing Choice Vouchers	14.871		6,603
U.S. DEPARTMENT OF JUSTICE			
COLORADO DIVISION OF CRIMINAL JUSTICE			
Violence Against Women Formula Grants	16.588		27,000
FEDERAL GRANTOR AWARDS PASSED THROUGH THE STATE AND RIO GRANDE COUNTY:			
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
COLORADO DEPT. OF HEALTH CARE POLICY AND FINANCING			
<i>Medical Assistance Program (Medicaid Cluster)-</i>			
Healthy Communities	93.778		4,173
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u><u>\$ 2,600,437</u></u>

SAGUACHE COUNTY, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2014

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of Saguache County, Colorado under programs of the federal government for the year ended December 31, 2014. The information in this Schedule is presented in accordance with the requirements of the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Saguache County, Colorado, it is not intended to and does not present the financial position, changes in net position or cash flows of Saguache County, Colorado.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in OMB Circular A-87, *State and Local Governments*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available.

**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Saguache County, Colorado
Saguache, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of Saguache County, Colorado (the County), as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 30, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs to be a material weakness. Finding 2014-001.

Certified Public Accountants

700 Main Street, Suite 200 PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | www.wsbcpa.com

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

County's Response to Findings

The County's response to the finding identified in our audit is described in the accompanying corrective action plan. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Wall, Smith, Bateman Inc.
Alamosa, Colorado

July 30, 2015

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
FOR EACH MAJOR PROGRAM AND ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY
OMB CIRCULAR A-133**



Wall,
Smith,
Bateman Inc.

To the Board of County Commissioners
Saguache County, Colorado
Saguache, Colorado

Report on Compliance for Each Major Federal Program

We have audited Saguache County, Colorado's (the County) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2014. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the County's compliance.

Opinion on Each Major Federal Program

In our opinion, Saguache County, Colorado, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

Certified Public Accountants

700 Main Street, Suite 200 PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | www.wsbcpa.com

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Wall, Smith, Bateman Inc.
Alamosa, Colorado

July 30, 2015

SAGUACHE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2014

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

- § Material weakness(es) identified? X yes no
- § Significant deficiency(ies) identified that are **not** considered to be material weakness (es)? yes X none reported
- § Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

- § Material weakness(es) identified? yes X no
- § Significant deficiency(ies) identified that are **not** considered to be material weakness (es)? yes X none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.665	Forest Service Schools and Roads Cluster
93.568	Low-Income Home Energy Assistance

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as a low-risk auditee? yes X no

SAGUACHE COUNTY, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2014

Section II – Financial Statement Findings

Finding 2014-001: Internal Control Over Financial Reporting
(Repeat of Finding 09-1, 10-1, 11-1, 12-1, and 2013-001)

Type of finding: Internal Control (material weakness)

Condition/Cause: The County does not have a complete system of internal control to prevent and detect financial misstatements.

Criteria: A system of internal controls includes the design, documentation, and monitoring of control activities over the application of accounting principles, antifraud programs, non-routine transactions, financial statement preparation and safeguarding of assets.

Effect: As a result of this condition the following areas were affected:

1. General Fund property tax abatement revenue of \$97,546 was not properly allocated to the General Fund in prior years but has been held by the County in the Treasurer's fund ledger. A prior period adjustment was proposed to correct.
2. Mineral severance tax payment of \$42,129 distributed to the County from the Department of Local Affairs in September 2014 was not deposited by the County. Management was unaware of the missing funds.
3. Landfill deposits and billings are not prepared timely. Monies collected at the landfill were not deposited for up to three months, in addition billings were not completed until deposits were performed.
4. Cash reconciliations are not being completed accurately or timely at Social Services and the Treasurer's office. Cash reconciliations should be performed monthly with all differences identified.
5. Audit adjustments were proposed to properly state the General Fund, Road and Bridge Fund, Public Health Fund, and Housing Authority Fund in the County financial statements as of December 31, 2014, in accordance with generally accepted accounting principles.

Recommendation: The County should strengthen its internal controls with adopted policies and procedures to address abatement property tax collections and disbursements, review and monitoring of expected revenues, timely billing and depositing of landfill charges, timely cash reconciliations that investigate and correct discrepancies, and reconcile year end account balances and record necessary adjustments when performing financial close and reporting at year end.

Management's Response: See corrective action plan.

Section III – Federal Award Findings and Questioned Costs

None

SAGUACHE COUNTY, COLORADO
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2014

Section II – Financial Statement Findings

Finding 2013-001: Internal Control Over Financial Reporting and on Compliance
(Repeat of Finding 09-1, 10-1, 11-1, and 12-1)

Type of finding: Internal Control (material weakness) and compliance (material noncompliance)

Condition/Cause: The County does not have a complete system of internal control to prevent and detect financial misstatements.

Status: Partially Implemented. (See Finding 2014-001.)



SAGUACHE COUNTY GOVERNMENT

501 Fourth Street • P. O. Box 100

Saguache, Colorado 81149

Phone: (719) 655-2231 • Fax: (719) 655-2635

CORRECTIVE ACTION PLAN

Oversight Agencies - U.S. Department of Health and Human Services

Saguache County, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2014.

Independent Accountants: Wall, Smith, Bateman Inc.
Certified Public Accountants
700 Main Street, Suite 200, P.O. Box 809
Alamosa, CO 81101

Audit period: Year ended December 31, 2014

The findings from the December 31, 2014 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule. Section I of the schedule, Summary of Auditors' Results, does not include findings and is not addressed.

Section II – Financial Statement Findings

Finding 2014-001: Internal Control Over Financial Reporting and on Compliance (Repeat of Finding 09-1, 10-1, 11-1, 12-1, and 2013-001)

Type of finding: Internal Control (material weakness)

Recommendation: The County should strengthen its internal controls with adopted policies and procedures to address abatement property tax collections and disbursements, review and monitoring of expected revenues, timely billing and depositing of landfill charges, timely cash reconciliations that investigate and correct discrepancies, and reconcile year end account balances and record necessary adjustments when performing financial close and reporting at year end.

Action taken:

- 1) *Response:* The proposed adjustment is currently being done to correct the Property Tax Abatement Revenue. Revenue will be transferred to the General Fund.
- 2) The County will check with the State Department of Local Affairs website for release of Mineral severance tax payments released and then will monitor and assure the arrival of funds in the month of September of each year. The County has completed necessary paperwork and mailed to the State to have the funds disbursed directly into the Treasurer account by ACH. Prior funds were disbursed by written checks from the State of Colorado. There was no record of the County receiving the check, and the checks had not been redeemed.
- 3) Saguache County Landfill monies and receipts shall be removed from the vault on a weekly basis and processed at that time. Billing issues will be remedied with the removal of money and receipts on a weekly basis and will be billed monthly.
- 4) Saguache County Department of Social Services will balance their ledger to the cash with treasurer on a monthly basis. The ending report will be given to the County Administrator a week prior to the

Commissioner report due date for review. County Administrator will advise the Board of Commissioners if there are any discrepancies.

- 5) The County will reconcile year end account balances and record adjustment prior to yearend as proposed by the audit consultants. The county will contact auditors or a consultant for help in this if necessary.

If the U.S. Department of Health and Human Services have questions regarding this plan, please call the responsible party listed below.

Sincerely yours,



Earlyn Zimmer-Lambert
Wendi Maez

Earlyn Zimmer-Lambert
Co-County Administrator
Saguache County, Colorado

Wendi Maez
Co-County Administrator
Saguache County, Colorado

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Saguache County
	YEAR ENDING : December 2014

This Information From The Records Of (example - City of _ or County of County of Saguache) Prepared By: Iris Garcia
Phone: 719-655-2554

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)	644,511
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,126,471
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	33,252
2. General fund appropriations		b. Snow and ice removal	3,830
3. Other local imposts (from page 2)	4,065	c. Other	49,980
4. Miscellaneous local receipts (from page 2)	194,103	d. Total (a. through c.)	87,062
5. Transfers from toll facilities		4. General administration & miscellaneous	159,124
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,017,168
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes	170,300	1. Bonds:	
d. Total (a. + b. + c.)	170,300	a. Interest	
7. Total (1 through 6)	368,468	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	2,657,526	2. Notes:	
D. Receipts from Federal Government (from page 2)	195,356	a. Interest	2,439
E. Total receipts (A.7 + B + C + D)	3,221,350	b. Redemption	58,710
		c. Total (a. + b.)	61,149
		3. Total (1.c + 2.c)	61,149
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,078,317

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)	243,448	170,300	58,710	355,038

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2,119,984	3,221,350	3,078,317	2,263,017	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	4,059	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	11,746
4. Licenses		f. Charges for Services	108,734
5. Specific Ownership &/or Other	6	g. Other Misc. Receipts	73,622
6. Total (1. through 5.)	4,065	h. Other	
c. Total (a. + b.)	4,065	i. Total (a. through h.)	194,102
	(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	2,631,048	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	195,356
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	26,478	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	26,478	g. Total (a. through f.)	195,356
4. Total (1. + 2. + 3.f)	2,657,526	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		258,788	258,788
(4). System Enhancement & Operation		385,723	385,723
(5). Total Construction (1) + (2) + (3) + (4)	0	644,511	644,511
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	644,511	644,511
			(Carry forward to page 1)

Notes and Comments: