

# **SAGUACHE COUNTY, COLORADO**

## **FINANCIAL STATEMENTS**

**December 31, 2021**



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  
Saguache, Colorado

## Report on the Audit of the Financial Statements

### *Opinions*

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 (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of December 31, 2021, 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.

### *Basis for Opinions*

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### *Emphasis of Matter*

As discussed in note 14 to the financial statements, certain amounts were incorrect in the prior year financial statements. Beginning net position and fund balance have been restated in the financial statements. Our opinion is not modified with respect to these matters.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

**Certified Public Accountants**

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### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***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, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

### ***Supplementary 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 accompanying combining nonmajor fund financial statements, the schedule of expenditures of federal awards, and the Local Highway Finance Report as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, 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 September 15, 2022 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 solely 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 the effectiveness of the County's 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.*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

September 15, 2022

**SAGUACHE COUNTY, COLORADO**

**BASIC FINANCIAL STATEMENTS**

# SAGUACHE COUNTY, COLORADO

## STATEMENT OF NET POSITION

December 31, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	TOTAL
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and Cash Equivalents	\$ 12,872,568	\$ 247,500	\$ 13,120,068
Accounts Receivable	152,118	-	152,118
Property Taxes Receivable	2,076,286	-	2,076,286
Due from Other Governments	410,787	-	410,787
Inventory	395,539	-	395,539
<b>Total Current Assets</b>	<b>15,907,298</b>	<b>247,500</b>	<b>16,154,798</b>
<b>Noncurrent Assets:</b>			
Capital Assets:			
Land	231,693	114,000	345,693
Construction in Progress	-	-	-
Buildings, net	1,263,402	170,312	1,433,714
Vehicles & Heavy Equipment, net	2,511,651	-	2,511,651
Equipment, net	203,960	-	203,960
Infrastructure, net	1,355,656	-	1,355,656
<b>Total Noncurrent Assets</b>	<b>5,566,362</b>	<b>284,312</b>	<b>5,850,674</b>
<b>TOTAL ASSETS</b>	<b>21,473,660</b>	<b>531,812</b>	<b>22,005,472</b>
<b>LIABILITIES</b>			
<b>Current Liabilities:</b>			
Accounts Payable	459,471	-	459,471
Security Deposits	120,000	8,540	128,540
Unearned Grant Revenue	798,442	-	798,442
Notes Payable	-	12,808	12,808
Capital Leases Payable	106,599	-	106,599
Compensated Absences	12,147	-	12,147
<b>Total Current Liabilities</b>	<b>1,496,659</b>	<b>21,348</b>	<b>1,518,007</b>
<b>Noncurrent Liabilities:</b>			
Notes Payable	-	282,920	282,920
Capital Leases Payable	111,451	-	111,451
Compensated Absences	235,665	-	235,665
Closure and Post Closure Costs	566,636	-	566,636
<b>Total Noncurrent Liabilities</b>	<b>913,752</b>	<b>282,920</b>	<b>1,196,672</b>
<b>TOTAL LIABILITIES</b>	<b>2,410,411</b>	<b>304,268</b>	<b>2,714,679</b>
<b>DEFERRED INFLOWS OF RESOURCES - CURRENT</b>			
Deferred Revenue - Property Tax	2,076,286	-	2,076,286
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,348,312	(11,416)	5,336,896
Restricted for TABOR	350,000	-	350,000
Unrestricted	11,288,651	238,960	11,527,611
<b>TOTAL NET POSITION</b>	<b>\$ 16,986,963</b>	<b>\$ 227,544</b>	<b>\$ 17,214,507</b>

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

**SAGUACHE COUNTY, COLORADO**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2021**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Primary Government	Business-Type Activities	TOTAL
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 5,187,435	\$ 934,726	\$ 1,212,593	\$ -	\$ (3,040,116)	\$ -	\$ (3,040,116)
Public Safety	1,731,871	155,348	124,814	-	(1,451,709)	-	(1,451,709)
Health and Welfare	6,986,454	150,611	6,391,904	-	(443,939)	-	(443,939)
Public Works	2,741,648	101,205	3,176,769	-	536,326	-	536,326
Culture and Recreation	264,483	-	75,151	-	(189,332)	-	(189,332)
Interest on Long-Term Debt	15,186	-	-	-	(15,186)	-	(15,186)
<b>Total Governmental Activities</b>	<b>16,927,077</b>	<b>1,341,890</b>	<b>10,981,231</b>	<b>-</b>	<b>(4,603,956)</b>	<b>-</b>	<b>(4,603,956)</b>
<b>Business-Type Activities:</b>							
Housing Authority	230,536	145,647	101,498	-	-	16,609	16,609
<b>Total Business-Type Activities</b>	<b>230,536</b>	<b>145,647</b>	<b>101,498</b>	<b>-</b>	<b>-</b>	<b>16,609</b>	<b>16,609</b>
<b>Total Primary Government</b>	<b>\$ 17,157,613</b>	<b>\$ 1,487,537</b>	<b>\$ 11,082,729</b>	<b>\$ -</b>	<b>(4,603,956)</b>	<b>16,609</b>	<b>(4,587,347)</b>
<b>General Revenues:</b>							
Taxes:							
General Property Taxes - Net					1,893,558	-	1,893,558
Sales Taxes					1,690,985	-	1,690,985
Other Taxes					817,418	-	817,418
Payment in Lieu of Taxes					1,129,772	-	1,129,772
Interest on Investments					10,997	151	11,148
Miscellaneous					566,832	14,739	581,571
Gain on Sale of Capital Assets					11,101	-	11,101
<b>Transfers</b>					<b>(62,000)</b>	<b>62,000</b>	<b>-</b>
<b>Total General Revenues and Transfers</b>					<b>6,058,663</b>	<b>76,890</b>	<b>6,135,553</b>
Change in Net Position					1,454,707	93,499	1,548,206
<b>Net Position - Beginning of Year</b>					<b>15,640,467</b>	<b>134,045</b>	<b>15,774,512</b>
<b>Prior Period Adjustment (Note 14)</b>					<b>(108,211)</b>	<b>-</b>	<b>(108,211)</b>
<b>Net Position - Beginning of Year Restated</b>					<b>15,532,256</b>	<b>134,045</b>	<b>15,666,301</b>
<b>Net Position - Ending</b>					<b>\$ 16,986,963</b>	<b>\$ 227,544</b>	<b>\$ 17,214,507</b>

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



**SAGUACHE COUNTY, COLORADO**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**December 31, 2021**

	<b>GENERAL FUND</b>	<b>ROAD AND BRIDGE FUND</b>	<b>SOCIAL SERVICES FUND</b>	<b>PUBLIC SAFETY FUND</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>ASSETS</b>						
Cash and Investments	\$ 5,438,037	\$ 3,804,535	\$ 604,426	\$ 2,014,827	\$ 1,010,743	\$ 12,872,568
Accounts Receivable	-	-	(750)	-	152,868	152,118
Property Taxes Receivable	1,735,911	-	294,378	-	45,997	2,076,286
Due from Other Funds	-	-	21,617	28,695	-	50,312
Due from Other Governments	99,594	217,031	94,162	-	-	410,787
Inventory	-	395,539	-	-	-	395,539
<b>TOTAL ASSETS</b>	<b>\$ 7,273,542</b>	<b>\$ 4,417,105</b>	<b>\$ 1,013,833</b>	<b>\$ 2,043,522</b>	<b>\$ 1,209,608</b>	<b>\$ 15,957,610</b>
<b>LIABILITIES AND FUND BALANCE</b>						
<b>LIABILITIES</b>						
Accounts Payable	\$ 244,431	\$ 118,553	\$ 78,043	\$ 4,700	13,744	\$ 459,471
Security Deposits	120,000	-	-	-	-	120,000
Due to Other Funds	15,082	-	-	-	35,230	50,312
Deferred Grant Revenue	526,675	-	212,154	-	59,613	798,442
<b>TOTAL LIABILITIES</b>	<b>906,188</b>	<b>118,553</b>	<b>290,197</b>	<b>4,700</b>	<b>108,587</b>	<b>1,428,225</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Unearned Revenue - Property Tax	1,735,911	-	294,378	-	45,997	2,076,286
<b>FUND BALANCE</b>						
Nonspendable						
Inventory	-	395,539	-	-	-	395,539
Restricted						
Tabor	350,000	-	-	-	-	350,000
Committed						
Highway and Streets	-	3,903,013	-	-	-	3,903,013
Health and Welfare	-	-	429,258	2,038,822	123,281	2,591,361
Culture and Recreation	-	-	-	-	363,755	363,755
Emergency Services	-	-	-	-	153,056	153,056
Renewable Energy	-	-	-	-	303,532	303,532
Crestone Fire Station	-	-	-	-	91,650	91,650
Sales Tax Contingency	-	-	-	-	19,750	19,750
Unassigned	4,281,443	-	-	-	-	4,281,443
<b>TOTAL FUND BALANCE</b>	<b>4,631,443</b>	<b>4,298,552</b>	<b>429,258</b>	<b>2,038,822</b>	<b>1,055,024</b>	<b>12,453,099</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 7,273,542</b>	<b>\$ 4,417,105</b>	<b>\$ 1,013,833</b>	<b>\$ 2,043,522</b>	<b>\$ 1,209,608</b>	<b>\$ 15,957,610</b>

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, 2021**

**Total governmental fund balances** \$ 12,453,099

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. 5,566,362

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

Compensated Absences	\$	(247,812)	
Landfill Closure and Post-Closure Costs		(566,636)	
Capital Lease Payable		(218,050)	
		<u>                    </u>	<u>(1,032,498)</u>

**Net position of governmental activities** \$ 16,986,963

**SAGUACHE COUNTY, COLORADO**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Year Ended December 31, 2021**

	GENERAL FUND	ROAD AND BRIDGE FUND	SOCIAL SERVICES FUND	PUBLIC SAFETY FUND	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES</b>						
Taxes	\$ 2,275,241	\$ -	\$ 312,663	\$ 1,014,590	\$ 809,467	\$ 4,411,961
Intergovernmental Revenue	2,668,070	3,076,202	6,059,559	-	392,660	12,196,491
Licenses and Permits	209,211	38,578	-	-	-	247,789
Interest on Deposits	10,974	-	23	-	-	10,997
Charges for Services	1,100,776	62,627	-	-	148,511	1,311,914
Miscellaneous	552,134	2,037	-	-	12,661	566,832
<b>TOTAL REVENUES</b>	<b>6,816,406</b>	<b>3,179,444</b>	<b>6,372,245</b>	<b>1,014,590</b>	<b>1,363,299</b>	<b>18,745,984</b>
<b>EXPENDITURES</b>						
Current Expenditures:						
General Government	4,489,935	-	-	-	-	4,489,935
Public Safety	1,621,045	-	-	-	148,682	1,769,727
Health and Welfare	25,653	-	6,489,538	-	520,773	7,035,964
Public Works	58,644	2,715,750	-	-	94,254	2,868,648
Culture and Recreation	-	-	-	-	300,153	300,153
Capital Outlay	193,353	32,948	-	159,263	-	385,564
Debt Service	-	117,146	-	-	-	117,146
<b>TOTAL EXPENDITURES</b>	<b>6,388,630</b>	<b>2,865,844</b>	<b>6,489,538</b>	<b>159,263</b>	<b>1,063,862</b>	<b>16,967,137</b>
Excess (deficiency) of revenues over expenditures	427,776	313,600	(117,293)	855,327	299,437	1,778,847
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	-	-	-	-	31,786	31,786
Transfers Out	(62,000)	-	-	-	(31,786)	(93,786)
Sale of Capital Assets	2,148	70,953	-	-	-	73,101
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(59,852)</b>	<b>70,953</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,101</b>
Net Change in Fund Balance	367,924	384,553	(117,293)	855,327	299,437	1,789,948
<b>Fund Balance- Beginning of Year</b>	<b>4,263,519</b>	<b>3,913,999</b>	<b>334,752</b>	<b>1,183,495</b>	<b>755,587</b>	<b>10,451,352</b>
<b>Prior Period Adjustment (Note 14)</b>	<b>-</b>	<b>-</b>	<b>211,799</b>	<b>-</b>	<b>-</b>	<b>211,799</b>
<b>Fund Balance- Beginning of Year Restated</b>	<b>4,263,519</b>	<b>3,913,999</b>	<b>546,551</b>	<b>1,183,495</b>	<b>755,587</b>	<b>10,663,151</b>
<b>Fund Balance at End of Year</b>	<b>\$ 4,631,443</b>	<b>\$ 4,298,552</b>	<b>\$ 429,258</b>	<b>\$ 2,038,822</b>	<b>\$ 1,055,024</b>	<b>\$ 12,453,099</b>

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, 2021**

<b>Net change in fund balances - total governmental funds</b>	\$	1,789,948
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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.

Capital asset additions	\$	920,194	
Depreciation expense		(699,381)	
Deletions net of accumulated Depreciation		(548,077)	
Capital Assets transferred to Business-type Activities		(62,000)	
			(389,264)

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		101,960
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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		(47,937)	
Landfill Closure and Post-Closure Costs		-	
			(47,937)

<b>Change in net position of governmental funds</b>	\$	<u><u>1,454,707</u></u>
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**SAGUACHE COUNTY, COLORADO**  
**PROPRIETARY FUND TYPES**  
**STATEMENT OF NET POSITION**  
**December 31, 2021**

	<b>Business-type Activities</b>
	<b>HOUSING AUTHORITY</b>
<b>ASSETS</b>	
<b>Current Assets:</b>	
Cash and Cash Equivalents	\$ 247,500
Accounts Receivable	-
Total Current Assets	<u>247,500</u>
<b>Noncurrent Assets:</b>	
Capital Assets:	
Land	114,000
Buildings and Improvements, net	170,312
Furniture and Equipment, net	-
Total Noncurrent Assets	<u>284,312</u>
<b>TOTAL ASSETS</b>	<u>531,812</u>
<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Accounts Payable	-
Security Deposit	8,540
Notes Payable (current portion)	12,808
Total Current Liabilities	<u>21,348</u>
<b>Noncurrent Liabilities:</b>	
Notes Payable	<u>282,920</u>
Total Noncurrent Liabilities	<u>282,920</u>
<b>TOTAL LIABILITIES</b>	<u>304,268</u>
<b>NET POSITION</b>	
Net Investment in Capital Assets	(11,416)
Unrestricted	<u>238,960</u>
<b>TOTAL NET POSITION</b>	<u><u>\$ 227,544</u></u>

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, 2021**

	<b>Business-type Activities</b>
	<b>HOUSING AUTHORITY</b>
<b>OPERATING REVENUES</b>	
Rent from Tenants	\$ 145,647
HUD Operating Subsidy	91,498
Miscellaneous	14,739
	<hr/>
Total Charges for Services	251,884
	<hr/>
<b>Total operating revenues</b>	251,884
	<hr/>
<b>OPERATING EXPENSES</b>	
Administrative	112,039
Utilities	57,209
Operating and Maintenance	32,428
Insurance	8,784
Depreciation Expense	10,709
	<hr/>
<b>Total operating expenses</b>	221,169
	<hr/>
Operating Income (Loss)	30,715
	<hr/>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Interest on Investments	151
Grant Revenue	10,000
Interest Expense	(9,367)
	<hr/>
<b>Total Nonoperating Revenues (Expenses)</b>	784
	<hr/>
<b>TRANSFERS AND CAPITAL CONTRIBUTIONS</b>	
Capital Contribution Transfer from General Fund	62,000
	<hr/>
Changes in Net Position	93,499
	<hr/>
<b>Net Position, Beginning of Year</b>	134,045
	<hr/>
<b>Net Position, End of Year</b>	\$ 227,544
	<hr/> <hr/>

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, 2021**

**Business-type  
Activities**

**HOUSING  
AUTHORITY**

**Cash flows from operating activities:**

Cash received from tenants and others	\$ 161,306
Cash received from HUD operating subsidy	91,498
Cash paid to employees for services	(112,039)
Cash paid to suppliers and service providers	(102,771)

Net cash provided (used) by operating activities:	37,994
---	--------

**Cash flows from noncapital financing activities:**

**Cash flows from capital and related financing activities:**

Payment of note principal and interest	(21,748)
Grant Revenue	10,000

Net cash provided (used) by capital and related financing activities	(11,748)
--	----------

**Cash flows from investing activities:**

Interest received	151
-------------------	-----

Net cash provided (used) by investing activities	151
--	-----

Increase (decrease) in cash and investments	26,397
---	--------

Cash and cash equivalents, Beginning of the Year	221,103
--	---------

Cash and cash equivalents, End of the Year	\$ 247,500
--	------------

Operating income (loss)	\$ 30,715
-------------------------	-----------

**Adjustments to reconcile net income to net cash  
provided (used) by operating activities**

Depreciation	10,709
(Increase) Decrease in Accounts Receivable	1,153
Increase (Decrease) in Accounts Payable	(4,350)
Increase (Decrease) in Security Deposits	(233)

Total adjustments	7,279
-------------------	-------

Net cash provided (used) by operating activities	\$ 37,994
--	-----------

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

**SAGUACHE COUNTY, COLORADO**  
**FIDUCIARY FUND TYPES**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**December 31, 2021**

	<b>PUBLIC TRUSTEE</b>	<b>COUNTY TREASURER</b>	<b>COUNTY CLERK</b>	<b>COUNTY SHERIFF</b>	<b>TOTAL AGENCY FUNDS</b>
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 7,016	\$ 684,710	\$ 299,359	\$ 24,178	\$ 1,015,263
<b>TOTAL ASSETS</b>	<u>\$ 7,016</u>	<u>\$ 684,710</u>	<u>\$ 299,359</u>	<u>\$ 24,178</u>	<u>\$ 1,015,263</u>
<b>LIABILITIES</b>					
Due to Other Governments	\$ -	\$ 684,710	\$ -	\$ -	\$ 684,710
Deposits held for Others	<u>7,016</u>	<u>-</u>	<u>299,359</u>	<u>24,178</u>	<u>330,553</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 7,016</u>	<u>\$ 684,710</u>	<u>\$ 299,359</u>	<u>\$ 24,178</u>	<u>\$ 1,015,263</u>

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



**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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
- Very true,
- 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.

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:

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

- 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.
- The *Public Safety Fund* is used to account for an approved one and one-half sales tax revenue specifically to be used for the operations of law enforcement.

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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 2021 property tax levy due January 1, 2022 has been recorded in the financial statements as a receivable and a corresponding deferred inflow of resources in the financial statements.

***Inventories and Prepaid Items***

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.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial 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.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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:

Assets	Years
Buildings 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.

***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.
- *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.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

***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 reclassifications were made to fiscal year 2020 financial statements in order to conform to the fiscal year 2021 financial statement presentation.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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 2021. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

***Stewardship***

Expenditures in the following funds exceeded appropriations by the following amounts during 2021:

Social Services Fund	\$ 5,150,047
Sales Tax - Youth and Seniors Fund	19,034

This may be a violation of Colorado State Statutes.

**NOTE 3 CASH, DEPOSITS, AND INVESTMENTS**

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

Cash on Hand	\$ 3,102
Cash Deposited in Banks	7,141,780
ColoTrust	3,571,944
C-SAFE	2,637,812
Other Investments	780,693
Total Cash, Deposits, and Investments (Book Balance)	<u>14,135,331</u>
Less amounts related to Trust & Agency Fund	<u>(1,015,263)</u>
Total Cash, Deposits, and Investments on Statement of Net Position	<u><u>\$ 13,120,068</u></u>

***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.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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.

***Custodial Credit Risk – Deposits***

The County's investment policy addresses custodial credit risk. At December 31, 2021, \$6,990,449 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.

***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.

***Fair Value***

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

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

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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. ColoTrust is rated AAAM by Standard and Poor's.

The Colorado Surplus Asset Fund Trust (C-SAFE) investments are valued using the net asset value per share (or its equivalent) of the investments. The investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. C-SAFE investments conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invests primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. C-SAFE measures all of its investments at amortized cost. C-SAFE is rated AAAM by Standard and Poor's.

		<b>Fair Value Measurements Using:</b>			
<u>Investment Type</u>		<u>Moody's Rating</u>	<u>Up to 120 days</u>	<u>121 days to 5 years</u>	<u>Level 2</u>
Corporate Bonds	26%	A3	<u>\$ -</u>	<u>\$ 204,480</u>	<u>\$ 204,480</u>
Money Market Funds	74%	unrated			<u>576,212</u>
					<u>\$ 780,692</u>

**NOTE 4 PROPERTY TAXES RECEIVABLE**

At December 31, 2021, the County had an estimated property tax receivable divided among the funds as follows:

General Fund	\$ 1,735,911
Social Services Fund	294,378
Public Health Fund	<u>45,997</u>
	<u>\$ 2,076,286</u>



**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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, 2021, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Social Services Fund	General Fund	\$ 15,082
	Public Health Fund	6,535
		<u>21,617</u>
Public Safety Fund	Sales Tax - Emergency Services Fund	\$ 9,565
	Sales Tax - Youth and Seniors Fund	9,565
	Sales Tax - Renewable Energy Fund	9,565
		<u>28,695</u>
	Total	<u><u>\$ 50,312</u></u>

Interfund transfers for the year ended December 31, 2021, were as follows:

<u>Transfer In</u>	<u>Transfer Out</u>	<u>Amount</u>
Sales Tax- Emergency Services Fund	Contingency Fund	\$ 10,596
Sales Tax- Youth and Seniors Fund		10,595
Sales Tax- Renewable Energy Fund		10,595
		<u>31,786</u>
Housing Authority	General Fund	<u>62,000</u>
	Total	<u><u>\$ 93,786</u></u>

The General Fund transferred funds for the purchase of land to the Housing Authority. The Sales Tax Contingency Fund transferred excess monies to the other Sales Tax funds.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**NOTE 6 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2021, was as follows:

	Balance 12/31/2020	Additions	Deletions	Balance 12/31/2021
<b><i>Governmental Activities:</i></b>				
Capital assets not being depreciated:				
Land	\$ 293,693	\$ -	\$ 62,000	\$ 231,693
Total capital assets not being depreciated	293,693	-	62,000	231,693
Capital assets being depreciated:				
Buildings and Improvements	8,690,742	7,450	851,959	7,846,233
Vehicles and Heavy Equipment	9,414,092	798,777	1,357,252	8,855,617
Equipment	675,247	113,964	125,602	663,609
Infrastructure	1,699,300	-	-	1,699,300
Total capital assets being depreciated	20,479,381	920,191	2,334,813	19,064,759
Less accumulated depreciation for:				
Buildings and Improvements	6,859,524	63,579	340,272	6,582,831
Vehicles and Heavy Equipment	7,101,049	563,779	1,320,862	6,343,966
Equipment	555,711	29,540	125,602	459,649
Infrastructure	301,161	42,483	-	343,644
Total accumulated depreciation	14,817,445	699,381	1,786,736	13,730,090
Total capital assets being depreciated, net	5,661,936	220,810	548,077	5,334,669
<i>Governmental Activities Capital Assets, net</i>	<u>\$ 5,955,629</u>	<u>\$ 220,810</u>	<u>\$ 610,077</u>	<u>\$ 5,566,362</u>
<b><i>Business-type Activities:</i></b>				
Capital assets not being depreciated:				
Land	\$ 52,000	\$ 62,000	\$ -	\$ 114,000
Total capital assets not being depreciated	52,000	62,000	-	114,000
Capital assets being depreciated:				
Buildings and Improvements	1,105,535	-	-	1,105,535
Furniture and Equipment	71,636	-	-	71,636
Total capital assets being depreciated	1,177,171	-	-	1,177,171
Less accumulated depreciation for:				
Buildings and Improvements	924,513	10,710	-	935,223
Furniture and Equipment	71,636	-	-	71,636
Total accumulated depreciation	996,149	10,710	-	1,006,859
<i>Business-type Activities Capital Assets, net</i>	<u>\$ 233,022</u>	<u>\$ 51,290</u>	<u>\$ -</u>	<u>\$ 284,312</u>

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General Government	\$ 52,010
Public Safety	52,703
Health and Welfare	25,586
Public Works	569,082
Culture and Recreation	<u>-</u>
	<u>\$ 699,381</u>
Business-type Activities:	
Housing Authority	<u>\$ 10,710</u>

**NOTE 7 LONG-TERM LIABILITIES**

***Changes in Long-term Liabilities***

Long-term liability activity for the year ended December 31, 2021, were as follows:

	12/31/2020 Balance	Additions	Deletions	12/31/2021 Balance	Due Within One Year
<i>Governmental Activities:</i>					
Capital Leases	\$ 320,010	\$ -	\$ 101,960	\$ 218,050	\$ 106,599
Landfill Closure and Post-Closure	566,636	-	-	566,636	-
Compensated Absences	<u>199,875</u>	<u>47,937</u>	<u>-</u>	<u>247,812</u>	<u>12,147</u>
Total Governmental Activities	<u>\$ 1,086,521</u>	<u>\$ 47,937</u>	<u>\$ 101,960</u>	<u>\$ 1,032,498</u>	<u>\$ 118,746</u>
<i>Business-Type Activities:</i>					
DOLA-Division of Housing	\$ 195,761	\$ -	\$ 11,446	\$ 184,315	\$ 11,852
US Department of Agriculture Blue Waters Hacienda Project, 2005	<u>112,349</u>	<u>-</u>	<u>936</u>	<u>111,413</u>	<u>956</u>
Total Business-Type Activities	<u>\$ 308,110</u>	<u>\$ -</u>	<u>\$ 12,382</u>	<u>\$ 295,728</u>	<u>\$ 12,808</u>

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**GOVERNMENTAL ACTIVITIES:**

***Capital Lease***

The County entered into a capital lease agreement with Caterpillar Financial Services on June 13, 2018, in the amount of \$296,436, payable in 5 annual installments of \$59,287, beginning August 2019 at 4.550% interest, with final payment due in August 2023. This lease was entered into for the purchase of a Caterpillar motor grader. These payments were made from the Road and Bridge Fund. Principal balance at December 31, 2021, was \$110,947. This asset is recorded in capital assets of the government-wide financial statements for a total of \$296,440 less accumulated depreciation of \$118,576 at December 31, 2021.

The County entered into a capital lease agreement with Caterpillar Financial Services on September 5, 2018, in the amount of \$250,902, payable in 5 annual installments of \$57,233, beginning October 2018, at 4.550% interest, with a final payment due in October 2023. This lease was entered into for the purchase of a Caterpillar motor grader. These payments were made from the Road and Bridge Fund. Principal balance at December 31, 2021, was \$107,103. This asset is recorded in capital assets of the government-wide financial statements for a total of \$286,225 less accumulated depreciation of \$114,490 at December 31, 2021.

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

	Principal	Interest	Total
2022	\$ 106,599	\$ 9,921	\$ 116,520
2023	111,451	5,071	116,522
	<u>\$ 218,050</u>	<u>\$ 14,992</u>	<u>\$ 233,042</u>

***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, 2021. As of December 31, 2021, the County estimated that existing landfill capacity was approximately 65% utilized (filled), and that the existing landfill was expected to be filled to capacity in fiscal year 2042. The \$566,636 reported as landfill closure and post-closure care liability at December 31, 2021 represents the cumulative amount reported to date based on the use of 49% of the estimated capacity of the landfill. The aggregate estimated liability of \$773,733 is comprised of \$280,862 of estimated closure costs and \$492,871 of estimated post closure costs. The County will recognize the remaining estimated cost of closure and post-closure care of \$207,097 as the remaining estimated capacity is filled. 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**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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 \$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
2022	\$ 12,808	\$ 8,483	\$ 21,291
2023	13,093	8,412	21,505
2024	13,386	8,119	21,505
2025	13,688	7,812	21,500
2026	14,000	7,504	21,504
2027-2031	75,047	32,478	107,525
2032-2036	66,238	23,098	89,336
2037-2041	15,072	16,599	31,671
2042-2046	21,103	10,568	31,671
2047-2051	29,547	2,555	32,102
2052-2056	21,746	-	21,746
	<u>\$ 295,728</u>	<u>\$ 125,628</u>	<u>\$ 421,356</u>

**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 \$101,970.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

**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 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 5% contributed by each employee. The County's matching contributions vest with the employee over a 4-year period. Nonvested County contributions are forfeited upon termination of employment. Such forfeitures are used to cover a portion of the pension plan's administrative expenses. Plan provisions and contribution requirements are established and may be amended by the Board of County Commissioners.

For the year ended December 31, 2021, total employee contributions to the Plan were \$105,403 and the County recognized pension expense of \$90,479. The County recognized \$4,000 of forfeitures in retirement expense during 2021.

***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, 2021.

**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 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.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

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. Fiscal year spending excludes enterprise spending. The Emergency Reserve has been presented as a restriction of fund balance in the County funds and restricted net position on the Statement of Net Position.

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, 2021, CAPP had assets of \$24,459,481, liabilities of \$13,771,973 (including \$11,331,661 reserved for losses and claims), and members' equity of \$10,687,508. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2021, amounted to \$9,383,724 and total expenses were \$8,897,447, resulting in net income before return of surplus of \$486,277.

***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 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.

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

At December 31, 2021, CWCP had assets of \$50,946,504, liabilities of \$28,674,442 (including \$26,396,800 reserved for losses and claims) and members' equity of \$22,272,062. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2021, amounted to \$12,296,380, total expenses were \$8,728,999, resulting in net income before return of surplus of \$3,567,381.

**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.

***COVID-19***

In March of 2020, the COVID-19 virus was declared a global pandemic. Business continuity could be severely impacted for months or more, as significant and unprecedented measures to mitigate the consequences of the pandemic are undertaken. The County used Coronavirus Aid, Relief, and Economic Security (CARES) Act funding and American Rescue Plan Act (ARPA) in 2021 to mitigate some of the costs/losses as a result of the pandemic. No adjustments have been made to these financial statements as the potential impact is unknown at this time.

**NOTE 14 PRIOR PERIOD ADJUSTMENTS**

***Governmental Activities***

The County's Capital Lease Payable balance was understated due to the omission of a transaction to purchase equipment with a capital lease. A prior period adjustment was recorded in the governmental activities to reflect the 2020 ending balance of the capital lease of \$320,010.



**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2021**

The County's Social Services Fund did not reconcile cash accounts accurately during 2020. A prior period adjustment was recorded in the Social Services fund and governmental activities of \$211,799 to correctly state 2020 ending cash balances.

## **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, 2021**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ 2,958,262	\$ 3,061,694	\$ 2,275,241	\$ (786,453)
Intergovernmental Revenue	2,390,544	3,053,285	2,668,070	(385,215)
Licenses and Permits	186,650	186,650	209,211	22,561
Interest Revenue	100,180	100,180	10,974	(89,206)
Charges for Services	849,572	925,572	1,100,776	175,204
Miscellaneous	240,800	164,800	552,134	387,334
<b>TOTAL REVENUES</b>	<b>6,726,008</b>	<b>7,492,181</b>	<b>6,816,406</b>	<b>(675,775)</b>
<b>EXPENDITURES</b>				
General Government	4,323,111	4,645,289	4,489,935	155,354
Public Safety	2,231,733	1,911,446	1,621,045	290,401
Health and Welfare	40,033	12,200	25,653	(13,453)
Public Works	56,000	56,000	58,644	(2,644)
Capital Outlay	74,000	582,683	193,353	389,330
<b>TOTAL EXPENDITURES</b>	<b>6,724,877</b>	<b>7,207,618</b>	<b>6,388,630</b>	<b>818,988</b>
Excess (deficiency) of revenues over expenditures	1,131	284,563	427,776	143,213
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	-	-	(62,000)	(62,000)
Sale of Capital Assets	-	-	2,148	2,148
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>(59,852)</b>	<b>(59,852)</b>
Net Change in Fund Balance	1,131	284,563	367,924	83,361
<b>Fund Balance at Beginning of Year</b>	<b>2,265,061</b>	<b>2,265,061</b>	<b>4,263,519</b>	<b>1,998,458</b>
<b>Fund Balance at End of Year</b>	<b>\$ 2,266,192</b>	<b>\$ 2,549,624</b>	<b>\$ 4,631,443</b>	<b>\$ 2,081,819</b>

**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, 2021**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	2,722,000	2,722,000	3,076,202	354,202
Charges for Services	193,500	193,500	62,627	(130,873)
License and Permits	43,000	43,000	38,578	(4,422)
Miscellaneous	2,000	2,000	2,037	37
<b>TOTAL REVENUES</b>	<b>2,960,500</b>	<b>2,960,500</b>	<b>3,179,444</b>	<b>218,944</b>
<b>EXPENDITURES</b>				
Public Works	2,808,496	2,808,496	2,715,750	92,746
Capital Outlay	35,000	35,000	32,948	2,052
Debt Service	118,000	118,000	117,146	854
<b>TOTAL EXPENDITURES</b>	<b>2,961,496</b>	<b>2,961,496</b>	<b>2,865,844</b>	<b>95,652</b>
Excess (deficiency) of revenues over expenditures	(996)	(996)	313,600	314,596
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	1,000	1,000	70,953	69,953
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,000</b>	<b>1,000</b>	<b>70,953</b>	<b>69,953</b>
Net Change in Fund Balance	4	4	384,553	384,549
<b>Fund Balance at Beginning of Year</b>	<b>698,387</b>	<b>698,387</b>	<b>3,913,999</b>	<b>3,215,612</b>
<b>Fund Balance at End of Year</b>	<b>\$ 698,391</b>	<b>\$ 698,391</b>	<b>\$ 4,298,552</b>	<b>\$ 3,600,161</b>

**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, 2021**

	<b>BUDGETED AMOUNTS</b>			<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	
<b>REVENUES</b>				
Taxes	\$ 3,616,928	\$ 991,073	\$ 312,663	\$ (678,410)
Intergovernmental Revenue	248,538	248,538	6,059,559	5,811,021
Interest Revenue	-	-	23	23
<b>TOTAL REVENUES</b>	<b>3,865,466</b>	<b>1,239,611</b>	<b>6,372,245</b>	<b>5,132,634</b>
<b>EXPENDITURES</b>				
Health and Welfare	3,865,466	1,339,491	6,489,538	(5,150,047)
<b>TOTAL EXPENDITURES</b>	<b>3,865,466</b>	<b>1,339,491</b>	<b>6,489,538</b>	<b>(5,150,047)</b>
Net Change in Fund Balance	-	(99,880)	(117,293)	(17,413)
<b>Fund Balance at Beginning of Year</b>	<b>2,635,659</b>	<b>2,635,659</b>	<b>334,752</b>	<b>(2,300,907)</b>
<b>Prior Period Adjustment (Note 14)</b>	<b>-</b>	<b>-</b>	<b>211,799</b>	<b>211,799</b>
<b>Fund Balance at Beginning of Year Restated</b>	<b>2,635,659</b>	<b>2,635,659</b>	<b>546,551</b>	<b>(2,089,108)</b>
<b>Fund Balance at End of Year</b>	<b>\$ 2,635,659</b>	<b>\$ 2,535,779</b>	<b>\$ 429,258</b>	<b>\$ (2,106,521)</b>

**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**  
**PUBLIC SAFETY FUND**  
**For the Year Ended December 31, 2021**

	<b>BUDGETED AMOUNTS</b>			<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	
<b>REVENUES</b>				
Taxes	\$ 450,000	\$ 450,000	\$ 1,014,590	\$ 564,590
Intergovernmental Revenue	-	-	-	-
Miscellaneous	-	-	-	-
<b>TOTAL REVENUES</b>	<b>450,000</b>	<b>450,000</b>	<b>1,014,590</b>	<b>564,590</b>
<b>EXPENDITURES</b>				
Public Safety	-	-	-	-
Capital Outlay	450,000	450,000	159,263	290,737
<b>TOTAL EXPENDITURES</b>	<b>450,000</b>	<b>450,000</b>	<b>159,263</b>	<b>290,737</b>
Excess (deficiency) of revenues over expenditures	-	-	855,327	855,327
<b>OTHER FINANCING SOURCES (USES)</b>				
Sale of Capital Assets	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net Change in Fund Balance	-	-	855,327	855,327
<b>Fund Balance at Beginning of Year</b>	<b>338,109</b>	<b>338,109</b>	<b>1,183,495</b>	<b>845,386</b>
<b>Fund Balance at End of Year</b>	<b>\$ 338,109</b>	<b>\$ 338,109</b>	<b>\$ 2,038,822</b>	<b>\$ 1,700,713</b>

**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.

**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, 2021**

**NONMAJOR SPECIAL REVENUE FUNDS**

	<b>PUBLIC HEALTH FUND</b>	<b>CONSERVATION TRUST FUND</b>	<b>TOURISM FUND</b>	<b>SALES TAX- EMERGENCY SERVICES FUND</b>	<b>SALES TAX- YOUTH AND SENIORS FUND</b>	<b>SALES TAX- RENEWABLE ENERGY FUND</b>	<b>TOTAL NONMAJOR GOVERNMENTAL</b>
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 43,731	\$ 104,944	\$ 93,687	\$ 259,373	\$ 195,911	\$ 313,097	\$ 1,010,743
Accounts Receivable	152,868	-	-	-	-	-	152,868
Property Tax Recievable	45,997	-	-	-	-	-	45,997
Due from Other Governments	-	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	<u>\$ 242,596</u>	<u>\$ 104,944</u>	<u>\$ 93,687</u>	<u>\$ 259,373</u>	<u>\$ 195,911</u>	<u>\$ 313,097</u>	<u>\$ 1,209,608</u>
<b>LIABILITIES AND FUND BALANCE</b>							
<b>LIABILITIES</b>							
Accounts Payable	\$ 7,170	\$ -	\$ 1,472	\$ 5,102	\$ -	\$ -	\$ 13,744
Deferred Grant Revenue	59,613	-	-	-	-	-	59,613
Due to Other Funds	6,535	-	-	9,565	9,565	9,565	35,230
<b>TOTAL LIABILITIES</b>	<u>73,318</u>	<u>-</u>	<u>1,472</u>	<u>14,667</u>	<u>9,565</u>	<u>9,565</u>	<u>108,587</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Unearned Revenue - Property Tax	45,997	-	-	-	-	-	45,997
<b>FUND BALANCE</b>							
Committed							
Health and Welfare	123,281	-	-	-	-	-	123,281
Culture and Recreation	-	104,944	92,215	-	166,596	-	363,755
Emergency Services	-	-	-	153,056	-	-	153,056
Renewable Energy	-	-	-	-	-	303,532	303,532
Crestone Fire Station	-	-	-	91,650	-	-	91,650
Sales Tax Contingency	-	-	-	-	19,750	-	19,750
<b>TOTAL FUND BALANCE</b>	<u>123,281</u>	<u>104,944</u>	<u>92,215</u>	<u>244,706</u>	<u>186,346</u>	<u>303,532</u>	<u>1,055,024</u>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 242,596</u>	<u>\$ 104,944</u>	<u>\$ 93,687</u>	<u>\$ 259,373</u>	<u>\$ 195,911</u>	<u>\$ 313,097</u>	<u>\$ 1,209,608</u>

**SAGUACHE COUNTY, COLORADO**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Year Ended December 31, 2021**

**NONMAJOR SPECIAL REVENUE FUNDS**

	<b>PUBLIC HEALTH FUND</b>	<b>CONSERVATION TRUST FUND</b>	<b>TOURISM FUND</b>	<b>SALES TAX- EMERGENCY SERVICES FUND</b>	<b>SALES TAX- YOUTH AND SENIORS FUND</b>	<b>SALES TAX- RENEWABLE ENERGY FUND</b>	<b>TOTAL NONMAJOR GOVERNMENTAL</b>
<b>REVENUES</b>							
Taxes	\$ 48,670	\$ -	\$ 84,402	\$ 225,464	\$ 225,465	\$ 225,466	\$ 809,467
Intergovernmental Revenue	317,509	48,151	27,000	-	-	-	392,660
Charges for Services	148,511	-	-	-	-	-	148,511
Miscellaneous	12,661	-	-	-	-	-	12,661
<b>TOTAL REVENUES</b>	<b>527,351</b>	<b>48,151</b>	<b>111,402</b>	<b>225,464</b>	<b>225,465</b>	<b>225,466</b>	<b>1,363,299</b>
<b>EXPENDITURES</b>							
Current Expenditures							
General Government	-	-	-	-	-	-	-
Public Safety	-	-	-	148,682	-	-	148,682
Health and Welfare	520,773	-	-	-	-	-	520,773
Public Works	-	-	-	-	-	94,254	94,254
Culture and Recreation	-	21,127	85,778	-	193,248	-	300,153
<b>TOTAL EXPENDITURES</b>	<b>520,773</b>	<b>21,127</b>	<b>85,778</b>	<b>148,682</b>	<b>193,248</b>	<b>94,254</b>	<b>1,063,862</b>
Excess (deficiency) of revenues over expenditures	6,578	27,024	25,624	76,782	32,217	131,212	299,437
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfer In	-	-	-	10,596	10,595	10,595	31,786
Transfer Out	-	-	-	-	(31,786)	-	(31,786)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,596</b>	<b>(21,191)</b>	<b>10,595</b>	<b>-</b>
Net Change in Fund Balance	6,578	27,024	25,624	87,378	11,026	141,807	299,437
<b>Fund Balance at Beginning of Year</b>	<b>116,703</b>	<b>77,920</b>	<b>66,591</b>	<b>157,328</b>	<b>175,320</b>	<b>161,725</b>	<b>755,587</b>
<b>Fund Balance at End of Year</b>	<b>\$ 123,281</b>	<b>\$ 104,944</b>	<b>\$ 92,215</b>	<b>\$ 244,706</b>	<b>\$ 186,346</b>	<b>\$ 303,532</b>	<b>\$ 1,055,024</b>

**SAGUACHE COUNTY, COLORADO**  
**ENTERPRISE FUND TYPES**  
**COMBINING SCHEDULE OF NET POSITION**  
**December 31, 2021**

	<b>HOUSING AUTHORITY</b>			<b>TOTAL</b>
	<b>SAGUACHE HOUSING AUTHORITY</b>	<b>BLUE WATERS</b>	<b>PUERTO DEL NORTE HACIENDAS</b>	<b>ENTERPRISE FUND</b>
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and Cash Equivalents	\$ 15,485	\$ 119,173	\$ 112,842	\$ 247,500
Accounts Receivable	-	-	-	-
Total Current Assets	15,485	119,173	112,842	247,500
<b>Noncurrent Assets:</b>				
Capital Assets:				
Land	62,000	36,000	16,000	114,000
Buildings and Improvements, net	-	-	170,312	170,312
Furniture & Equipment, net	-	-	-	-
Total Noncurrent Assets	62,000	36,000	186,312	284,312
<b>TOTAL ASSETS</b>	<b>77,485</b>	<b>155,173</b>	<b>299,154</b>	<b>531,812</b>
<b>LIABILITIES</b>				
<b>Current Liabilities:</b>				
Accounts Payable	-	-	-	-
Security Deposit	-	3,009	5,531	8,540
Notes Payable (current portion)	-	956	11,852	12,808
Total Current Liabilities	-	3,965	17,383	21,348
<b>Noncurrent Liabilities:</b>				
Notes Payable	-	110,457	172,463	282,920
Total Noncurrent Liabilities	-	110,457	172,463	282,920
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>114,422</b>	<b>189,846</b>	<b>304,268</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	62,000	(75,413)	1,997	(11,416)
Unrestricted	15,485	116,164	107,311	238,960
<b>TOTAL NET POSITION</b>	<b>\$ 77,485</b>	<b>\$ 40,751</b>	<b>\$ 109,308</b>	<b>\$ 227,544</b>

**SAGUACHE COUNTY, COLORADO**  
**ENTERPRISE FUND TYPES**  
**COMBINING SCHEDULE OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**For the Year Ended December 31, 2021**

	HOUSING AUTHORITY			
	SAGUACHE HOUSING AUTHORITY	BLUE WATERS	PUERTO DEL NORTE HACIENDAS	TOTAL ENTERPRISE FUND
<b>OPERATING REVENUES</b>				
Rent from Tenants	\$ -	\$ 44,976	\$ 100,671	\$ 145,647
HUD Operating Subsidy	-	84,443	7,055	91,498
Miscellaneous	575	6,217	7,947	14,739
<b>Total operating revenues</b>	<b>575</b>	<b>135,636</b>	<b>115,673</b>	<b>251,884</b>
<b>OPERATING EXPENSES</b>				
Administrative	-	68,560	43,479	112,039
Utilities	-	25,372	31,837	57,209
Operating and Maintenance	5,743	17,120	9,565	32,428
Insurance	-	4,126	4,658	8,784
Depreciation Expense	-	49	10,660	10,709
<b>Total operating expenses</b>	<b>5,743</b>	<b>115,227</b>	<b>100,199</b>	<b>221,169</b>
Operating Income (Loss)	(5,168)	20,409	15,474	30,715
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest on Investments	-	76	75	151
Grant Revenue	10,000	-	-	10,000
Interest Expense	-	(5,641)	(3,726)	(9,367)
<b>Total Nonoperating Revenues (Expenses)</b>	<b>10,000</b>	<b>(5,565)</b>	<b>(3,651)</b>	<b>784</b>
<b>CAPITAL CONTRIBUTIONS</b>				
Contributions from Governmental Activities	62,000	-	-	62,000
Changes in Net Position	66,832	14,844	11,823	93,499
<b>Net Position, Beginning of Year</b>	<b>10,653</b>	<b>25,907</b>	<b>97,485</b>	<b>134,045</b>
<b>Net Position, End of Year</b>	<b>\$ 77,485</b>	<b>\$ 40,751</b>	<b>\$ 109,308</b>	<b>\$ 227,544</b>

**SAGUACHE COUNTY, COLORADO**  
**ENTERPRISE FUND TYPES**  
**COMBINING SCHEDULE OF CASH FLOWS**  
**For the Year Ended December 31, 2021**

	<b>HOUSING AUTHORITY</b>			
	<b>SAGUACHE HOUSING AUTHORITY</b>	<b>BLUE WATERS</b>	<b>PUERTO DEL NORTE HACIENDAS</b>	<b>TOTAL ENTERPRISE FUND</b>
<b>Cash flows from operating activities:</b>				
Cash received from tenants and others	\$ 575	\$ 50,607	\$ 110,124	\$ 161,306
Cash received from HUD operating subsidy	-	84,443	7,055	91,498
Cash paid to employees for services	-	(68,560)	(43,479)	(112,039)
Cash paid to suppliers and service providers	(5,743)	(47,244)	(49,784)	(102,771)
Net cash provided (used) by operating activities:	(5,168)	19,246	23,916	37,994
<b>Cash flows from noncapital financing activities:</b>	-	-	-	-
<b>Cash flows from capital and related financing activities:</b>				
Payment of note principal and interest	-	(6,578)	(15,170)	(21,748)
Grant Revenue	10,000	-	-	10,000
Net cash provided (used) by capital and related financing activities	10,000	(6,578)	(15,170)	(11,748)
<b>Cash flows from investing activities:</b>				
Interest received	-	76	75	151
Net cash provided (used) by investing activities	-	76	75	151
<b>Increase (decrease) in cash and investments</b>	4,832	12,744	8,821	26,397
<b>Cash and cash equivalents, Beginning of the Year</b>	10,653	106,429	104,021	221,103
<b>Cash and cash equivalents, End of the Year</b>	<u>\$ 15,485</u>	<u>\$ 119,173</u>	<u>\$ 112,842</u>	<u>\$ 247,500</u>
<b>Operating income (loss)</b>	\$ (5,168)	\$ 20,409	\$ 15,474	\$ 30,715
<b>Adjustments to reconcile net income to net cash provided (used) by operating activities</b>				
Depreciation	-	49	10,660	10,709
(Increase) Decrease in Accounts Receivable	-	664	489	1,153
Increase (Decrease) in Accounts Payable	-	(626)	(3,724)	(4,350)
Increase (Decrease) in Security Deposits	-	(1,250)	1,017	(233)
Total adjustments	-	(1,163)	8,442	7,279
<b>Net cash provided (used) by operating activities</b>	<u>\$ (5,168)</u>	<u>\$ 19,246</u>	<u>\$ 23,916</u>	<u>\$ 37,994</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, 2021**

	<b>BUDGETED AMOUNTS</b>		<b>EXPENDITURES REPORTED ON</b>	<b>ADJUSTMENTS TO BUDGETARY</b>	<b>EXPENDITURES ON THE</b>	<b>VARIANCE WITH FINAL BUDGET</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>THE GAAP BASIS</b>	<b>BASIS</b>	<b>BUDGETARY BASIS</b>	<b>POSITIVE (NEGATIVE)</b>
<b>Governmental Funds</b>						
Non-major Governmental Funds						
Special Revenue Funds						
Public Health Fund	\$ 626,868	\$ 912,341	\$ 520,773	\$ -	\$ 520,773	\$ 391,568
Conservation Trust Fund	35,000	35,000	21,127	-	21,127	13,873
Tourism Fund	121,000	121,000	85,778	-	85,778	35,222
Sales Tax - Emergency Services Fund	95,000	230,980	148,682	-	148,682	82,298
Sales Tax - Youth and Seniors Fund	115,000	206,000	225,034	-	225,034	(19,034)
Sales Tax - Renewable Energy Fund	95,000	95,000	94,254	-	94,254	746
Total Non-major Governmental Funds	<u>\$ 1,087,868</u>	<u>\$ 1,600,321</u>	<u>\$ 1,095,648</u>	<u>\$ -</u>	<u>\$ 1,095,648</u>	<u>\$ 504,673</u>
<b>Proprietary Funds</b>						
Enterprise Funds						
Blue Waters Housing Authority	\$ 257,862	\$ 128,931	\$ 120,868	\$ 887	\$ 121,755	\$ 7,176
Puerto Del Norte Haciendas Housing Authority	219,473	111,856	103,925	786	104,711	7,145
Saugache County Housing Authority	-	-	5,743	-	5,743	(5,743)
Total Proprietary Funds	<u>\$ 477,335</u>	<u>\$ 240,787</u>	<u>\$ 230,536</u>	<u>\$ 1,673</u>	<u>\$ 232,209</u>	<u>\$ 8,578</u>

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

# **SAGUACHE COUNTY, COLORADO**

## **OTHER SCHEDULES AND REPORTS**

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2021**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
<b>CCDF Cluster</b>				
U.S. Department of Health and Human Services				
Child Care and Development Block Grant	93.575	Colorado Department of Human Services, N/A	\$ - \$	(1,785)
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Colorado Department of Human Services, N/A	-	10,830
<i>Total U.S. Department of Health and Human Services</i>			-	9,045
<b>Total CCDF Cluster</b>			-	9,045
<b>Food Distribution Cluster</b>				
U.S. Department of Agriculture				
Commodity Supplemental Food Program	10.565	Colorado Department of Human Services and Care and Share Food Bank, N/A	-	23,048
Emergency Food Assistance Program (Food Commodities)	10.569	Colorado Department of Human Services and Care and Share Food Bank, N/A	-	47,080
<i>Total U.S. Department of Agriculture</i>			-	70,128
<b>Total Food Distribution Cluster</b>			-	70,128
<b>Medicaid Cluster</b>				
U.S. Department of Health and Human Services				
Medical Assistance Program	93.778	Colorado Department of Human Services, N/A	-	113,973
<i>Total U.S. Department of Health and Human Services</i>			-	113,973
<b>Total Medicaid Cluster</b>			-	113,973
<b>SNAP Cluster</b>				
U.S. Department of Agriculture				
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	Colorado Department of Human Services, N/A	-	90,937
<i>Total U.S. Department of Agriculture</i>			-	90,937
<b>Total SNAP Cluster</b>			-	90,937



**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2021**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
<b>Forest Service Schools and Roads Cluster</b>				
U.S. Department of Agriculture				
Schools and Roads - Grants to States, Title I	10.665	Colorado Department of Treasury,N/A	806,689	806,689
Schools and Roads - Grants to States, Title III	10.665	Colorado Department of Treasury,N/A	-	37,962
<i>Total U.S. Department of Agriculture</i>			806,689	844,651
<b>Total Forest Service Schools and Roads Cluster</b>			806,689	844,651
<b>Section 8 Project-Based Cluster</b>				
U.S. Department of Housing and Urban Development				
Section 8 Housing Assistance Payments Program	14.195	Colorado Housing and Finance Authority,N/A	-	84,443
<i>Total U.S. Department of Housing and Urban Development</i>			-	84,443
<b>Total Section 8 Project-Based Cluster</b>			-	84,443
<b>Housing Voucher Cluster</b>				
U.S. Department of Housing and Urban Development				
Section 8 Housing Choice Vouchers	14.871	Center Housing Authority,N/A	-	7,055
<i>Total U.S. Department of Housing and Urban Development</i>			-	7,055
<b>Total Housing Voucher Cluster</b>			-	7,055
<b>Highway Planning and Construction Cluster</b>				
U.S. Department of Transportation				
Highway Planning and Construction	20.205	Colorado Department of Transportation,N/A	-	23,041
<i>Total U.S. Department of Transportation</i>			-	23,041
<b>Total Highway Planning and Construction Cluster</b>			-	23,041
<b>Total All Clusters</b>			806,689	1,243,273
<b>Other Programs</b>				
U.S. Department of Homeland Security				
Emergency Management Performance Grants	97.042	Colorado Department of Local Affairs,N/A	-	19,500
<i>Total U.S. Department of Homeland Security</i>			-	19,500
U.S. Department of Justice				
Crime Victim Assistance	16.575	Colorado Division of Criminal Justice,N/A	-	35,835
<i>Total U.S. Department of Justice</i>			-	35,835

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2021**

<i><b>Federal Grantor/Program or Cluster Title</b></i>	<i><b>Federal Assistance Listing Number</b></i>	<i><b>Pass-through Grantor and Number</b></i>	<i><b>Passed-through to Subrecipients (\$)</b></i>	<i><b>Federal Expenditures(\$)</b></i>
U.S. Department of Treasury				
Coronavirus Relief Fund	21.019	Colorado Department of Local Affairs, CVRF CM-061	-	130,652
Coronavirus Relief Fund	21.019	Colorado Department of Public Health and Environment, N/A	-	-82
Coronavirus State and Local Fiscal Recovery Funds	21.027	Colorado Department of Local Affairs, N/A	-	136,066
<i>Total U.S. Department of Treasury</i>			-	266,636
U.S. Department of Health and Human Services				
Public Health Emergency Preparedness	93.069	Colorado Department of Public Health and Environment, C22PHP	-	12,753
Guardianship Assistance	93.090	Colorado Department of Human Services, N/A	-	1,078
Immunization Cooperative Agreements	93.268	Colorado Department of Public Health and Environment, IMM#2/IMM#3	-	32,943
COVID-19 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC)	93.323	Colorado Department of Public Health and Environment, ELC	-	140,303
COVID-19 Temporary Assistance for Needy Families	93.558	Colorado Department of Human Services, N/A	-	20,094
Temporary Assistance for Needy Families	93.558	Colorado Department of Human Services, N/A	-	145,097
Child Support Enforcement	93.563	Colorado Department of Human Services, N/A	-	116,477
Low-Income Home Energy Assistance	93.568	Colorado Department of Human Services, N/A	-	2,736
Stephanie Tubbs Jones Child Welfare Services Program	93.645	Colorado Department of Human Services, N/A	-	6,701
Foster Care-Title IV-E	93.658	Colorado Department of Human Services, N/A	-	76,922

**SAGUACHE COUNTY**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2021**

<i>Federal Grantor/Program or Cluster Title</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-through Grantor and Number</i>	<i>Passed-through to Subrecipients (\$)</i>	<i>Federal Expenditures(\$)</i>
Adoption Assistance	93.659	Colorado Department of Human Services,N/A	-	31,337
Social Services Block Grant	93.667	Colorado Department of Human Services,N/A	-	40,330
Maternal and Child Health Services Block Grant to the States	93.994	Colorado Department of Public Health and Environment,MCH	-	7,990
<i>Total U.S. Department of Health and Human Services</i>			-	634,761
U.S. Department of Agriculture				
Rural Rental Housing Loans	10.415		-	117,054
<i>Total U.S. Department of Agriculture</i>			-	117,054
<b><i>Total Other Programs</i></b>			-	1,073,786
<b><i>Total Expenditures of Federal Awards</i></b>			<b>\$ 806,689</b>	<b>\$ 2,317,059</b>

**SAGUACHE COUNTY, COLORADO**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**For the Year Ended December 31, 2021**

**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, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). 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, except for funds passed-through the Colorado Department of Human Services and Department of Public Health and Environment. These funds are reported on a cash basis. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available. The County did not elect to use the 10-percent de minimis indirect cost rate as allowed under Uniform Guidance for the year ended December 31, 2021. In addition, the County did not pass-through federal funds to subrecipients.

**NOTE 3 FOOD DISTRIBUTION**

Nonmonetary assistance is reported in the Schedule at the fair market value of commodities received and disbursed

**NOTE 4 RURAL RENTAL HOUSING LOAN**

The Rural Rental Housing Loan is administered by Rural Development payable by the County. The outstanding loan balance at December 31, 2021 is included in the financial statements. The detail of the loan outstanding at the beginning and end of the year are included in Note 7 of the Notes to the Basic Financial Statements.

**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, the business-type activities, and each major fund, and the aggregate remaining fund information of Saguache County, Colorado (the County), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated September 15, 2022.

### **Report on 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) as a basis for designing 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.

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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph of this section 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. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as Finding 2021-001 and 2021-002 that we consider to be material weaknesses.

### **Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an

**Certified Public Accountants**

3001 Adcock Circle PO Box 809 Alamosa, CO 81101 | 719-589-3619 | f 719-589-5492 | [www.wsbcpa.com](http://www.wsbcpa.com)

objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as Finding 2021-001.

### **County's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the engagement to audit the financial statements and, accordingly, we express no opinion on the response.

### **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 engagement to perform an audit 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.*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

September 15, 2022

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE  
FOR EACH MAJOR PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE REQUIRED BY  
THE UNIFORM GUIDANCE**



Wall,  
Smith,  
Bateman Inc.

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

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Saguache County, Colorado's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *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, 2021. The County's major federal programs are identified in the summary of Auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County 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, 2021.

***Basis for Opinion on Each Major Federal Program***

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 the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the County's federal programs.

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### ***Auditors' Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on 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 a 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Wall, Smith, Bateman Inc.*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

September 15, 2022

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2021**

**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?   X   yes        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 2 CFR section 200.516(a)?

       yes   X   no

Identification of major programs:

CFDA Number(s)

10.665

21.027

Name of Federal Program or Cluster

Forest Services Schools and Roads Cluster

Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between type A and type B programs: \$750,000

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, 2021**

**Section II – Financial Statement Findings**

**Finding 2021-001: Internal Control over Financial Reporting**

**(Repeat of Finding 09-1, 10-1, 11-1, 12-1, 2013-01, 2014-01, 2015-01, 2016-01, 2017-01, 2018-01, 2019-01, and 2020-001)**

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

*Criteria:* A system of internal control includes the design, documentation, and monitoring of control activities over the application of accounting principles, anti-fraud programs, non-routine transaction, and financial statement preparation.

*Condition:* The County does not have a complete system of internal control to prevent and detect financial misstatements or to ensure compliance with laws and regulations.

*Cause:* A reconciliation and review process was not completed timely to properly state year-end account balances and submit accurate grant and billing reimbursement requests timely. In addition, the County does not have a process to ensure compliance with laws and regulations.

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

1. Treasurer fees were being charged to Social Services and on federal funds which is not in accordance with Colorado Revised Statutes. (C.R.S 26-1-123 and C.R.S 30-1-102, respectively.)
2. Grant reimbursements did not reconcile to the County's general ledger.
3. Medicaid billing was not being completed accurately or timely.
4. Numerous correcting journal entries are posted by the finance department to the general ledger. In some cases, supporting documentation was not maintained.
5. Landfill closure and post-closure cost studies have not been completed in accordance with Colorado Department of Public Health and Environment guidelines.
6. The Social Services and Sales Tax- Youth and Seniors fund expenditures exceeded appropriations for the year ended December 31, 2021 by \$5,150,047 and \$19,034, respectively. This may be a violation of Colorado Revised Statute 29-1-110. (Material Noncompliance)
7. Audit adjustments were proposed to properly state the County financial statements as of December 31, 2021, in accordance with generally accepted accounting principles.

*Recommendation:* The County should improve its internal controls with adopted policies and procedures regarding year-end reconciling of account balances to ensure accurate and timely financial statement and regulatory reporting. The County should continue to strengthen reconciliation and monitoring processes over grant and billing reimbursement request submissions. In addition, the County should incorporate a review process over budget to actual statements and adopt supplemental appropriations when necessary.

*Management's Response:* See corrective action plan.

**SAGUACHE COUNTY, COLORADO**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended December 31, 2021**

**Finding 2021-002: Internal Control over Social Services Fund Reconciliation**

*Type of finding: Internal Control (material weakness)*

*Criteria:* A system of internal controls includes the design, documentation, and monitoring of control activities over the application of financial statement preparation.

*Condition:* The County does not have a complete system of internal control to ensure all Social Services fund activity is recorded and reconciled accurately to supporting documentation and the State of Colorado Financial Management System.

*Cause:* The County did not complete monthly reconciliation of general ledger accounts throughout 2021.

*Effect:* Additional investigation and reconciliation procedures were performed during the audit which resulted in a prior period adjustment and current year audit adjustments were proposed to properly state the financial statements as of December 31, 2021, in accordance with generally accepted accounting principles.

*Recommendation:* The Department of Social Services should obtain additional training over reconciliation processes to the State of Colorado Financial Management System and other supporting documentation. The Department of Social Services should prepare a procedural manual documenting these processes to ensure all employees understand the procedures. In addition, the County should implement procedures regarding monthly and year-end financial close and accounting procedures to address and investigate discrepancies timely.

*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, 2021**

**Section II – Financial Statement Findings**

**Finding 2020-001: Internal Control over Financial Reporting**  
**(Repeat of Finding 09-1, 10-1, 11-1, 12-1, 2013-001, 2014-001, 2015-001,**  
**2016-01, 2017-01, 2018-01, and 2019-01)**

*Type of finding: Internal Control (material weakness)*

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

*Status:* Partially Implemented. (See Finding 2021-001.)



## SAGUACHE COUNTY

505 Third Street • P. O. Box 100

Saguache, Colorado 81149

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

### CORRECTIVE ACTION PLAN

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

Saguache County, Colorado respectfully submits the following corrective action plan for the year ended December 31, 2021.

Independent Accountants: Wall, Smith, Bateman Inc.  
Certified Public Accountants  
3001 Adcock Circle, P.O. Box 809  
Alamosa, CO 81101

Audit period: Year ended December 31, 2021

The findings from the December 31, 2021 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 2021-001: Internal Control over Financial Reporting

(Repeat of Finding 09-1, 10-1, 11-1, 12-1, 2013-01, 2014-01, 2015-01, 2016-01, 2017-01, 2018-01, 2019-01, and 2020-001)

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

*Recommendation:* The County should improve its internal controls with adopted policies and procedures regarding year-end reconciling of account balances to ensure accurate and timely financial statement and regulatory reporting. The County should continue to strengthen reconciliation and monitoring processes over grant and billing reimbursement request submissions. In addition, the County should incorporate a review process over budget to actual statements and adopt supplemental appropriations when necessary.

*Action Taken:* Saguache County hired a director of finance to oversee all of county funds and to assist us in the internal controls. Saguache County in the year of 2022 and 2023 will create and adopt a policy and procedure manual for all financial procedures.

*All financials reports that show actual over budget figures will be presented to the Board of Commissioners and all department heads monthly for official review.*

Finding 2021-002: Internal Control over Social Services Fund Reconciliation

*Type of finding: Internal Control (material weakness)*

*Recommendation:* The Department of Social Services should obtain additional training over reconciliation processes to the State of Colorado Financial Management System and other supporting documentation. The

Department of Social Services should prepare a procedural manual documenting these processes to ensure all employees understand the procedures. In addition, the County should implement procedures regarding monthly and year-end financial close and accounting procedures to address and investigate discrepancies timely.

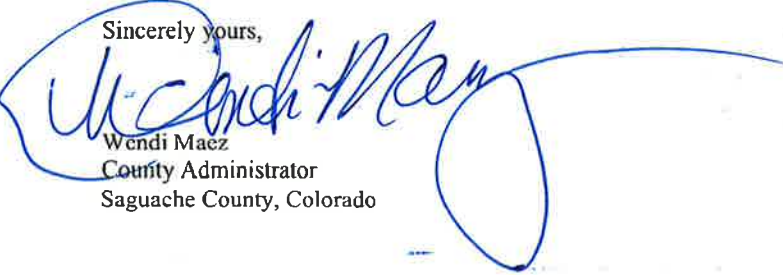
*Action Taken:*

*Action Taken: Saguache County hired a director of finance to oversee all of county funds and to assist us in the internal controls. Saguache County in the year of 2022 and 2023 will create and adopt a policy and procedure manual for all financial procedures. Social Services has hired a new accounting specialist that will be entering and reconciling state data monthly along with use of an Administration staff member to assist if needed.*


*All financials reports that show actual over budget figures will be presented to the Board of Commissioners and all department heads monthly for official review.*

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

Sincerely yours,



Wendi Maez  
County Administrator  
Saguache County, Colorado



Christina Wilson  
Social Services Director  
Saguache County, Colorado

<p style="text-align: center;"><b>LOCAL HIGHWAY FINANCE REPORT</b></p>		City or County: Saguache County
		YEAR ENDING : December 2021
This Information From The Records Of Saguache County		Prepared By: Michelle Hashbarger Phone: 719-655-2554

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				

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,367,908
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	25,854
2. General fund appropriations		b. Snow and ice removal	11,931
3. Other local imposts (from page 2)	10,973	c. Other	28,278
4. Miscellaneous local receipts (from page 2)	135,617	d. Total (a. through c.)	66,063
5. Transfers from toll facilities		4. General administration & miscellaneous	315,353
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	2,749,324
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	146,590	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b>		2. Notes:	
(from page 2)	3,103,808	a. Interest	14,560
<b>D. Receipts from Federal Government</b>		b. Redemption	101,960
(from page 2)	0	c. Total (a. + b.)	116,520
<b>E. Total receipts (A.7 + B + C + D)</b>	3,250,398	3. Total (1.c + 2.c)	116,520
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	2,865,844

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>				0
1. Bonds (Refunding Portion)				
<b>B. Notes (Total)</b>	320,010	0	101,960	218,050

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	3,913,999	3,250,398	2,865,844	4,298,553	0

Beginning balance was corrected based on updated financial information.



LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2021	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	0	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	10,973	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	74,696
4. Licenses		f. Charges for Services	11,014
5. Specific Ownership &/or Other		g. Other Misc. Receipts	49,907
6. Total (1. through 5.)	10,973	h. Other	
c. Total (a. + b.)	10,973	i. Total (a. through h.)	135,617
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	3,076,203	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	27,605	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.)	27,605	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	3,103,808	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

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

Notes and Comments: