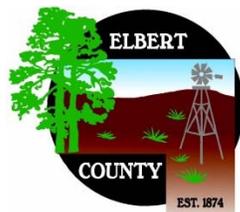




Elbert County Government Annual Financial Report



For the year ended December 31, 2015

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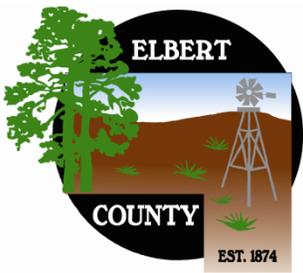
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INTRODUCTORY SECTION



COUNTY OF ELBERT

Elbert County Government
215 Comanche St.
PO BOX 7
Kiowa, CO 80117

July 15, 2016

To the Board of County Commissioners and the Citizens of Elbert County:

The Comprehensive Annual Financial Report of Elbert County, Colorado for the fiscal year ended December 31, 2015 is hereby submitted.

This report consists of management's representations concerning the finances of Elbert County. Consequently, management assumes full responsibility for both the accuracy of the presented data, and for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management of Elbert County has established internal controls that are designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information of the preparation of the Elbert County financial statements in conformity with Generally Accepted Accounting Principles in the United States of America (US GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). Since the cost of internal controls should not outweigh their benefits, Elbert County's internal controls have been designed to provide reasonable assurance the financial statements will be free from material misstatement.

To the best of our knowledge and belief, this financial report is accurate in all material aspects and reported in a manner which fairly represents the financial position and results of operations of Elbert County as measured by the financial activity of its various funds. Further, we believe all disclosures that are necessary to enable the reader to gain the maximum understanding of Elbert County's financial activities have been included.

Colorado Revised Statute (CRS) 29-1-603 requires local governments to have an annual audit of their financial statements, performed in accordance with generally accepted auditing standards, by a firm of licensed certified public accountants. (CRS) 29-6-605 requires the financial statements be presented in conformity with US GAAP.

The County's financial statements have been audited by Eide Bailly, LLP. The goal of the independent audit is to provide reasonable assurance that the financial statements of the County, for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements, assessing the accounting policies used as well as the reasonableness of significant estimates made by management, and evaluating the overall financial statement

presentation. The independent auditor, based upon their audit, rendered an unmodified opinion, concluding that these financial statements are fairly presented in conformity with US GAAP. The independent auditor's report is presented in the financial section of this report. In addition to meeting the requirements set forth in state statutes, the audit included a federally mandated "Single Audit" designed to meet the needs of federal grantor agencies (Single Audit Act Amendments of 1996 and related Title 2 U.S. Code of Federal Regulation (CFR) Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirement for Federal Awards (Uniform Guidance). The standards governing Single Audit engagements require the independent auditor to report not only on the fair representation of the financial statements, but also on the government's internal controls and compliance with legal requirements involved in the administration of federal awards. The reports issued by the independent auditors are presented in a separately issued Single Audit Report. GASB requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

Profile of Elbert County

Elbert County was formed in 1874. The County covers 1850 square miles. The county is very diverse in population ranging from rural to urban. The County has a population of about 24,200.

The County provides a wide range of services that include law enforcement and public safety, planning and zoning, public works, public health and human services, elections, motor vehicle and general administrative services.

The three-member Board of County Commissioners (BOCC) serves as the legislative, policy-making and administrative body governing the unincorporated area of the County. The commissioners are elected at large from one of three geographical districts and serve staggered four-year terms (term-limited to two terms).

The County is one of four counties, along with Arapahoe, Douglas and Lincoln counties in the Eighteenth Judicial District served by the District Attorney, an elected official responsible for prosecuting all criminal case filings.

The Board is directly supported by the County Manager and County Attorney.

Department Heads manage the remainder of the County's functions, including Public Works, Road & Bridge, Fairgrounds, Health & Human Services, Community & Development Services, Maintenance, Finance, Personnel & Benefits, Information Technology, CSU Extension, and Office of Emergency Management.

The Board is charged with the responsibility of providing adequate budget appropriations to fund statutory functions, as well as responding to the service needs of the citizens. In turn, the other elected and appointed officials are charged with managing their authorized budgets in order to meet their statutory obligations and service demands as cost-effectively as possible. The Board is required to adopt a final budget no later than the end of the fiscal year. The adopted budget becomes the County's annual financial plan and mechanism to control spending.

In closing, we wish to acknowledge the interest, leadership and support of the Board of County Commissioners and the cooperation of each of Elbert County's Departments as we work together to conduct Elbert County's financial operations. Each person involved demonstrates prudent fiscal management and stewardship with regards to the actual and ongoing financial conditions of Elbert County. We aim to provide basic sustainable foundations that result in a high quality of life for our citizens, taxpayers and communities.

Respectfully submitted,

Ed Ehmann
County Manager



Elbert County, Colorado

Elbert County Organization Officials

Elected Officials

• Commissioner District 1	Robert Rowland	Current Term: 2013-2017
• Commissioner District 2	Kelly Dore	Current Term: 2015-2019
• Commisisoner District 3	Larry Ross	Current Term: 2013-2017
• Sheriff	Shayne Heap	Current Term: 2015-2019
• Treasurer/Public Trustee	Rick Pettitt	Current Term: 2015-2019
• Assessor	Billie Mills	Current Term: 2015-2019
• Coroner	Mike Graeff	Current Term: 2015-2019
• Surveyor	Keith Westfall	Current Term: 2015-2019
• Clerk & Recorder	Dallas Schroeder	Current Term: 2015-2019

Appointed Officials

• County Manger	Ed Ehmann
• County Attorney	Wade Gateley

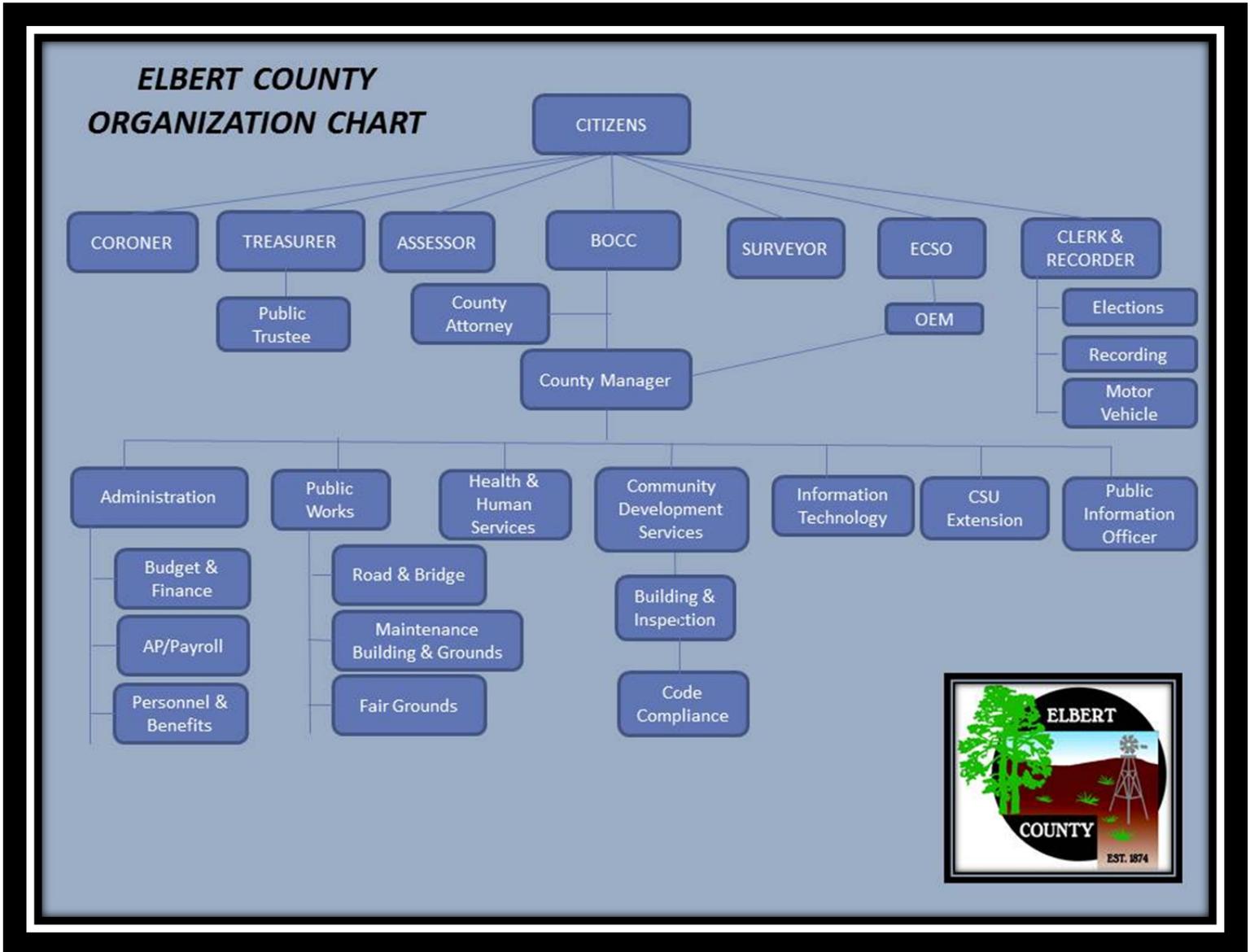
Department Officials

• Public Works	Ed Ehmann
• Facilities Managment	Shawn Carpenter
• Department of Health & Human Services	Jerri Spear
• Community & Development Services	Kyle Fenner
• Information Technology	Jen Grote
• CSU Extension	Sheila Kelley
• Office of Emergency Management	Brandon Lenderink



Elbert County, Colorado

Elbert County Organizational Chart





Elbert County, Colorado

Elbert County Government Fund Chart

Fund 010- General Fund

- The General Fund accounts for resources of the County which are not required legally or by sound financial management to be accounted for in another fund. Ordinary operations of the County such as public safety, county administration and other activities financed from taxes and general revenues are reflected in the is fund.
- Basis of Accounting- Modified Accrual

Department 011	Commissioners
Department 012	Personnel Benefits Coordinator
Department 015	Other Administration
Department 016	Compactor
Department 017	Information Technology
Department 018	Finance Department
Department 020	Clerk & Recorder
Department 021	County Attorney
Department 025	Elections
Department 030	Treasurer
Department 040	Assessor
Department 060	Maintenance
Department 170	District Attorney
Department 210	Justice Center
Department 211	Sheriff's Office
Department 213	Coroner's Office
Department 273	Office of Emergency Management
Department 280	Community & Development Services
Department 510	Public Transit
Department 515	4-H Fair
Department 520	Fairgrounds
Department 525	Fairboard
Department 610	CSU Extension
Department 701	Surveyor



Elbert County, Colorado

Elbert County Government Fund Chart Continued

SPECIAL REVENUE FUNDS

Fund 015- Health Fund

- The Health Fund is used to account for monies expended only for the purposes of public health pursuant Colorado Revised Statutes 25-1-511(1)(2).
- Basis of Accounting- Modified Accrual

Fund 020- Road & Bridge

- The Road and Bridge fund is used to account for the County's share of State revenues that are legally restricted for the maintenance of highways and roads within the County's boundaries and to account for revenues restricted for highway and road purposes
- Basis of Accounting- Modified Accrual

Department 810	Finance
Department 812	Operating
Department 814	Equipment Repair
Department 815	Road Repair
Department 816	Lease Purchase

Fund 025- Sales & Use Tax Fund

- The Sales and Use Tax fund is used to account for the collection of County sales tax restricted for capital expenditures
- Basis of Accounting- Modified Accrual



Elbert County, Colorado

Elbert County Government Fund Chart Continued

SPECIAL REVENUE FUNDS (CONTINUED)

Fund 040- Law Enforcement Assistance Fund

- The Law Enforcement Assistance is used to account for the collection of revenue from law enforcement citations. Revenues in this fund are used for expenses related to law enforcement activities.
- Basis of Accounting- Modified Accrual

Fund 050- Human Services Fund

- The Human Services fund is used to account for the County's State, Federal and property tax revenues that are restricted for providing social services to the residents of the County.
- Basis of Accounting- Modified Accrual

Department 409	ERP Grant
Department 411	Health
Department 412	Environmental Health
Department 415	Administration
Department 416	IV Waiver
Department 417	PSSF
Department 420	CO Works
Department 422	Child Welfare
Department 423	County Administration
Department 427	Child Support
Department 428	LEAP

Fund 070- Retirement Fund

- The Retirement Fund is used to account for the County's portion of retirement contribution for employees.
- Basis of Accounting - Modified Accrual



Elbert County, Colorado

Elbert County Government Fund Chart Continued

SPECIAL REVENUE FUNDS (CONTINUED)

Fund 085- Impact Fund

- The Impact Fund is used to account for the collection of impact funds related to development.
- Basis of Accounting- Modified Accrual

Fund 090- Conservation Trust Fund

- The Conservation Trust Fund is used to account for the State of Colorado Lottery funds allocated to the County for recreational uses.
- Basis of Accounting- Modified Accrual

DEBT SERVICE FUNDS

Fund 082- Chapparral Valley Fund

- The Chapparral Valley Fund is a debt service fund to account for the collection of special assessments in this district for the use of paying the local improvement district bond.
- Basis of Accounting- Modified Accrual

Fund 083- Meadows Station Fund

- The Meadows Station Fund is used to account for the mill levy tax collection on all properties within the boundaries of the district for the purpose of paying the special improvement district general obligation bond.
- Basis of Accounting- Modified Accrual

DEBT SERVICE FUNDS (CONTINUED)

Fund 084- Foxwood Estates Fund

- The Foxwood Estates Fund is used to account for the mill levy tax collection on all properties within the boundaries of the district for the purpose of paying the special improvement district general obligation bond
- Basis of Accounting- Modified Accrual

Fund 095- Bond Redemption Fund

- The Bond Redemption Fund is used to account for the accumulation of resources of general long-term debt principal and interest associated with the lease mortgage revenue bond.
- Basis of Accounting- Modified Accrual



Independent Auditor's Report

The Board of County Commissioners
Elbert County, Colorado

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Elbert County, Colorado, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Elbert County, Colorado, as of December 31, 2015, and the respective changes in financial position, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis and budgetary comparison information on pages IV through IX and 33 through 39, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Elbert County's basic financial statements. The introductory section, combining non-major fund financial statements, budgetary schedules, and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining non-major fund financial statements, budgetary schedules, and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the 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 non-major fund financial statements, budgetary schedules, and the Local Highway Finance Report are fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on this section.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated July 7, 2016 on our consideration of Elbert County, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Elbert County's internal control over financial reporting and compliance.



Greenwood Village, CO
July 7, 2016

MANAGEMENT'S DISCUSSION AND ANALYSIS

ELBERT COUNTY, COLORADO MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Elbert County (the County), the Board of County Commissioners offers readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2015.

Financial Highlights

- Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$77,852,128 (net position) at the close of the fiscal year. Of this amount, \$5,635,641 in unrestricted net position available to meet ongoing and future obligations of the County.
- The net decrease in capital assets for the year was \$3,302,536. The decrease was due to depreciation expense of \$6,159,197 exceeding capital additions and donations of \$2,856,661. This reduction was offset by gains on disposal of assets of \$20,631. The majority of the increase is related to the in process construction of the County Road 29 and the lease purchase agreements for equipment in the Road and Bridge Funds and for vehicles for the Sheriff's Office.
- As of the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$7,978,627.
- Total net position decreased by \$2,250,059. This is a combination of large capital outlay expenditures for County Road 29 and Federal Emergency Management Agency (FEMA) projects. In addition, the County recorded more than \$6.1 million in depreciation expense, the majority of which was for public works.
- Total cash and investments, including that held in a fiduciary capacity, increased by \$1,847,507 as compared to the prior year. As planned, the Sales and Use Tax Fund initiated a limited number of projects in 2015, resulting in a larger cash balance in this fund. In addition, at the end of the fiscal year, the Treasurer's Office held \$200,000 more for other governments than it had at the end of last fiscal year.
- Tax revenues increased by \$351,912 as compared to the prior year.
- General Fund expenditures decreased by \$103,684 as compared to the prior year, as the result of salary vacancies in Culture and Recreation and Public Safety.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$257,170 not including \$360,000 of fund equity the Board of County Commissioners committed to future debt service or amounts budgeted for 2016 of \$443,031.
- Total long-term debt decreased by \$73,325 during the current fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to financial statements. This report also contains other supplementary information and schedules in addition to the basic financial statements themselves.

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

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

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Both of the government-wide financial statements identify functions of the County that are principally to be supported by taxes and intergovernmental revenue (governmental activities). The governmental activities of the County include general government, public safety, public works, public health and welfare, culture and recreation, auxiliary services, and debt service.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The funds of the County include both governmental funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

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

The County maintains 13 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenue, expenditures, and changes in fund balances for the General Fund, the Road and Bridge special revenue fund, Human Services special revenue fund, Sales and Use Tax special revenue fund each of which are considered to be major funds. Data for the other nine governmental funds are combined into a single aggregated presentation. Individual fund data for these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for its major and nonmajor governmental funds. All funds are adopted on the GAAP basis of accounting except for the General, Road and Bridge and Law Enforcement Assistance Funds. Neither amounts expended as the result of a recognized subsequent event nor amounts expended as the result of capital leases are included in the budget. Budgetary comparison statements have been provided to demonstrate compliance with these budgets.

Fiduciary funds. Fiduciary funds are used to account for assets held for the benefit of parties outside the County. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the County's own programs.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents in the form of required supplementary information, budgetary comparison statements for the major governmental funds.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

This report also contains a local highway finance report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The County's assets exceeded liabilities by \$77,852,128 at the close of the most recent fiscal year.

	Net Position	
	<u>2015</u>	<u>2014</u>
Current assets	\$ 17,295,025	\$ 15,157,598
Capital assets	79,104,243	82,406,779
Total assets	<u>96,399,268</u>	<u>97,564,377</u>
Deferred outflows of resources	<u>216,482</u>	<u>241,042</u>
Current liabilities	861,825	627,993
Long-term liabilities	9,405,457	9,478,782
Total liabilities	<u>10,267,282</u>	<u>10,106,775</u>
Deferred inflows of resources	<u>8,496,340</u>	<u>7,596,457</u>
Net investment in capital assets	70,824,731	74,267,920
Restricted net position	1,391,756	1,401,211
Unrestricted net position	5,635,641	4,433,056
Total net position	<u><u>\$ 77,852,128</u></u>	<u><u>\$ 80,102,187</u></u>

The largest portion of the County's net position (91%) reflects its investment in capital assets. The County uses these capital assets to provide services to citizens; consequently, the assets are not available for future spending.

An additional portion of the County's net position (1.8%) represents resources that are subject to restrictions on how they can be used and/or are not currently available for the County's ongoing obligations. The remaining balance of unrestricted net position \$5,635,641 may be used to meet the government's future expenditures. Unrestricted net position increased \$1,202,585 during 2015.

At the end of the current fiscal year, the County was able to report positive balances in all three categories of net position.

The County's net position decreased by \$2,250,059 during the current fiscal year. As noted above, this is the result of a combination of large capital outlay expenditures for County Road 29 and Federal Emergency Management Agency (FEMA) projects. In addition, the County recorded more than \$6.1 million in depreciation expense, the majority of which was for public works.

Change in Net Position

	2015	2014
Revenues		
Program revenues		
Charges for services	\$ 3,540,059	\$ 2,926,956
Operating grants and contributions	7,352,811	7,349,801
Capital grants and contributions	391,115	641,900
General revenues		
Taxes	11,188,396	10,836,486
Intergovernmental	10,036	271,644
Investment and interest income	15,313	14,917
Gain on sale of capital assets	20,631	19,693
Other	604,990	452,407
Total revenues	23,123,351	22,513,804
Expenses		
General government	3,780,505	4,143,080
Public safety	4,641,975	4,310,667
Public works	10,692,694	10,431,253
Public health and welfare	5,360,435	4,631,071
Culture and recreation	302,008	194,599
Auxiliary services	136,528	129,940
Interest on long-term debt	459,265	534,569
Total expenses	25,373,410	24,375,179
Change in net position	(2,250,059)	(1,861,375)
Net position - Beginning	80,102,187	81,963,562
Net position - Ending	\$ 77,852,128	\$ 80,102,187

Financial Analysis of the Government's Funds

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

Governmental funds.

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$7,978,627, of which \$5,803,928 is attributed to the major funds.

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the General Fund had a fund balance of \$1,291,103. This is an increase of \$570,682 from the prior year. Fiscal year 2015 marks the second year that the County's General Fund has had positive unassigned fund balance.

Revenues increased for most line items compared to 2014. The \$303,490 increase in licenses and permits was the result of increased building permits related to roof replacements from a summer hail storm. The exception to this was intergovernmental revenues which decreased \$826,526. This was a result of a \$500,000 grant which was administered for another government in the prior year. Expenditures increased a total of \$103,684. The County continues to work to ensure all funds pay their fair share of overhead costs based on the cost allocation plan or the nature of the expenditure.

The Road and Bridge Special Revenue Fund had a total fund balance of \$1,657,848 as of December 31, 2015. The Road and Bridge Special Revenue Fund's fund balance decreased by \$43,529 from the previous year. In the current year, total revenues were \$884,038 higher than in 2014. The majority of the difference was a result of the the \$979,169 in capital lease proceeds which were used to acquire equipment.

The Human Services Special Revenue Fund's fund balance was \$405,790 at the end of the current fiscal year. The Human Services Special Revenue Fund's fund balance decreased \$158,878 from the previous year. Revenues increased only \$13,570 over the prior year. Expenditures increased \$179,492 due to increased costs in nearly all of the Human Services categories. A portion of the increases were a result of the offset of a State adjustment of approximately \$124,000 in 2014 because of reporting of higher than actual expenditures to the State.

The Sales and Use Tax Special Revenue Fund's fund balance was \$2,449,187 at the end of the current fiscal year. The Sales and Use Tax Special Revenue Fund's fund balance increased \$420,513 from the previous year. The on-going major project in this fund is County Road 29. A grant from the State of Colorado, for County Road 29, was more than 27% of the capital expenditures in this fund.

Original Budget Compared to Final Budget

The Board of County Commissioners adopted two supplemental appropriations. The significant appropriations were in the Sales and Use Tax Fund of \$191,540 for additional costs related to capital outlay.

The increase in the Sales and Use Tax Fund was due to additional construction costs related to road improvements.

Capital Assets

The County invested, not including donated assets, \$2,848,364 in capital assets for its governmental-type activities for the year ended December 31, 2015. This investment in capital assets consists primarily of infrastructure, equipment and vehicles. Additional information on the County's capital assets can be found in Note 4 on pages 18 and 19 of this report.

Long-Term Debt

At December 31, 2015 the County had total long-term debt of \$9,405,457. Long-term debt includes the Lease Mortgage Revenue Bond, capital leases used to finance equipment and software purchases, compensated absences and the titan missile complex. In an effort to save interest costs, the Chaparral Valley Debt Service Fund, borrowed \$72,000 from the Road and Bridge and called a portion of its bonds early. The County continues to find innovative approaches to save money. Additional information on the County's long-term debt can be found in Note 5 on pages 19 through 25 of this report.

Economic Factors and Next Year's Budgets

During 2016, the County, through the Elbert County Building Authority issued \$5,825,000 Lease Revenue Refunding Bond, Series 2016. The majority of the bonds issued are to be utilized to refund the 2009 Lease Mortgage Revenue Bonds. As a result of this refunding the County reduced its interest expense. In addition, the new lease does not have the restrictive covenants, including a cash reserve, of the old lease.

During June, 2016 the County settled a lawsuit brought by a former employee. The County made a business decision to settle the suit due to the uncertainty of what would occur in a jury trial. The County's share of the settlement is \$150,000.

The County has appropriated \$27,160,836 for spending in the 2016 fiscal year budget. Budgeted 2016 revenue of \$24,350,623 and the use of accumulated fund balances will be sufficient to cover the appropriated expenditures in 2016.

Requests for Information

This financial report is designed to provide a general overview of Elbert County's finances for all those with an interest in the County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Elbert County, 215 Comanche Street, Kiowa, Colorado 80117.

BASIC FINANCIAL STATEMENTS

ELBERT COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2015

	Primary Government Governmental Activities
ASSETS	
Cash and investments	\$ 6,704,571
Prepaid expenses	5,146
Receivables	1,047,671
Due from other governments	76,738
Property taxes receivable	8,428,357
Assessments receivable	67,983
Inventory of supplies	257,070
Cash and investments - Restricted	707,489
Capital assets, not being depreciated	
Land, water rights and construction in progress	5,159,831
Capital assets, net of accumulated depreciation	
Buildings, equipment and infrastructure	73,944,412
Total assets	96,399,268
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred charge on debt refunding	216,482
 LIABILITIES	
Accounts payable	705,548
Accrued interest payable	41,767
Unearned revenues	114,510
Noncurrent liabilities	
Due within one year	1,244,069
Due in more than one year	8,161,388
Total liabilities	10,267,282
 DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue-property taxes and assessments	8,496,340
 NET POSITION	
Net investment in capital assets	70,824,731
Restricted	1,391,756
Unrestricted	5,635,641
Total net position	\$ 77,852,128

These financial statements should be read only in connection with
the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2015

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
Primary government:					
Governmental activities:					
General government	\$ 3,780,505	\$ 1,242,449	\$ 23,991	\$ -	\$ (2,514,065)
Public safety	4,641,975	126,501	261,476	13,297	(4,240,701)
Public works	10,692,694	1,958,425	2,837,738	377,818	(5,518,713)
Public health and welfare	5,360,435	201,704	4,055,074	-	(1,103,657)
Culture and recreation	302,008	10,980	138,890	-	(152,138)
Auxiliary services	136,528	-	-	-	(136,528)
Interest on long-term debt	459,265	-	35,642	-	(423,623)
Total primary government	<u>\$ 25,373,410</u>	<u>\$ 3,540,059</u>	<u>\$ 7,352,811</u>	<u>\$ 391,115</u>	<u>(14,089,425)</u>
General revenues:					
Taxes					11,188,396
Grants not restricted to a specific program					10,036
Investment earnings					15,313
Other					604,990
Gain on disposal of assets					20,631
Total general revenues					<u>11,839,366</u>
Change in net assets					(2,250,059)
Net position - Beginning					80,102,187
Net position - Ending					<u>\$ 77,852,128</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2015

	Special Revenue Funds			
	General	Road and Bridge	Human Services	Sales and Use Tax Fund
ASSETS				
Cash and investments with Treasurer	\$ 1,412,052	\$ 1,142,089	\$ 328,314	\$ 2,185,135
Cash and investments with Treasurer - Restricted	18,202	-	-	-
Accounts receivable	286,399	407,440	-	280,962
Assessments receivable	-	-	-	-
Due from other funds	-	-	70,837	-
Advances to other funds	-	72,000	-	-
Due from other governments	-	-	76,738	-
Property taxes receivable	4,863,740	2,825,508	446,133	-
Prepaid expenses	-	-	-	-
Inventory of supplies	1,696	255,374	-	-
Total assets	<u>\$ 6,582,089</u>	<u>\$ 4,702,411</u>	<u>\$ 922,022</u>	<u>\$ 2,466,097</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	\$ 334,446	\$ 100,128	\$ 53,625	\$ -
Due to other funds	92,800	20,891	-	16,910
Unearned revenue	-	98,036	16,474	-
Advances from other funds	-	-	-	-
Total liabilities	<u>427,246</u>	<u>219,055</u>	<u>70,099</u>	<u>16,910</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue-property taxes and assessments	4,863,740	2,825,508	446,133	-
FUND BALANCES				
Nonspendable				
Prepaid expenses	-	-	-	-
Inventory	1,696	255,374	-	-
Restricted				
Emergency reserves	208,004	80,519	12,205	-
Contingency	18,202	-	-	-
Debt service	-	-	-	-
Capital asset purchases	-	-	-	-
Conservation trust	-	-	-	-
Committed				
Donations	3,000	-	-	-
Committed				
Future retirement of debt	360,000	-	-	-
Assigned				
Transportation	-	1,321,955	-	-
Public health and welfare	-	-	393,585	-
Public safety	-	-	-	-
Capital outlay	-	-	-	2,449,187
Retirement	-	-	-	-
Subsequent year's budget: appropriation of fund balance	443,031	-	-	-
Unassigned	257,170	-	-	-
Total fund balances	<u>1,291,103</u>	<u>1,657,848</u>	<u>405,790</u>	<u>2,449,187</u>
TOTAL LIABILITIES FUND BALANCES	<u>\$ 6,582,089</u>	<u>\$ 4,702,411</u>	<u>\$ 922,022</u>	<u>\$ 2,466,097</u>

Nonmajor Governmental Funds	Total Governmental Funds
\$ 1,636,981	\$ 6,704,571
689,287	707,489
72,870	1,047,671
67,983	67,983
75,254	146,091
-	72,000
-	76,738
292,976	8,428,357
5,146	5,146
-	257,070
<u>\$ 2,840,497</u>	<u>\$ 17,513,116</u>
\$ 217,349	\$ 705,548
15,490	146,091
-	114,510
72,000	72,000
<u>304,839</u>	<u>1,038,149</u>
<u>360,959</u>	<u>8,496,340</u>
5,146	5,146
-	257,070
37,797	338,525
-	18,202
668,398	668,398
-	-
363,631	363,631
-	3,000
-	360,000
-	1,321,955
345,570	739,155
312,593	312,593
391,126	2,840,313
100,860	100,860
-	443,031
(50,422)	206,748
<u>2,174,699</u>	<u>7,978,627</u>
<u>\$ 2,840,497</u>	<u>\$ 17,513,116</u>

These financial statements should be read only in connection with the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
RECONCILIATION OF THE BALANCE SHEET
TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2015

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

Total fund balance - Total governmental funds	\$ 7,978,627
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	79,104,243
Deferred charge on debt refunding, net of accumulated amortization, are not financial resources and, therefore, are not reported in the funds.	216,482
Accrued interest payable is not included in the funds.	(41,767)
Noncurrent liabilities, including capital leases and bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(9,405,457)</u>
Net position of governmental activities	<u><u>\$ 77,852,128</u></u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2015

	<u>Special Revenue Funds</u>			
	<u>General</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Sales and Use Tax Fund</u>
REVENUES				
Taxes	\$ 5,614,232	\$ 2,641,221	\$ 392,988	\$ 2,229,863
Special assessments	-	-	-	-
Licenses and permits	988,442	-	-	-
Intergovernmental	187,176	2,847,774	3,953,419	377,818
Charges for services	1,363,742	147,983	-	-
Net investment income	8,713	4,349	685	-
Miscellaneous	490,035	8,069	35,896	-
Total revenues	<u>8,652,340</u>	<u>5,649,396</u>	<u>4,382,988</u>	<u>2,607,681</u>
EXPENDITURES				
Current				
General government	3,398,364	72,916	-	66,233
Public safety	3,766,612	-	-	-
Public works	-	4,974,083	-	-
Public health and welfare	30,929	-	4,528,808	544,399
Culture and recreation	144,874	-	-	-
Auxiliary services	136,528	-	-	-
Debt service	71,587	855,730	-	-
Capital outlay	41,062	985,969	13,058	1,393,536
Total expenditures	<u>7,589,956</u>	<u>6,888,698</u>	<u>4,541,866</u>	<u>2,004,168</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,062,384</u>	<u>(1,239,302)</u>	<u>(158,878)</u>	<u>603,513</u>
OTHER FINANCING SOURCES (USES)				
Capital lease financing	-	979,169	-	-
Insurance recoveries	35,369	20,973	-	-
Sale of general capital assets	-	20,631	-	-
Transfers in	15,067	175,000	-	-
Transfers (out)	(542,138)	-	-	(183,000)
Total other financing sources (uses)	<u>(491,702)</u>	<u>1,195,773</u>	<u>-</u>	<u>(183,000)</u>
NET CHANGE IN FUND BALANCES	570,682	(43,529)	(158,878)	420,513
FUND BALANCES - BEGINNING OF YEAR	720,421	1,701,377	564,668	2,028,674
FUND BALANCES - END OF YEAR	<u>\$ 1,291,103</u>	<u>\$ 1,657,848</u>	<u>\$ 405,790</u>	<u>\$ 2,449,187</u>

Nonmajor Governmental Funds	Total Governmental Funds
\$ 310,092	\$ 11,188,396
35,642	35,642
-	988,442
343,835	7,710,022
1,039,893	2,551,618
1,566	15,313
14,648	548,648
<u>1,745,676</u>	<u>23,038,081</u>
212,709	3,750,222
460,267	4,226,879
92,472	5,066,555
197,487	5,301,623
126,098	270,972
-	136,528
916,722	1,844,039
414,739	2,848,364
<u>2,420,494</u>	<u>23,445,182</u>
<u>(674,818)</u>	<u>(407,101)</u>
356,000	1,335,169
-	56,342
-	20,631
550,138	740,205
(15,067)	(740,205)
<u>891,071</u>	<u>1,412,142</u>
216,253	1,005,041
1,958,446	6,973,586
<u>\$ 2,174,699</u>	<u>\$ 7,978,627</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
Year Ended December 31, 2015

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

Net change in fund balances - Total governmental funds \$ 1,005,041

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 net of depreciation expense. This is the amount by which depreciation and gain on the disposal of assets exceeded capital outlay in the current period.

Capital outlay	2,848,364
Gain on disposal of assets	20,631
Donation of assets	8,297
Depreciation	(6,159,197)

The issuance of long-term debt (e.g. capital leases and bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Capital lease proceeds	(1,335,169)
Principal payments made	1,415,663

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.

Change in compensated absences	(7,169)
Change in accrued interest	(1,329)
Amortization of deferred loss on refunding	(24,560)

Sales of capital assets are reported as other financing sources in the governmental funds and are not reported as revenues in the statement of activities	(20,631)
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Change in net position of governmental activities	\$ (2,250,059)
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These financial statements should be read only in connection with
the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2015

	<u>Treasurer</u>	<u>Agency Funds Public Trustee</u>	<u>Sheriff's Office</u>	<u>Total</u>
ASSETS				
Cash and investments	\$ 1,502,404	\$ 88,436	\$ 30,946	\$ 1,621,786
Total assets	<u>1,502,404</u>	<u>88,436</u>	<u>30,946</u>	<u>1,621,786</u>
LIABILITIES				
Due to other governments	1,010,290	-	-	1,010,290
Other liabilities	92,846	-	30,946	123,792
Outstanding checks payable	399,268	-	-	399,268
Escrow deposits held by public trustee	-	88,436	-	88,436
Total liabilities	<u>1,502,404</u>	<u>88,436</u>	<u>30,946</u>	<u>1,621,786</u>
NET POSITION				
Held in trust	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

These financial statements should be read only in connection with
the accompanying notes to financial statements.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DEFINITION OF REPORTING ENTITY

Elbert County, Colorado (County) is a political subdivision organized under the statutes of the State of Colorado. The County is governed by a three-member elected Board of County Commissioners (Board), responsible for setting policy, appointing administrative personnel, and the adoption of an annual budget in accordance with State statutes. The County provides the following services: public safety, health and welfare, fairground facilities construction and maintenance, construction and maintenance of roads and bridges, and general administrative services.

The County follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

Based on the application of these criteria, the County is financially accountable for the Elbert County Building Authority (Building Authority), Foxwood Estates and Foxwood Ranches Public Improvement District (Foxwood Estates) and Meadow Station Subdivision Public Improvement District (Meadow Station). These entities are reported as blended component units within the debt and debt service funds of the County. The Building Authority was registered with the State of Colorado as a nonprofit corporation on November 11, 2005. The Building Authority is governed by a Board of Directors that consist of three members. The initial Board was established by the County Commissioners. Any future changes to Board members will be decided by a majority vote of the existing members. For both Foxwood Estates and Meadow Station, the County Commissioners are the board of the District. In addition, the County is obligated in some manner for the debt of these Districts. The financial statements of the component units are found only in this document.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the County conform to generally accepted accounting principles (GAAP) as applicable to government units. The following is a summary of the more significant policies.

Government-wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the primary government except for the fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the primary government. The difference between the assets and liabilities of the County is reported as net position. The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental 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*, as are fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met. Depreciation is computed and recorded as an operating expense. Expenditures for property and equipment are shown as increases in assets, and redemption of bonds and notes are recorded as a reduction in liabilities.

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 to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. The County has determined that expenditure-driven grants should be recognized as soon as all eligibility criteria have been met. For this purpose, the County considers grant revenues to be susceptible to accrual if they are collected within a year after the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, sales taxes, and grant funding. All other revenue items are considered to be measurable and available only when cash is received by the County. Expenditures, other than interest on long-term obligations and interest on capital leases, are recorded when the liability is incurred or the long-term obligation is due.

Major Funds - In the fund financial statements, the County reports the following major governmental funds:

- The *General Fund* is the County's primary operating fund. It accounts for all financial resources of the general government, except those accounted for in another fund.

The County reports the following major special revenue funds:

- The *Road and Bridge Fund* accounts for the proceeds of restricted revenue to be used for maintaining road and bridge operations.
- The *Human Services Fund* accounts for federal and state resources received by the County for various social programs as well as a portion of the County property taxes designated for this purpose.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)

Major Funds (Continued)

- The *Sales and Use Tax Fund* accounts for the revenue generated by the 1% sales and use tax on applicable sales and purchases within the County.

Non-Major Funds – The County reports three non-major governmental funds that account for debt service requirements of the following special improvement districts: 1) Chaparral Valley, 2) Meadows Station, and 3) Foxwood Estates. The County also reports one other debt service fund for lease mortgage revenue bond.

The County reports five non-major special revenue funds: 1) Law Enforcement Assistance, 2) Impact Assistance, 3) Public Health and Administration, 4) Retirement, and 5) Conservation Trust.

Additionally, *Agency Funds*, account for assets held by the County as an agent for other governmental units and individuals. The Agency Funds are custodial in nature and do not present results of operations or have a measurement focus.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

Budgets

In accordance with the State Budget Law, the County Commissioners hold public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level, which includes other financing uses, and lapses at year end. The County Commissioners can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated. The General Fund did not appropriate amounts for a recognized subsequent event. That item was budgeted in 2016 and will be reported, for budget purposes, in that period. The Road and Bridge and Law Enforcement Assistance Funds do not budget or appropriate amounts related to entering into capital lease transactions, as entering into a capital lease does not provide for or use financial resources. The payments required under capital lease agreements are included in the appropriations resolution. During 2015, the Board of County Commissioners approved two budget amendments increasing appropriations \$205,220 detailed by fund as follows:

Sales and Use Tax Fund	\$ 191,540
Impact Fund	10,704
Meadow Station Debt Service Fund	1,552
Foxwood Estates Debt Service Fund	709
Bond Debt Service Fund	<u>715</u>
	<u>\$ 205,220</u>

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances

Cash and Investments - Except for cash held by third parties (cash and investments with trustee), all cash is deposited with the County Treasurer. When funds are received, the accounts of the fund receiving the money are credited. When expenditures are made, the cash with Treasurer is reduced and the expenditures recorded. The Treasurer invests the funds to achieve the best possible return on the investment. All funds record cash and investments as cash with County Treasurer. Net investment income is allocated to the General, Conservation Trust and Impact Assistance Funds, in accordance with statutory requirements. Cash equivalents are defined as investments with original maturities of three months or less. Investments are stated at fair value.

Accounts Receivable – Accounts receivable relate to amounts collected in 2016 which the County earned or were entitled to during the 2015 fiscal year. The County believes all amounts recorded are fully collectible.

Inventories - Inventories of supplies held for consumption by the General and Road and Bridge Funds are valued at average cost. The cost of inventory is recorded as an expenditure at the time individual inventory items are used. Reported inventories are equally offset by a fund balance reserve which indicates they do not constitute available spendable resources even though they are a component of assets.

Capital Assets - Capital assets, which include property, equipment, and infrastructure (e.g. roads and similar items), and intangibles (e.g. water rights), are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable. Capital assets of the County are depreciated using the straight-line method over the estimated economic useful lives:

Buildings	39 years
Equipment	3 - 15 years
Infrastructure	30 years

Unearned Revenues – Unearned revenues consist of advances received on grants and fees received in advance of performing services that are recognized as revenue when the terms of the grant are fulfilled or the services are performed.

Compensated Absences - The County has a policy that allows employees to accumulate unused vacation benefits up to certain maximum hours. Compensated absences are accrued when earned in the government-wide financial statements. A liability is reported in the governmental funds when payment is due.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances (Continued)

Long-Term Debt – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as current expenditures.

Cost of Refunding - In the government-wide financial statements, the deferred cost of refunding is being amortized using the interest method over the life of the defeased Certificates of Participation. The amortization amount is a component of interest expense and the unamortized deferred cost is reflected as a deferred outflow of resources.

Deferred Outflows/Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The County reports deferred charges on refunding of bonds as deferred outflows of resources.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. Deferred inflows of resources include property taxes and special assessments earned but levied for a subsequent period.

Fund Balances – The Nonmajor debt service fund, the Chaparral Valley Fund, has negative fund balance of \$50,422. As more fully described in Note 10, this is the result of an advance from the Road and Bridge Fund. As this advance is repaid Chaparral Valley's fund balance will increase.

In the government-wide financial statements, net position is restricted when constraints placed on the net position are externally imposed. Fund balances of the governmental funds are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form (i.e. inventories or prepaid items) or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, Deferred Outflows/Inflows of Resources and Net Position/Fund Balances (Continued)

Committed – Amounts that can be used only for specific purposes determined by a formal action of the Board, as the Board is the highest level of decision-making body for the County. Commitments may be established, modified, or rescinded only through ordinances or resolutions approved by the Board.

Assigned – Amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Only the Board may assign fund balances for specific purposes.

Amounts which are assigned for the General Fund represent fund balance which is appropriated for the following year's expenditures. Included in this amount is \$26,725 of engineering costs related to community development which are anticipated to be expended in 2016.

Unassigned – All other spendable amounts.

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

Property Taxes

Property taxes are levied by the Board. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to put a tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. Property taxes, net of estimated uncollectible taxes, are recorded initially as unearned revenue in the year they are levied and measurable. Deferred property tax revenues are recorded as revenue in the year they are available or collected.

Estimates

The preparation of financial statements in conformity with U.S. 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.

NOTE 3 - CASH AND INVESTMENTS

Cash and investments as of December 31, 2015 are classified in the accompanying financial statements as follows:

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Statement of net position:	
Cash and investments	\$ 6,704,571
Cash and investments – Restricted	707,489
Total cash and investments - Statement of net position	<u>7,412,060</u>
Statement of fiduciary net position	1,621,786
	<u>\$ 9,033,846</u>

Cash and investments as of December 31, 2015 consist of the following:

Cash on hand	\$ 271,443
Deposits with financial institutions	6,981,420
Investments	1,780,983
Total cash and investments	<u>\$ 9,033,846</u>

Deposits with Financial Institutions

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2015, the County's cash deposits had a bank balance of \$7,443,500 and a carrying balance of \$6,981,420. At December 31, 2015, of the County's deposits \$715,187 was covered by the Federal Deposit Insurance Corporation (FDIC), \$6,728,313 was covered by the PDPA.

Investments

The County has not adopted a formal investment policy, however, the County follows State statutes regarding investments.

The County generally limits its concentration of investments to those noted with an asterisk (*) below, which are believed to have minimal credit risk, minimal interest rate risk, and no foreign currency risk. Additionally, the County is not subject to concentration of custodial risk disclosure requirements or subject to investment custodial risk for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Commissioners. Such actions are generally associated with a debt service reserve or sinking fund requirements. Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds are limited to maturities of three years or less.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

- 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
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- * Certain money market funds
- Guaranteed investment contracts
- * Local government investment pools

As of December 31, 2015, the County had the following investments:

	Weighted Average Maturity	Fair Value
COLOTRUST Plus+	53 days to reset 75 days to maturity	\$ 1,280,632
Heritage Money Market Fund	20 days to maturity 35 days weighted average life	500,351 <u>\$ 1,780,983</u>

COLOTRUST

The County invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. The State of Colorado Securities Commissioner administers and enforces all State statutes governing this pool. COLOTRUST is rated AAAM by Standard & Poor's.

Heritage Money Market Fund

These funds are being held in a U.S. Treasury money market fund managed by the Trustee. The managed funds invest primarily in high quality, short-term, U.S. dollar-denominated money market instruments of domestic and foreign issuers. It is also rated AAAM by Standard & Poor's.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 3 - CASH AND INVESTMENTS (CONTINUED)

Restricted Cash and Investments

As more fully described in Note 5, the Lease Mortgage Revenue Bond requires the County to establish a reserve fund in the amount of \$500,000. In addition, the County considers cash related to contingencies to be restricted by the State of Colorado statutes. Those amounts total \$18,202 at December 31, 2015. The County also considers cash held for special assessment debt to be restricted to payment of debt service. At December 31, 2015, this restricted special assessment cash and investments were \$189,287. Restricted cash and investments at December 31, 2015 totaled \$707,489.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2015 was as follows:

	Balance at December 31, 2014	Increases	Decreases	Balance at December 31, 2015
Primary Government				
Capital assets, not being depreciated:				
Water rights	\$ 4,100,445	\$ -	\$ -	\$ 4,100,445
Land	709,612	-	-	709,612
Construction in progress	1,971,955	1,160,309	(2,782,490)	349,774
Total capital assets, not being depreciated	<u>6,782,012</u>	<u>1,160,309</u>	<u>(2,782,490)</u>	<u>5,159,831</u>
Capital assets, being depreciated:				
Buildings	11,210,724	43,506	-	11,254,230
Equipment	10,709,545	1,652,846	(772,552)	11,589,839
Infrastructure	167,907,834	2,782,490	-	170,690,324
Total capital assets, being depreciated	<u>189,828,103</u>	<u>4,478,842</u>	<u>(772,552)</u>	<u>193,534,393</u>
Less accumulated depreciation for:				
Buildings	(4,656,485)	(252,668)	-	(4,909,153)
Equipment	(7,385,510)	(1,369,294)	772,552	(7,982,252)
Infrastructure	(102,161,341)	(4,537,235)	-	(106,698,576)
Total accumulated depreciation	<u>(114,203,336)</u>	<u>(6,159,197)</u>	<u>772,552</u>	<u>(119,589,981)</u>
Total capital assets, being depreciated, net	<u>75,624,767</u>	<u>(1,680,355)</u>	<u>-</u>	<u>73,944,412</u>
Capital assets, net	<u>\$ 82,406,779</u>	<u>\$ (520,046)</u>	<u>\$ (2,782,490)</u>	<u>\$ 79,104,243</u>

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 4 - CAPITAL ASSETS (CONTINUED)

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

General government	\$ 23,114
Public safety	415,096
Public health and welfare	63,812
Public works	5,626,139
Culture and recreation	31,036
Total depreciation expense	<u>\$ 6,159,197</u>

NOTE 5 - LONG-TERM OBLIGATIONS

The following is an analysis of the changes in the County's long-term obligations for the year ended December 31, 2015:

	Balance at December 31, 2014	Additions	Reductions	Balance at December 31, 2015	Due Within One Year
Governmental Activities:					
Capital lease obligations	\$ 2,364,901	\$ 1,335,169	\$ 1,029,076	\$ 2,670,994	\$ 952,069
Special assessment debt	160,000	-	80,000	80,000	-
General obligation debt	665,000	-	40,000	625,000	50,000
Lease mortgage revenue bond	6,015,000	-	190,000	5,825,000	205,000
Due to insurance escrow	71,587	-	71,587	-	-
Titan Missile Complex	20,000	-	5,000	15,000	5,000
Compensated absences	182,294	273,828	266,659	189,463	32,000
	<u>\$ 9,478,782</u>	<u>\$ 1,608,997</u>	<u>\$ 1,682,322</u>	<u>\$ 9,405,457</u>	<u>\$ 1,244,069</u>

The activity of the County's long-term obligations is as follows:

Capital Leases

The County has entered into several lease agreements as lessee for financing the acquisition of certain equipment and software as described below. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. In addition, the lease purchase agreements do not constitute general obligation debts of the County as defined by Colorado Revised Statutes as there are annual appropriation clauses in the lease agreements.

The assets acquired through capital leases as of December 31, 2015 are as follows:

	<u>Governmental Activities</u>
Equipment and software	\$ 5,894,467
Less accumulated depreciation	<u>(2,893,771)</u>
Total	<u>\$ 3,000,696</u>

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Capital Leases (Continued)

Following is a summary of terms relating to the various capital lease agreements.

On December 28, 2011, the County entered into a capital lease obligation to purchase a motor grader valued at \$251,135. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$201,135. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$10,677, consisting of principal and interest with a rate of 2.55%.

On December 28, 2011, the County entered into a capital lease obligation to purchase a motor grader valued at \$251,135. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$201,135. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$10,677, consisting of principal and interest with a rate of 2.55%.

On June 1, 2011, the County entered into a capital lease obligation to purchase a bulldozer valued and leased at \$233,880. The lease is on a monthly basis for 60 consecutive quarterly periods with payments of \$4,240, consisting of principal and interest with a rate of 5.15%.

On July 11, 2012, the County entered into a capital lease obligation to purchase a 2012 motor grader valued at \$262,038. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$189,578. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$9,993, consisting of principal and interest with a rate of 2.55%.

On July 11, 2012, the County entered into a capital lease obligation to purchase a 2012 motor grader with snow wings valued at \$256,483. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$184,083. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$9,704, consisting of principal and interest with a rate of 2.25%.

On November 14, 2012, the County entered into a capital lease obligation to purchase a 2012 motor grader which was fully financed at a value of \$256,978. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$13,562, consisting of principal and interest with a rate of 2.30%.

On December 12, 2012, the County entered into a capital lease obligation to purchase a motor grader valued at \$255,135. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$118,165. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$6,301, consisting of principal and interest with a rate of 2.75%.

On May 31, 2012, the County entered into a capital lease obligation to purchase two 2013 dump/snow trucks valued at \$305,078. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$285,078. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$15,359, consisting of principal and interest with a rate of 2.90%.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Capital Leases (Continued)

On June 26, 2012, the County entered into a capital lease obligation to purchase seven equipped police cars, which were fully financed at a value of \$260,938. The lease is on a monthly basis for 60 consecutive periods with payments of \$4,773, consisting of principal and interest with a rate of 3.75%.

On June 17, 2013, the County entered into a capital lease obligation to purchase a motor grader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$97,242. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$5,191, consisting of principal and interest with a rate of 2.80%.

On June 17, 2013, the County entered into a capital lease obligation to purchase a motor grader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$99,937. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$5,335, consisting of principal and interest with a rate of 2.80%.

On August 28, 2013, the County entered into a capital lease obligation to purchase a four wheel drive loader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$77,225. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$4,171, consisting of principal and interest with a rate of 3.30%.

On October 1, 2013, the County entered into a capital lease obligation to purchase a motor grader, which was fully financed at a value of \$269,022. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$14,363, consisting of principal and interest with a rate of 2.80%.

On June 4, 2013, the County entered into a capital lease obligation to purchase a motor grader, which was fully financed at a value of \$84,607. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$4,495, consisting of principal and interest with a rate of 2.59%.

On October 1, 2013, the County entered into a capital lease obligation to purchase an equipped police car, which was fully financed at a value of \$40,835. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$2,224, consisting of principal and interest with a rate of 3.68%.

On September 20, 2013, the County entered into a capital lease obligation to purchase two International dump trucks, which were fully financed at a value of \$437,908. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$23,841, consisting of principal and interest with a rate of 3.30%.

On October 1, 2013, the County entered into a capital lease obligation to purchase five equipped police cars, which were fully financed at a value of \$221,866. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$11,890, consisting of principal and interest with a rate of 2.97%.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Capital Leases (Continued)

On May 19, 2014, the County entered into a capital lease obligation to purchase a motor grader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$91,220. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$4,837, consisting of principal and interest with a rate of 2.50%.

On May 19, 2014, the County entered into a capital lease obligation to purchase a motor grader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$91,220. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$4,837, consisting of principal and interest with a rate of 2.50%.

On May 19, 2014, the County entered into a capital lease obligation to purchase a motor grader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$91,220. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$4,837, consisting of principal and interest with a rate of 2.50%.

On May 19, 2014, the County entered into a capital lease obligation to purchase a motor grader. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$91,220. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$4,837, consisting of principal and interest with a rate of 2.50%.

On January 10, 2015, the County entered into a capital lease obligation to purchase seven fully equipped police vehicles, which were fully financed at a value of \$356,000. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$19,088.44, consisting of principal and interest with a rate of 2.67%.

On April 8, 2015, the County entered into a capital lease obligation to purchase a motor grader which were fully financed at a value of \$282,737. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$15,165.30, consisting of principal and interest with a rate of 3.00%.

On July 1, 2015, the County entered into a capital lease obligation to purchase a motor grader valued at \$280,841. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$113,841. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$6,106, consisting of principal and interest with a rate of 3.00%.

On May 15, 2015, the County entered into a capital lease obligation to purchase a dump truck with a snowplow, which was fully financed at a value of \$200,054. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$10,754.13, consisting of principal and interest with a rate of 2.77%.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Capital Leases (Continued)

On May 15, 2015, the County entered into a capital lease obligation to purchase a dump truck, which was fully financed at a value of \$162,855. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$8,754.46, consisting of principal and interest with a rate of 2.77%.

On October 28, 2015, the County entered into a capital lease obligation to purchase a motor grader valued at \$280,841. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$110,841. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$5,945, consisting of principal and interest with a rate of 3.00%.

On October 28, 2015, the County entered into a capital lease obligation to purchase a motor grader valued at \$280,841. The County traded in existing equipment as part of the planned rotation of equipment and financed the remaining \$108,841. The lease is on a quarterly basis for 20 consecutive quarterly periods with payments of \$5,838, consisting of principal and interest with a rate of 3.00%.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2015, were as follows:

<u>Year Ending</u> <u>December 31,</u>	<u>Governmental</u> <u>Activities</u>
2016	\$ 1,016,499
2017	816,425
2018	568,152
2019	305,953
2020	120,836
Total minimum lease payments	2,827,865
Less amounts representing interest	(156,871)
Present value of minimum lease payments	\$ 2,670,994

Special Assessment Bonds

The following Special Assessment Bonds are to be serviced by special assessments levied against real property in the County, which is specifically benefited by the improvements. However, the County has accepted responsibility for a portion of the debt service payments related to these special assessments.

The Chaparral Valley 2 Local Improvement District Special Assessment Bonds, dated January 10, 2003 were issued in the principal amount of \$350,000. Principal and interest, computed at 6.00% per annum, is payable annually on July 1, and maturing July 1, 2022, except if redeemed prior thereof. The bonds are subject to prepayment prior to maturity by the County on July 1, 2003, and each July 1, thereafter. The principal amount outstanding at December 31, 2015 was \$80,000. The Road and Bridge Fund advanced the fund \$72,000 in order to defease a portion of the debt.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

General Obligation Bonds

The Meadows Station Subdivision Public Improvement District General Obligation Bonds, dated December 23, 2004 were issued in the principal amount of \$625,000. Principal and interest, computed at a variable rate of 3.15% - 5.25% per annum, is payable semi-annually on June 1 and December 1, and maturing December 1, 2024, except if redeemed prior thereof. The bonds are subject to prepayment prior to maturity by the County on December 1, 2006, and each December 1 thereafter. The principal amount outstanding at December 31, 2015 was \$365,000.

The Foxwood Estates Subdivision Public Improvement District General Obligation Bonds, dated January 27, 2005 were issued in the principal amount of \$345,000. Principal and interest are computed at a variable rate of 3.25% - 5.50% per annum and maturing December 1, 2029. The principal amount outstanding at December 31, 2015 was \$260,000.

Lease Mortgage Revenue Bond

On October 1, 2009, the County entered into a Mortgage and Loan agreement for \$7,300,000 to refinance the Series 2005 Certificates of Participation (COPs) issued by the Building Authority and to receive additional funds to complete the projects originally contemplated in the issuance of the COPs. The bonds bear interest of 5.25% per annum, which will be reset after ten years. Principal and interest on the bond is due annually on December 1st and matures December 1, 2028. Any unpaid principal on the bond may be prepaid in whole or in part by the County on any payment date on or after December 1, 2015 at an amount equal to 100% of the principal amount being prepaid, plus accrued interest to the prepayment date. If the County prepays the full principal amount of the bond, the prepayment will include an amount sufficient to cover administration fees and expenses accrued through the final payment of the bond. The defeased COPs are not considered a liability of the County since sufficient funds in the amount of \$5,370,361 were deposited into an Escrow Fund and invested in U.S. government securities for the purpose of paying the principal and interest of the defeased COPs when due.

As described in Note 13, as of December 31, 2015, the outstanding principal balance of the COPs is \$5,825,000 and the bonds were called in full during 2016. The Lease Mortgage Revenue Bond requires the County to establish a cash reserve fund in the amount of \$500,000, which is to be held by the lender, and is included in the Bond Redemption Fund. Through the agreement, the building authority assets were transferred to the County who is responsible for the repairs and maintenance of such assets.

Additionally, the County has covenants that require compliance as part of the agreement. Those covenants include:

- furnishing the lender financial statements within 210 days of the fiscal year-end,
- maintaining an adequate General Fund fund balance by increasing fund balance to \$500,000 by December 31, 2015. The County will then sustain fund balance at that level, and
- requiring lender approval of any new debt which exceeds \$300,000.

The lender has confirmed the County is in compliance with these covenants at December 31, 2015.

Annual debt service requirements to maturity for Special Assessment Bonds, General Obligation Bonds and the Lease Mortgage Revenue Bonds are as follows:

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 5 - LONG-TERM OBLIGATIONS (CONTINUED)

Year Ending <u>December 31,</u>	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 255,000	\$ 347,465	\$ 602,465
2017	260,000	334,353	594,353
2018	275,000	320,928	595,928
2019	290,000	306,666	596,666
2020	300,000	291,578	591,578
2021-2025	1,800,000	1,175,541	2,975,541
2026-2029	3,350,000	472,326	3,822,326
	<u>\$ 6,530,000</u>	<u>\$ 3,248,857</u>	<u>\$ 9,778,857</u>

Compensated Absences

According to the County's Compensated Absences Policy, the maximum hours of vacation accrual for all employees, except for Sherriff, Patrol and Dispatch, are 72 hours. The Sherriff, Patrol and Dispatch may accrue up to 80 hours of vacation annually.

Due to Insurance Escrow

In prior years, the County remitted funds to the Treasurer's office to pay benefit costs. The Treasurer's office then wrote a check to pay for those benefits. In the past, the County did not remit adequate funds to pay for the elected officials benefits. As a result, benefit checks were written in excess of the amounts on deposit. At December 31, 2015, the County eliminated this debt.

Reclamation of Titan I Missile Complex

In 2011, Elbert County was alerted that the site had been disturbed by an unauthorized contractor. Since that time, Elbert County staff has been working closely with the Colorado Department of Public Health and Environment (CDPHE) to develop a remediation plan for the disturbance. During 2013, CDPHE issued a Compliance Order to the contractor and to the County and assessed a \$5,000 penalty. Also during 2013, the contractor restored the landfill and submitted a work completion report which was accepted by CDPHE. Under the terms of the plan, management expects the County to be required to monitor the site for five years at a cost not to exceed \$5,000 per year. Elbert County will be requesting that the contractor reimburse the County for any and all costs related to their unauthorized excavation. The current amount of this liability at December 31, 2015 is \$15,000.

The long-term obligations of the County have been and will continue to be liquidated by various County funds. The fund which pays an employee is used to liquidate compensated absences of the governmental activities. These funds include the General, Road and Bridge, Law Enforcement Assistance and Human Services Funds. In addition, the Road and Bridge Fund services the capital lease. The General Fund services a capital lease, insurance escrow debt and the reclamation of the Titan I Missile Complex. The Special Assessment Debt, the General Obligation Debt and the Lease Mortgage Revenue Bonds, are serviced by the specific funds that were established with the sole purpose of liquidating the debt obligation.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 6 - NET POSITION

As also described in Note 2, net position in the Government-wide Statement of Net Position is reported as restricted when there are limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulators of other governments.

The County has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of capital leases and bonds that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2015, the County had a net investment in capital assets of \$70,824,731 calculated as follows:

	<u>Governmental Activities</u>
Net investment in capital assets:	
Capital assets, net	\$ 79,104,243
Loss on refunding (net of accumulated amortization)	216,482
Long-term obligations	<u>(8,495,994)</u>
Net investment in capital assets	<u><u>\$ 70,824,731</u></u>

Restricted assets include restrictions for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The County had restricted net position of \$1,391,756 as of December 31, 2015. The County's unrestricted net position as of December 31, 2015 is \$5,635,641.

NOTE 7 - PENSION PLAN

The County has adopted a multiple employer defined contribution pension plan administered by Colorado Counties Officials and Employees Retirement Association (CCOERA) which covers substantially all employees meeting the minimum eligibility requirements of 20 or more hours of work per week and one full year of continuous service. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees must match the employer contributions which may range from 3% to 6% of gross wages less overtime pay. An employee may contribute an additional 10% of eligible compensation after taxes or defer up to the lesser of \$8,500 or 25% of gross wages until retirement. Withdrawal from the Plan may occur only upon retirement, death, disability or termination of employment.

Employees vest 100% in personal contributions and 20% for each year of employment in employer contributions. Unvested employer contributions forfeited at termination revert to the County.

Both the County and the employees contributed 4% of eligible gross wages to the Plan during 2015. During the year ended December 31, 2015, participants made additional voluntary contributions.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 7 - PENSION PLAN (CONTINUED)

Additionally, certain participants participated in the Voluntary Deferred Compensation Plan during 2015. The County applied participant forfeitures of \$13,106 to reduce the County share of contributions. Information regarding the pension plan contributions for 2015 is as follows:

	2015	2014	2013
Total payroll	\$ 6,469,226	\$ 6,508,918	\$ 6,275,931
Base salary - eligible	5,630,900	5,308,925	5,177,800
County contribution	212,130	208,538	202,946
Employee contribution	225,236	212,357	207,112

NOTE 8 - DEFERRED COMPENSATION PLAN

The County has a deferred compensation plan created in accordance with Internal Revenue Code Section 457. This plan is also administered by CCOERA. Participation in the plan is optional for all employees. The plan allows the employees to defer a portion of their salary until future years.

NOTE 9 - COMMITMENTS AND CONTINGENCIES

Operating Leases

The County leases equipment under operating leases that expire 2018. Total rental expense for the year ended December 31, 2015 was \$79,503. The future minimum annual rental commitments under these leases are as follows:

Year Ending December 31,	Minimum Lease Payments
2016	\$ 19,607
2017	14,723
2018	3,681
Total	\$ 38,011

Litigation

The County has been named in various pending or threatened litigation, claims or assessments. The ultimate outcome/resolution of these matters is not known at this time. The County is monitoring the progress of these matters and has referred various matters to the County's insurance carrier for consultation and representation. Insurance could participate in defense, settlement and claims costs subject to the terms and conditions of the insuring agreements. As described in Note 14, the County settled certain litigation subsequent to the end of the fiscal year. At December 31, 2015, the County does not believe the resolution of these matters will have a material adverse effect on the financial condition of the government.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 9 - COMMITMENTS AND CONTINGENCIES (CONTINUED)

Grants

The government participates in various federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the government anticipates such amounts, if any, will be immaterial.

NOTE 10 - TRANSFERS/INTERFUND RECEIVABLES & PAYABLES

The transfer from the General Fund to the Nonmajor Governmental Funds is for the per capita health payments mandated by statute and for debt service payments. The payment from the Sales and Use Tax Fund to the Road and Bridge Fund was for road improvement projects and to the Nonmajor governmental fund related to the cost of certain capital outlays. The transfers from the Nonmajor Governmental Funds to the General Fund were to transfer Conservation Trust revenues which could be used to reimburse General Fund costs.

Transfers Out	Transfers In			Total
	General Fund	Road and Bridge Fund	Nonmajor Governmental Funds	
General Fund	\$ -	-	\$ 542,138	\$ 542,138
Sales and Use Tax	-	175,000	8,000	183,000
Nonmajor Governmental Funds	15,067	-	-	15,067
	\$ 15,067	175,000	\$ 550,138	\$ 740,205

Interfund receivables/payables are as follows at December 31, 2015:

	Interfund Receivables	Interfund Payables
General Fund	\$ -	\$ 92,800
Road and Bridge	-	20,891
Sales and Use Tax		16,910
Human Services	70,837	-
Nonmajor Governmental Funds	75,254	15,490
	\$ 146,091	\$ 146,091

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 10 - TRANSFERS/INTERFUND RECEIVABLES & PAYABLES (CONTINUED)

In addition, the Nonmajor debt service fund, the Chaparral Valley Fund, owes the Road and Bridge Fund \$72,000, which is categorized as an advance between funds. The County undertook this loan in order to call the special assessment bond principal early, thus saving a substantial amount of interest. This loan will be repaid as Chaparral Valley collects special assessments or receives transfers from the General Fund. It is anticipated that the loan will be repaid in eight years. The loan bears no interest.

The County reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds. The interfund balances have been eliminated in the government-wide statements.

NOTE 11 - RISK MANAGEMENT

The County is exposed to various risks of loss related to torts, thefts of, damage to or destruction of assets; errors or omissions; injuries to employees, or acts of God. The County is one of several counties which are members of the Colorado Counties Casualty and Property Pool and the County Workers' Compensation Pool (Pools). The Pools are organizations created by intergovernmental agreement. The Colorado Counties Casualty and Property Pool provides general liability, automobile liability, property and auto physical damage to its members. The County Workers' Compensation Pool provides workers' compensation coverage to its members.

The County pays annual contributions to the Pools for its property and casualty insurance and its workers' compensation insurance. The County has a \$500 deductible per claim for its property insurance. The intergovernmental agreements which formed the Pools provides that the Pools will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pools will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Each pool is managed by an independent risk manager/claims administrator who reports to the Pool Board of Directors. Each member's contribution to the respective pool is determined on factors including, but not limited to, the Pool's claim experience, premium costs, cost of administration and other operating expenses, the number of participants, the adequacy of both operating and reserve funds and other factors effecting the status of the Pool or an individual participant, and as approved by the Colorado Insurance Commissioner.

The County's contributions as a percentage of pool revenue are less than 3%.

The Pools provide the following types of coverage:

	Self-Insured Retentions (Per Occurrence)	Excess Insurance Limits (Per Occurrence)
Liability	\$ 250,000	\$ 10,000,000
Property	\$ 150,000	\$ 100,000,000
Workers' compensation	\$ 500,000 to statutory limit	

Settled claims have not exceeded coverage provided by the Pools in any of the past three fiscal years.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE 12 - TAX, SPENDING AND DEBT LIMITATIONS

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR) contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The County's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation. Accordingly, the possibility exists that the County's interpretation of certain TABOR provisions may subsequently be determined to be incorrect. This could result in a potential refund of revenue unless voters approve retention of such revenue. The ultimate outcome of these matters cannot presently be determined and no provision for any liability for a refund of revenue has been made in the financial statements.

On November 5, 1996, a majority of the County's electors authorized the County to retain or expend all revenue derived from building and other development related fees, exactions and permits; and revenues, cost reimbursements and grants from other governments during 1996 and each subsequent year. The County is authorized to spend all such revenues on road improvements, growth management, public safety and such other costs as may be directly related to growth unless otherwise provided by law, agreement, or grant, without regard to any limitation contained in Article X, Section 20 of the Colorado constitution and without limiting in any year the amount of other revenues that may be collected and spent by the County under Article X, Section 20 of the Colorado constitution or any other law; provided, however, that no property tax mill levy shall be increased at any time, nor shall any new tax be imposed, without consent of the voters approving any such increase or new tax.

NOTE13 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS ISSUED,
NOT YET EFFECTIVE

The Governmental Accounting Standards Board (GASB) has issued several pronouncements prior to December 31, 2015 that have effective dates that may impact future financial presentations.

Governmental Accounting Standards Board Statement No. 72

In March 2015, the GASB issued Statement No. 72 *Fair Value Measurement and Application*, which defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. The provisions of Statement 72 are effective for fiscal years beginning after June 15, 2015.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE13 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS ISSUED,
NOT YET EFFECTIVE (CONTINUED)

Management is currently determining the effects of the implementation of this statement on the County's financial records.

Governmental Accounting Standards Board Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. In June 2015, the GASB issued Statement No.75. This Statement replaces the requirements of Statements No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended*, and No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans, for OPEB*. Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB plans. The provisions of Statement 75 are effective for fiscal years beginning after June 15, 2017. Due to the nature of its pension plans, and the lack of any OPEB plans, management does not believe that implementation of this statement will have a material effect on these financial statements

Governmental Accounting Standards Board Statement No. 76 *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. In June 2015, the GASB issued Statement No.76. This Statement supersedes Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. Management does not believe that implementation of this statement will have a material effect on these financial statements

Governmental Accounting Standards Board Statement No. 77 *Tax Abatement Disclosures*. In August 2015, the GASB issued Statement No.77. The requirements of this Statement improve financial reporting by giving users of financial statements essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government's future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government's financial position and economic condition. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. Management does not believe that implementation of this statement will have a material effect on these financial statements

Governmental Accounting Standards Board Statement No. 79 *Certain External Investment Pools and Pool Participants*. In December 2015, the GASB issued Statement No.79. This Statement establishes additional note disclosure requirements for qualifying external investment pools that measure all of their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Those disclosures for both the qualifying external investment pools and their participants include information about any limitations or restrictions on participant withdrawals. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. Management is currently determining the effects of the implementation of this statement on the County's financial records.

ELBERT COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS

NOTE13 - GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENTS ISSUED,
NOT YET EFFECTIVE (CONTINUED)

Governmental Accounting Standards Board Statement No. 80 *Blending Requirement for Certain Component Units – an amendment of GASB Statement No. 14*. In January 2016, the GASB issued Statement No.80. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements of this Statement are effective for reporting periods beginning after June 15, 2016. Management does not believe that implementation of this statement will have a material effect on these financial statements

NOTE 14 - SUBSEQUENT EVENTS

Subsequent to year end the Elbert County Building Authority issued \$5,825,000 Lease Revenue Refunding Bond, Series 2016 on March 3, 2016. The majority of the bonds issued are to be utilized to refund the 2009 Lease Mortgage Revenue Bonds. The bonds are due in semi-annual payments of \$235,863 on March 1 and September 1 of each year which includes interest at 2.61% per annum through March 1, 2031.

During June, 2016 the County settled a lawsuit brought by a former employee. The County made a business decision to settle the suit due to the uncertainty of what would occur in a jury trial. The suit was settled for \$300,000 of which the County paid \$150,000 and its insurance carrier also paid \$150,000.

REQUIRED SUPPLEMENTARY INFORMATION

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
NON GAAP BUDGET BASIS
GENERAL FUND
Year Ended December 31, 2015

	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ 5,360,663	\$5,614,232	\$ 253,569
Licenses and permits	653,800	988,442	334,642
Intergovernmental	289,048	187,176	(101,872)
Charges for service	1,257,332	1,363,742	106,410
Net investment income	1,900	8,713	6,813
Miscellaneous	253,701	490,035	236,334
Total revenues	7,816,444	8,652,340	835,896
EXPENDITURES			
General government	3,195,795	3,248,364	(52,569)
Public safety	3,893,787	3,766,612	127,175
Public health and welfare	6,000	30,929	(24,929)
Culture and recreation	175,866	144,874	30,992
Auxiliary services	132,881	136,528	(3,647)
Debt Service	99,230	71,587	27,643
Capital outlay	32,200	41,062	(8,862)
Total expenditures	7,535,759	7,439,956	95,803
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES			
	280,685	1,212,384	931,699
OTHER FINANCING SOURCES (USES)			
Insurance recoveries	-	35,369	35,369
Transfers in	92,602	15,067	(77,535)
Transfers (out)	(542,138)	(542,138)	-
Total other financing sources (uses)	(449,536)	(491,702)	(42,166)
NET CHANGE IN FUND BALANCE-NON GAAP			
	\$ (168,851)	720,682	\$ 889,533
PRESPECTIVE DIFFERENCES			
Budgeted expenditures			
Subsequent events budgeted in the following fiscal year		(150,000)	
NET CHANGE IN FUND BALANCE-GAAP BASIS			
		570,682	
FUND BALANCE - BEGINNING OF YEAR			
		720,421	
FUND BALANCE - END OF YEAR			
		\$1,291,103	

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
GENERAL FUND
Year Ended December 31, 2015

REVENUES	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Taxes				
Property taxes	\$ 4,287,454	\$ 4,287,454	\$ 4,337,585	\$ 50,131
Specific ownership taxes	1,066,209	1,066,209	1,264,842	198,633
Cigarette taxes	7,000	7,000	9,305	2,305
Other taxes	-	-	2,500	2,500
Total taxes	5,360,663	5,360,663	5,614,232	253,569
Licenses and permits				
Building and zoning fees	653,250	653,250	987,660	334,410
Liquor licenses	550	550	782	232
Total licenses and permits	653,800	653,800	988,442	334,642
Intergovernmental revenues				
VALE grant	56,243	56,243	57,492	1,249
Other intergovernmental revenues	232,805	232,805	129,684	(103,121)
Total intergovernmental revenues	289,048	289,048	187,176	(101,872)
Charges for services				
Sheriff	42,900	42,900	101,485	58,585
Clerk	620,000	620,000	711,535	91,535
Treasurer	440,000	440,000	473,160	33,160
Public trustee fees	9,500	9,500	37,722	28,222
Other	144,932	144,932	39,840	(105,092)
Total charges for services	1,257,332	1,257,332	1,363,742	106,410
Interest income	1,900	1,900	8,713	6,813
Miscellaneous revenues				
DUI insurance	1,000	1,000	4,612	3,612
Fair receipts	20,000	20,000	64,357	44,357
Administrative cost allocation	220,832	220,832	235,937	15,105
Other	11,869	11,869	185,129	173,260
Total miscellaneous revenues	253,701	253,701	490,035	236,334
Other financing sources				
Transfers in	92,602	92,602	15,067	(77,535)
Insurance recoveries	-	-	35,369	35,369
Total other financing sources	92,602	92,602	50,436	(42,166)
Total revenues	\$ 7,909,046	\$ 7,909,046	\$ 8,702,776	\$ 793,730

ELBERT COUNTY, COLORADO
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
NON GAAP BUDGET BASIS
GENERAL FUND
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
EXPENDITURES				
General government				
Office of Commissioners	\$ 263,080	\$ 263,080	\$ 279,169	\$ (16,089)
Clerk of the Board	47,854	47,854	44,217	3,637
County attorney	138,292	138,292	113,980	24,312
Clerk and recorder	305,523	305,523	288,823	16,700
Clerk and recorder - Elections	132,684	132,684	105,063	27,621
County Treasurer	210,273	210,273	217,885	(7,612)
County Assessor	413,307	413,307	401,619	11,688
Maintenance of grounds and buildings	169,872	169,872	144,083	25,789
Central data processing	346,229	346,229	384,678	(38,449)
Other administration	526,919	526,919	597,223	(70,304)
Budget/payroll	129,237	129,237	159,099	(29,862)
District attorney	512,525	512,525	512,525	-
Total general government	<u>3,195,795</u>	<u>3,195,795</u>	<u>3,248,364</u>	<u>(52,569)</u>
Public safety				
County sheriff	2,979,772	2,979,772	2,881,386	98,386
County coroner	130,069	130,069	123,578	6,491
Judicial center	125,815	125,815	135,198	(9,383)
Building inspection	1,200	1,200	1,029	171
Community development services	547,785	547,785	542,779	5,006
Planning commission	17,280	17,280	-	17,280
Emergency communications and operations	91,866	91,866	82,642	9,224
Total public safety	<u>3,893,787</u>	<u>3,893,787</u>	<u>3,766,612</u>	<u>127,175</u>
Public health and welfare	<u>6,000</u>	<u>6,000</u>	<u>30,929</u>	<u>(24,929)</u>
Culture and recreation	175,866	175,866	144,874	30,992
Auxiliary services	132,881	132,881	136,528	(3,647)
Debt service	99,230	99,230	71,587	27,643
Capital outlay	32,200	32,200	41,062	(8,862)
Transfers out	542,138	542,138	542,138	-
Total expenditures	<u>\$ 8,077,897</u>	<u>\$ 8,077,897</u>	<u>\$ 7,982,094</u>	<u>\$ 95,803</u>

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
NON GAAP BUDGET BASIS
ROAD AND BRIDGE SPECIAL REVENUE FUND
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 2,653,222	\$ 2,653,222	\$ 2,641,221	\$ (12,001)
Intergovernmental	2,584,560	2,584,560	2,847,774	263,214
Charges for services	126,000	126,000	147,983	21,983
Net investment income	158	158	4,349	4,191
Miscellaneous	-	-	8,069	8,069
Total revenues	<u>5,363,940</u>	<u>5,363,940</u>	<u>5,649,396</u>	<u>285,456</u>
EXPENDITURES				
General government	245,578	245,578	72,916	172,662
Public works	4,975,289	4,975,289	4,974,083	1,206
Debt service	947,665	947,665	855,730	91,935
Capital outlay	-	-	6,800	(6,800)
Total expenditures	<u>6,168,532</u>	<u>6,168,532</u>	<u>5,909,529</u>	<u>259,003</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>(804,592)</u>	<u>(804,592)</u>	<u>(260,133)</u>	<u>544,459</u>
OTHER FINANCING SOURCES				
Sale of general capital assets	-	-	20,631	20,631
Insurance proceeds	-	-	20,973	20,973
Transfers in	250,000	250,000	175,000	(75,000)
Total other financing sources	<u>250,000</u>	<u>250,000</u>	<u>216,604</u>	<u>(33,396)</u>
NET CHANGE IN FUND BALANCE-NON GAAP	<u>\$ (554,592)</u>	<u>\$ (554,592)</u>	<u>(43,529)</u>	<u>\$ 511,063</u>
PRESPECTIVE DIFFERENCES				
Capital lease transactions				
Proceeds			979,169	
Capital outlay related to capital leases			<u>(979,169)</u>	
NET CHANGE IN FUND BALANCE-GAAP BASIS			(43,529)	
FUND BALANCE - BEGINNING OF YEAR			<u>1,701,377</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,657,848</u>	

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
HUMAN SERVICES SPECIAL REVENUE FUND
Year Ended December 31, 2015

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES				
Taxes	\$ 393,973	\$ 393,973	\$ 392,988	\$ (985)
Intergovernmental	5,125,037	5,125,037	3,953,419	(1,171,618)
Other	93,047	93,047	35,896	(57,151)
Net investment income	-	-	685	685
Total revenues	<u>5,612,057</u>	<u>5,612,057</u>	<u>4,382,988</u>	<u>(1,229,069)</u>
EXPENDITURES				
Public health and welfare	5,125,037	5,125,037	4,528,808	596,229
Capital outlay	-	-	13,058	(13,058)
Total expenditures	<u>5,125,037</u>	<u>5,125,037</u>	<u>4,541,866</u>	<u>583,171</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES				
	<u>\$ 487,020</u>	<u>\$ 487,020</u>	(158,878)	<u>\$ (645,898)</u>
FUND BALANCE - BEGINNING OF YEAR			<u>564,668</u>	
FUND BALANCE - END OF YEAR			<u>\$ 405,790</u>	

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
SALES AND USE TAX SPECIAL REVENUE FUND
Year Ended December 31, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES				
Sales tax	\$ 1,012,000	\$ 1,012,000	\$ 1,049,124	\$ 37,124
Use tax	1,150,000	1,150,000	1,180,739	30,739
Intergovernmental	-	-	377,818	377,818
Total revenues	2,162,000	2,162,000	2,607,681	445,681
EXPENDITURES				
General government	57,600	57,600	66,233	(8,633)
Public Works	443,500	443,500	544,399	(100,899)
Capital outlay	1,239,200	1,436,069	1,393,536	42,533
Total expenditures	1,740,300	1,937,169	2,004,168	(66,999)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES				
	421,700	224,831	603,513	378,682
OTHER FINANCING SOURCES (USES)				
Transfers (out)	(250,000)	(250,000)	(183,000)	67,000
Total other financing sources (uses)	(250,000)	(250,000)	(183,000)	67,000
NET CHANGE IN FUND BALANCE				
	\$ 171,700	\$ (25,169)	420,513	\$ 445,682
FUND BALANCE - BEGINNING OF YEAR				
			2,028,674	
FUND BALANCE - END OF YEAR				
			\$ 2,449,187	

ELBERT COUNTY, COLORADO
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2015

In accordance with the State Budget Law, the County Commissioners hold public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level, which includes other financing uses, and lapses at year end. The County Commissioners can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

SUPPLEMENTARY INFORMATION

ELBERT COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2015

	Special Revenue Funds	Debt Service Funds	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and investments with Treasurer	\$ 1,636,690	\$ 291	\$ 1,636,981
Cash and investments with Treasurer - Restricted	-	689,287	689,287
Accounts receivable	71,757	1,113	72,870
Due from other funds	75,254	-	75,254
Assessments receivable	-	67,983	67,983
Property taxes receivable	209,088	83,888	292,976
Prepaid expenses	5,146	-	5,146
TOTAL ASSETS	<u><u>\$ 1,997,935</u></u>	<u><u>\$ 842,562</u></u>	<u><u>\$ 2,840,497</u></u>
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 216,634	\$ 715	\$ 217,349
Due to other funds	15,490	-	15,490
Advances from other funds	-	72,000	72,000
Total liabilities	<u>232,124</u>	<u>72,715</u>	<u>304,839</u>
 DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue-property taxes and assessments	<u>209,088</u>	<u>151,871</u>	<u>360,959</u>
 FUND BALANCES			
Nonspendable			
Prepaid expenses	5,146	-	5,146
Restricted			
Emergency reserves	37,797	-	37,797
Debt service	-	668,398	668,398
Conservation trust	363,631	-	363,631
Assigned			
Public safety	312,593	-	312,593
Public health	345,570	-	345,570
Capital outlay	391,126	-	391,126
Retirement	100,860	-	100,860
Unassigned			
Debt service	-	(50,422)	(50,422)
Total fund balances	<u>1,556,723</u>	<u>617,976</u>	<u>2,174,699</u>
TOTAL LIABILITIES AND FUND BALANCES	<u><u>\$ 1,997,935</u></u>	<u><u>\$ 842,562</u></u>	<u><u>\$ 2,840,497</u></u>

ELBERT COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2015

	<u>Special Revenue Funds</u>	<u>Debt Service Funds</u>	<u>Total Nonmajor Governmental Funds</u>
REVENUES			
Taxes	\$ 216,494	\$ 93,598	\$ 310,092
Special assessments	-	35,642	35,642
Charges for services	1,039,893	-	1,039,893
Intergovernmental	343,835	-	343,835
Miscellaneous	14,648	-	14,648
Net investment income	1,470	96	1,566
Total revenues	<u>1,616,340</u>	<u>129,336</u>	<u>1,745,676</u>
EXPENDITURES			
General government	206,751	5,958	212,709
Public safety	460,267	-	460,267
Public works	92,472	-	92,472
Culture and recreation	126,098	-	126,098
Public health and welfare	197,487	-	197,487
Capital outlay	414,739	-	414,739
Debt service	247,443	669,279	916,722
Total expenditures	<u>1,745,257</u>	<u>675,237</u>	<u>2,420,494</u>
EXCESS OF REVENUES			
OVER (UNDER) EXPENDITURES	<u>(128,917)</u>	<u>(545,901)</u>	<u>(674,818)</u>
OTHER FINANCING SOURCES (USES)			
Capital lease proceeds	356,000	-	356,000
Transfers in	43,600	506,538	550,138
Transfers (out)	(15,067)	-	(15,067)
Total other financing sources (uses)	<u>384,533</u>	<u>506,538</u>	<u>891,071</u>
NET CHANGE IN FUND BALANCES	255,616	(39,363)	216,253
FUND BALANCES - BEGINNING OF YEAR	<u>1,301,107</u>	<u>657,339</u>	<u>1,958,446</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,556,723</u>	<u>\$ 617,976</u>	<u>\$ 2,174,699</u>

ELBERT COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
December 31, 2015

	<u>Law Enforcement Assistance</u>	<u>Impact Assistance</u>	<u>Public Health and Administration</u>
ASSETS			
Cash and investments with Treasurer	\$ 474,028	\$ 411,126	\$ 323,405
Accounts receivable	50,420	-	18,516
Due from other funds	-	-	30,471
Property taxes receivable	-	-	-
Prepaid expenses	5,146	-	-
TOTAL ASSETS	<u>\$ 529,594</u>	<u>\$ 411,126</u>	<u>\$ 372,392</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts payable	\$ 174,339	\$ 20,000	\$ 20,734
Due to other funds	12,705	-	-
Total liabilities	<u>187,044</u>	<u>20,000</u>	<u>20,734</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable			
Prepaid expenses	5,146	-	-
Restricted			
Emergency reserves	24,811	-	6,088
Conservation trust	-	-	-
Assigned			
Public safety	312,593	-	-
Public health	-	-	345,570
Capital outlay	-	391,126	-
Retirement	-	-	-
Total fund balances	<u>342,550</u>	<u>391,126</u>	<u>351,658</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 529,594</u>	<u>\$ 411,126</u>	<u>\$ 372,392</u>

<u>Retirement</u>	<u>Conservation Trust</u>	<u>Total</u>
\$ 60,154	\$ 367,977	\$ 1,636,690
2,821	-	71,757
44,783	-	75,254
209,088	-	209,088
-	-	5,146
<u>\$ 316,846</u>	<u>\$ 367,977</u>	<u>\$ 1,997,935</u>
\$ -	\$ 1,561	\$ 216,634
-	2,785	15,490
<u>-</u>	<u>4,346</u>	<u>232,124</u>
<u>209,088</u>	<u>-</u>	<u>209,088</u>
-	-	5,146
6,898	-	37,797
-	363,631	363,631
-	-	312,593
-	-	345,570
-	-	391,126
100,860	-	100,860
<u>107,758</u>	<u>363,631</u>	<u>1,556,723</u>
<u>\$ 316,846</u>	<u>\$ 367,977</u>	<u>\$ 1,997,935</u>

ELBERT COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Year Ended December 31, 2015

	<u>Law Enforcement Assistance</u>	<u>Impact Assistance</u>	<u>Public Health and Administration</u>
REVENUES			
Taxes	\$ -	\$ -	\$ -
Charges for services	723,745	114,444	201,704
Intergovernmental	103,290	-	101,655
Miscellaneous income	-	-	1,220
Net investment income	-	768	-
Total revenues	<u>827,035</u>	<u>115,212</u>	<u>304,579</u>
EXPENDITURES			
General government	-	-	-
Public safety	458,222	2,045	-
Public works	-	92,472	-
Culture and recreation	-	25,381	-
Public health and welfare	-	-	197,487
Debt service	247,443	-	-
Capital outlay	356,000	8,166	8,000
Total expenditures	<u>1,061,665</u>	<u>128,064</u>	<u>205,487</u>
EXCESS OF REVENUES			
OVER (UNDER) EXPENDITURES	<u>(234,630)</u>	<u>(12,852)</u>	<u>99,092</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	43,600
Capital lease proceeds	356,000	-	-
Transfers (out)	-	-	-
Total other financing sources (uses)	<u>356,000</u>	<u>-</u>	<u>43,600</u>
NET CHANGE IN FUND BALANCES	121,370	(12,852)	142,692
FUND BALANCES - BEGINNING OF YEAR	<u>221,180</u>	<u>403,978</u>	<u>208,966</u>
FUND BALANCES - END OF YEAR	<u>\$ 342,550</u>	<u>\$ 391,126</u>	<u>\$ 351,658</u>

<u>Retirement</u>	<u>Conservation Trust</u>	<u>Total</u>
\$ 216,494	\$ -	\$ 216,494
-	-	1,039,893
-	138,890	343,835
13,428	-	14,648
-	702	1,470
<u>229,922</u>	<u>139,592</u>	<u>1,616,340</u>
206,751	-	206,751
-	-	460,267
-	-	92,472
-	100,717	126,098
-	-	197,487
-	-	247,443
-	42,573	414,739
<u>206,751</u>	<u>143,290</u>	<u>1,745,257</u>
<u>23,171</u>	<u>(3,698)</u>	<u>(128,917)</u>
-	-	43,600
-	-	356,000
-	(15,067)	(15,067)
<u>-</u>	<u>(15,067)</u>	<u>384,533</u>
23,171	(18,765)	255,616
<u>84,587</u>	<u>382,396</u>	<u>1,301,107</u>
<u>\$ 107,758</u>	<u>\$ 363,631</u>	<u>\$ 1,556,723</u>

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Year Ended December 31, 2015

	Law Enforcement Assistance		
	(NON-GAAP BUDGET BASIS)		
	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for services	\$ 890,000	\$ 723,745	\$ (166,255)
Intergovernmental	103,000	103,290	290
Interest income	-	-	-
Miscellaneous income	-	-	-
Total revenues	<u>993,000</u>	<u>827,035</u>	<u>(165,965)</u>
EXPENDITURES			
General government	-	-	-
Public safety	694,573	458,222	236,351
Public works	-	-	-
Culture and recreation	-	-	-
Debt service	190,000	247,443	(57,443)
Capital outlay	-	-	-
Total expenditures	<u>884,573</u>	<u>705,665</u>	<u>178,908</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>108,427</u>	<u>121,370</u>	<u>12,943</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES-NON GAAP	<u>\$ 108,427</u>	<u>121,370</u>	<u>\$ 12,943</u>
PRESPECTIVE DIFFERENCES			
Capital lease transactions			
Proceeds		356,000	
Capital outlay related to capital leases		<u>(356,000)</u>	
NET CHANGE IN FUND BALANCE-GAAP BASIS		121,370	
FUND BALANCES - BEGINNING OF YEAR		<u>221,180</u>	
FUND BALANCES - END OF YEAR		<u>\$ 342,550</u>	

Impact Assistance

Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 90,000	\$ 90,000	\$ 114,444	\$ 24,444
-	-	-	-
-	-	768	768
200	200	-	(200)
<u>90,200</u>	<u>90,200</u>	<u>115,212</u>	<u>25,012</u>
-	-	-	-
-	-	2,045	(2,045)
51,500	51,500	92,472	(40,972)
22,067	32,771	25,381	7,390
-	-	-	-
43,793	43,793	8,166	35,627
<u>117,360</u>	<u>128,064</u>	<u>128,064</u>	<u>-</u>
<u>(27,160)</u>	<u>(37,864)</u>	<u>(12,852)</u>	<u>25,012</u>
-	-	-	-
-	-	-	-
<u>\$ (27,160)</u>	<u>\$ (37,864)</u>	<u>(12,852)</u>	<u>\$ 25,012</u>
		-	
		-	
		(12,852)	
		<u>403,978</u>	
		<u>\$ 391,126</u>	

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Year Ended December 31, 2015

	Public Health and Administration		
	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	122,290	101,655	(20,635)
Charges for services	141,117	201,704	60,587
Miscellaneous income	-	1,220	1,220
Total revenues	<u>263,407</u>	<u>304,579</u>	<u>41,172</u>
EXPENDITURES			
General government	-	-	-
Public health and welfare	336,517	197,487	139,030
Capital outlay	-	8,000	(8,000)
Total expenditures	<u>336,517</u>	<u>205,487</u>	<u>131,030</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(73,110)</u>	<u>99,092</u>	<u>172,202</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	35,600	43,600	8,000
Total other financing sources (uses)	<u>35,600</u>	<u>43,600</u>	<u>8,000</u>
NET CHANGE IN FUND BALANCES-NON GAAP	<u>\$ (37,510)</u>	142,692	<u>\$ 180,202</u>
FUND BALANCES - BEGINNING OF YEAR		<u>208,966</u>	
FUND BALANCES - END OF YEAR		<u>\$ 208,966</u>	

Retirement		
Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 265,071	\$ 216,494	\$ (48,577)
-	-	-
-	-	-
-	13,428	13,428
<u>265,071</u>	<u>229,922</u>	<u>(35,149)</u>
250,368	206,751	43,617
-	-	-
-	-	-
<u>250,368</u>	<u>206,751</u>	<u>43,617</u>
<u>14,703</u>	<u>23,171</u>	<u>8,468</u>
-	-	-
-	-	-
<u>\$ 14,703</u>	23,171	<u>\$ 8,468</u>
	<u>84,587</u>	
	<u>\$ 107,758</u>	

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS - SPECIAL REVENUE FUNDS
Year Ended December 31, 2015

	Conservation Trust		
	Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	411,173	138,890	(272,283)
Interest income	600	702	102
Total revenues	<u>411,773</u>	<u>139,592</u>	<u>(272,181)</u>
EXPENDITURES			
General government	-	-	-
Culture and recreation	53,000	100,717	(47,717)
Contingency	-	-	-
Capital outlay	406,554	42,573	363,981
Total expenditures	<u>459,554</u>	<u>143,290</u>	<u>316,264</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(47,781)</u>	<u>(3,698)</u>	<u>44,083</u>
OTHER FINANCING SOURCES (USES)			
Transfers (out)	(92,602)	(15,067)	77,535
Total other financing sources (uses)	<u>(92,602)</u>	<u>(15,067)</u>	<u>77,535</u>
NET CHANGE IN FUND BALANCES-NON GAAP	<u>\$ (140,383)</u>	<u>(18,765)</u>	<u>\$ 121,618</u>
FUND BALANCES - BEGINNING OF YEAR		<u>382,396</u>	
FUND BALANCES - END OF YEAR		<u>\$ 363,631</u>	

ELBERT COUNTY, COLORADO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
December 31, 2015

	<u>Bond Redemption</u>	<u>Chaparral Valley</u>	<u>Meadows Station</u>	<u>Foxwood Estates</u>	<u>Total</u>
ASSETS					
Cash and investments with Treasurer	\$ 291	\$ -	\$ -	\$ -	\$ 291
Cash and investments with Treasurer - Restricted	500,000	21,578	104,696	63,013	689,287
Accounts receivable	-		773	340	1,113
Assessments receivable	-	67,983	-	-	67,983
Property tax receivable	-	-	59,032	24,856	83,888
TOTAL ASSETS	<u>\$ 500,291</u>	<u>\$ 89,561</u>	<u>\$ 164,501</u>	<u>\$ 88,209</u>	<u>\$ 842,562</u>
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Accounts payable	\$ 715	\$ -	\$ -	\$ -	\$ 715
Advances from other funds	-	72,000	-	-	72,000
Total liabilities	<u>715</u>	<u>72,000</u>	<u>-</u>	<u>-</u>	<u>72,715</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue property taxes and assessments	-	67,983	59,032	24,856	151,871
Total deferred inflows of resources	<u>-</u>	<u>67,983</u>	<u>59,032</u>	<u>24,856</u>	<u>151,871</u>
FUND BALANCE					
Restricted	499,576	-	105,469	63,353	668,398
Unassigned	-	(50,422)	-	-	(50,422)
Total fund balance	<u>499,576</u>	<u>(50,422)</u>	<u>105,469</u>	<u>63,353</u>	<u>617,976</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 500,291</u>	<u>\$ 89,561</u>	<u>\$ 164,501</u>	<u>\$ 88,209</u>	<u>\$ 842,562</u>

ELBERT COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
Year Ended December 31, 2015

	<u>Bond Redemption</u>	<u>Chaparral Valley</u>	<u>Meadows Station</u>	<u>Foxwood Estates</u>	<u>Total</u>
REVENUES					
Taxes	\$ -	\$ -	\$ 64,990	\$ 28,608	\$ 93,598
Special assessments	-	35,642	-	-	35,642
Net investment income	-	-	53	43	96
Total revenues	<u>-</u>	<u>35,642</u>	<u>65,043</u>	<u>28,651</u>	<u>129,336</u>
EXPENDITURES					
General government	2,180	1,219	1,701	858	5,958
Debt service	<u>505,787</u>	<u>89,600</u>	<u>49,762</u>	<u>24,130</u>	<u>669,279</u>
Total expenditures	<u>507,967</u>	<u>90,819</u>	<u>51,463</u>	<u>24,988</u>	<u>675,237</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	<u>(507,967)</u>	<u>(55,177)</u>	<u>13,580</u>	<u>3,663</u>	<u>(545,901)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	<u>506,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>506,538</u>
Total other financing sources (uses)	<u>506,538</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>506,538</u>
NET CHANGE IN FUND BALANCES	(1,429)	(55,177)	13,580	3,663	(39,363)
FUND BALANCES - BEGINNING OF YEAR					
	<u>501,005</u>	<u>4,755</u>	<u>91,889</u>	<u>59,690</u>	<u>657,339</u>
FUND BALANCES - END OF YEAR					
	<u>\$ 499,576</u>	<u>\$ (50,422)</u>	<u>\$ 105,469</u>	<u>\$ 63,353</u>	<u>\$ 617,976</u>

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
Year Ended December 31, 2015

	Bond Redemption Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Special assessments	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXPENDITURES				
General government	750	2,180	2,180	-
Debt service	<u>505,788</u>	<u>505,788</u>	<u>505,787</u>	<u>1</u>
Total expenditures	<u>506,538</u>	<u>507,968</u>	<u>507,967</u>	<u>1</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(506,538)	(507,968)	(507,967)	1
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>506,538</u>	<u>506,538</u>	<u>506,538</u>	<u>-</u>
Total other financing sources (uses)	<u>506,538</u>	<u>506,538</u>	<u>506,538</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ (1,430)</u>	(1,429)	<u>\$ 1</u>
FUND BALANCES - BEGINNING OF YEAR			<u>501,005</u>	
FUND BALANCES - END OF YEAR			<u>\$ 499,576</u>	

Chaparral Valley

Original and Final Budget	Actual	Variance with Final Budget Positive (Negative)
\$ 15,600	\$ 35,642	\$ 20,042
<u>15,600</u>	<u>35,642</u>	<u>20,042</u>
670	1,219	(549)
169,750	89,600	80,150
<u>170,420</u>	<u>90,819</u>	<u>79,601</u>
(154,820)	(55,177)	99,643
155,000	-	(155,000)
<u>155,000</u>	<u>-</u>	<u>(155,000)</u>
<u>\$ 180</u>	<u>(55,177)</u>	<u>\$ (55,357)</u>
	<u>4,755</u>	
	<u>\$ (50,422)</u>	

ELBERT COUNTY, COLORADO
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
NONMAJOR GOVERNMENTAL FUNDS - DEBT SERVICE FUNDS
Year Ended December 31, 2015

	Meadows Station			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 54,095	\$ 55,647	\$ 64,990	\$ 9,343
Net investment income	-	-	53	53
Total revenues	54,095	55,647	65,043	9,396
EXPENDITURES				
General government	150	1,702	1,701	1
Debt service	49,762	49,762	49,762	-
Total expenditures	49,912	51,464	51,463	1
NET CHANGE IN FUND BALANCES	\$ 4,183	\$ 4,183	13,580	\$ 9,397
FUND BALANCES - BEGINNING OF YEAR			91,889	
FUND BALANCES - END OF YEAR			\$ 105,469	

Foxwood Estates

<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
\$ 23,796	\$ 24,505	\$ 28,608	\$ 4,103
-	-	43	43
<u>23,796</u>	<u>24,505</u>	<u>28,651</u>	<u>4,146</u>
150	859	858	1
<u>24,130</u>	<u>24,130</u>	<u>24,130</u>	-
<u>24,280</u>	<u>24,989</u>	<u>24,988</u>	<u>1</u>
<u>\$ (484)</u>	<u>\$ (484)</u>	3,663	<u>\$ 4,147</u>
		<u>59,690</u>	
		<u>\$ 63,353</u>	

ELBERT COUNTY, COLORADO
AGENCY FUNDS
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS
Year Ended December 31, 2015

	Balance January 1, 2015	Additions	Deductions	Balance December 31, 2015
ASSETS				
Cash - Treasurer	\$ 1,289,430	\$ 35,281,643	\$ (35,068,669)	1,502,404
Cash - Public Trustee	42,244	2,245,423	(2,199,231)	88,436
Cash - Sheriff	33,073	288,428	(290,555)	30,946
Due from other governments	71,587	-	(71,587)	-
TOTAL ASSETS	\$ 1,436,334	\$ 37,815,494	\$ (37,630,042)	1,621,786
LIABILITIES				
Due to other governments	\$ 1,074,198	\$ 22,076,792	\$ (22,140,700)	1,010,290
Other liabilities	100,120	381,274	(357,602)	123,792
Outstanding checks payable	219,772	13,112,005	(12,932,509)	399,268
Escrow deposits held by Public Trustee	42,244	2,245,423	(2,199,231)	88,436
TOTAL LIABILITIES	\$ 1,436,334	\$ 37,815,494	\$ (37,630,042)	1,621,786

OTHER SCHEDULES

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Elbert County
	YEAR ENDING : December 2015

This Information From The Records Of (example - City of _ or County of _ County of Elbert County, Colorado	Prepared By: Phone:
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I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,190,032
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	5,490,363
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	55,915
2. General fund appropriations		b. Snow and ice removal	443,091
3. Other local imposts (from page 2)	4,395,094	c. Other	868,451
4. Miscellaneous local receipts (from page 2)	1,176,826	d. Total (a. through c.)	1,367,457
5. Transfers from toll facilities		4. General administration & miscellaneous	945,486
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	8,993,338
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	5,571,920	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	3,174,790	2. Notes:	
D. Receipts from Federal Government (from page 2)	203,099	a. Interest	
E. Total receipts (A.7 + B + C + D)	8,949,809	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	8,993,338

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	1,701,377	8,949,809	8,993,338	1,657,848	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2015

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	2,493,272	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	1,809,350	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	92,472	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	20,632
4. Licenses		f. Charges for Services	156,052
5. Specific Ownership &/or Other		g. Other Misc. Receipts	20,973
6. Total (1. through 5.)	1,901,822	h. Other Capital Lease proceeds	979,169
c. Total (a. + b.)	4,395,094	i. Total (a. through h.)	1,176,826
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,644,675	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	193,063
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	152,297	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) - CDOT	377,818	f. Other Federal - Mineral Lease	10,036
f. Total (a. through e.)	530,115	g. Total (a. through f.)	203,099
4. Total (1. + 2. + 3.f)	3,174,790	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		1,190,032	1,190,032
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	1,190,032	1,190,032
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,190,032	1,190,032
			(Carry forward to page 1)

Notes and Comments: