

cPa DIXON, WALLER & CO., INC.

LAS ANIMAS COUNTY, COLORADO

AUDIT REPORT

DECEMBER 31, 2013

DIXON, WALLER & CO., INC.

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December 31, 2013

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

The Board of County Commissioners
Las Animas County
Trinidad, Colorado 81082

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Las Animas County, as of and for the year ended December 31, 2013, 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, the business-type activities, each major fund, and the aggregate remaining fund information of Las Animas County, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages i through vi and 38 through 50 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Las Animas County's basic financial statements. The combining and individual fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

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

The disclosure on EBT authorizations, warrant expenditures and total expenditures on page 64-65 is not a required part of the basic financial statements but is supplementary information required by the Colorado Department of Human Services. We have applied certain limited procedures which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2014, on our consideration of Las Animas County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Las Animas County's internal control over financial reporting and compliance.

Dixon Walker & Co., P.C.

September 5, 2014

MANAGEMENT'S DISCUSSION AND ANALYSIS

LAS ANIMAS COUNTY, COLORADO Management's Discussion and Analysis

As management of Las Animas County, we offer readers of the County's annual financial report this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2013. We encourage readers to consider the information presented here in conjunction with the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The County's total combined net position or government and business-type activities were \$57,954,770 at December 30, 2013.
- During the year, the County's government activities expenses were \$164,714 more than the \$19,587,030 generated by taxes, grants and other forms of revenue in all government funds.
- As of December 31, 2013, The County's governmental funds reported combined ending fund balances of \$14,225,631, a decrease of \$460,041 in comparison with the prior year. Of the ending fund balance, \$331,200 is reserved for emergencies.
- As of December 31, 2013, unreserved/unassigned fund balance for the general fund was \$3,150,526 or 46.5% of total general fund expenditures.
- In the general fund, the actual revenues (\$6,329,450) were 1% higher than what was budgeted while actual expenditures (\$6,783,891) were 0.5% lower than budget. This resulted in a decrease in fund balance of \$454,441.
- Revenues in the County's governmental funds decreased by \$227,727 or 1.2% less than they had been in the previous year of 2012, while expenditures decreased by \$693,587 or 3.4% less than expenditures for 2012.

Overview of the Financial Statements

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

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

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

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (government activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, health & environment, auxiliary services, intergovernmental activities, roads & bridges, and social services.

The government-wide financial statements can be found on pages 3 to 4 of this report.

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

Governmental funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year.

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. 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 16 governmental funds. Information is presented separately in the Governmental Fund Balance Sheet and in the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances for the General Fund, Road & Bridge Fund, Public Welfare Fund (human services), and other governmental funds including Capital Expenditures, Conservation Trust, and PILT.

The County adopts an annual appropriated budget for its funds. A budgetary comparison statement has been provided for each fund to demonstrate compliance with the budget. Expenditures were within budgeted amounts in all of the funds.

Proprietary funds: The County maintains one proprietary fund, which is the Airport Enterprise Fund. Enterprise funds are those in which customers are charged a fee and are used to report the same functions presented as business-type activities in the government-wide financial statements. Proprietary funds provide, in greater detail, the same type of information as the government-wide financial statements.

The basic proprietary fund financial statements can be found on pages 9 to 11 of this report.

Fiduciary funds: The County is the trustee, or *fiduciary*, for certain funds. Some examples of fiduciary funds are the School Districts, Cities & Towns, Health Department & District Attorney, and other Special Districts. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the County's own programs.

The basic fiduciary fund financial statements can be found on pages 12 to 13 of this report.

Notes to the financial statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 14 to 37 of this report.

GOVERNMENT WIDE FINANCIAL ANALYSIS

Net Position may serve over time as a useful indicator of a government's financial position. In the case of Las Animas County, assets exceeded liabilities by \$57,954,770 as of December 31, 2013.

Of the County's total net position, 71.9%, is reflected in investment in capital assets (e.g. land, buildings, roads, bridges, equipment), less any related debt used to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

LAS ANIMAS COUNTY'S NET POSITION

Net Position (page iii)	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Capital Assets, not depreciated	\$470,261	\$464,551	\$193,904	\$193,904	\$664,165	\$658,455
Capital Assets, being deprec (net)	\$42,830,229	\$46,709,015	\$1,672,229	\$1,378,000	\$44,502,458	\$48,087,015
Total Capital Assets	\$43,300,490	\$47,173,566	\$1,866,133	\$1,571,904	\$45,166,623	\$48,745,470
Current & Other Assets	\$14,961,174	\$15,321,468	\$43,361	\$47,916	\$15,004,535	\$15,369,384
Total Assets	\$58,261,664	\$62,495,034	\$1,909,494	\$1,619,820	\$60,171,158	\$64,114,854
Long-term Liabilities Outstanding	\$0	\$0	\$0	\$0	\$0	\$0
Other Liabilities	\$2,114,713	\$2,208,782	\$101,675	\$187,935	\$2,216,388	\$2,396,717
Total Liabilities	\$2,114,713	\$2,208,782	\$101,675	\$187,935	\$2,216,388	\$2,396,717
Net Assets:						
Invested in capital assets, net						
of related debt	\$42,362,554	\$46,071,697	\$1,866,133	\$1,571,904	\$44,228,687	\$47,643,601
Restricted	\$9,481,983	\$9,771,936	\$0	\$0	\$9,481,983	\$9,771,936
Unrestricted (Deficit)	\$4,302,414	\$4,442,619	(\$58,314)	(\$140,019)	\$4,244,100	\$4,302,600
Total Net Position	\$56,146,951	\$60,286,252	\$1,807,819	\$1,431,885	\$57,954,770	\$61,718,137

The decrease in net position from 2012 to 2013 is due primarily to depreciation of infrastructure (roads, bridges, etc.). Infrastructure accounted for \$30,750,828, after depreciation, of total net assets. A portion of the County's net assets, 16.3%, represents resources that are subject to external restriction on how they may be used which is up from 16.2% the previous year. The remaining unrestricted net position, \$4,244,100, is down 1.4% from 2012 and may be used to meet the government's ongoing obligations to citizens and creditors.

As of December 31, 2013, the County is able to report positive balances in all three categories of total net position, both for the government as a whole, as well as for its separate governmental and business-type activities.

Changes in Net Position – The County’s total revenues are \$20,324,494. Of this total, 33.9% is general revenue, i.e. taxes, intergovernmental revenue, interest income, etc.; 60.8% is from state programs and grants; and 5.3% relates to charges for services.

The total cost of all programs and services was \$24,145,696. The two largest portions are 37.9%, for social services and 27.3% for the various capital projects throughout the county including roads, bridges, and building construction. The resulting change in net position was a negative \$[3,821,202]. Both the governmental activities programs and the Airport Proprietary Fund realized a decrease in net position for 2013.

Analysis of the County’s Operations – The table below provides a summary of Las Animas County’s operations for 2013. In governmental activities, net position was reduced in the amount of \$4,139,301. In business-type activities, net position increased by \$318,099.

LAS ANIMAS COUNTY’S CHANGES IN NET POSITION

Changes in Net Assets (page iv)	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Revenues						
Program Revenues						
Charges for Services	\$730,162	\$743,141	\$344,486	\$315,077	\$1,074,648	\$1,058,218
Operating Grants & Contributions	\$11,933,609	\$11,901,617	\$169,482	\$0	\$12,103,091	\$11,901,617
Capital Grants & Contributions	\$34,767	\$100,233	\$223,496	\$0	\$258,263	\$100,233
General Revenues					\$0	\$0
Property Taxes	\$4,304,387	\$4,274,257	\$0	\$0	\$4,304,387	\$4,274,257
Specific Ownership Taxes	\$715,243	\$691,598	\$0	\$0	\$715,243	\$691,598
Sales Taxes	\$28	\$0	\$0	\$0	\$28	\$0
Sale of Assets	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental (Not Specific Restrict)	\$1,082,426	\$1,391,752	\$0	\$0	\$1,082,426	\$1,391,752
Interest Revenue	\$67,503	\$101,946	\$0	\$0	\$67,503	\$101,946
Other Revenues	\$718,905	\$610,213	\$0	\$0	\$718,905	\$610,213
Transfers In / (Out)	(\$295,327)	(\$51,537)	\$295,327	\$51,537	\$0	\$0
Total Revenues	\$19,291,703	\$19,763,220	\$1,032,791	\$366,614	\$20,324,494	\$20,129,834
Expenses						
General Government	\$3,940,823	\$4,105,323	\$0	\$0	\$3,940,823	\$4,105,323
Public Safety	\$2,785,373	\$2,458,093	\$0	\$0	\$2,785,373	\$2,458,093
Health & Environment	\$255,022	\$255,024	\$0	\$0	\$255,022	\$255,024
Auxiliary Services	\$216,725	\$220,954	\$0	\$0	\$216,725	\$220,954
Intergovernmental	\$448,996	\$438,414	\$0	\$0	\$448,996	\$438,414
Road, Bridges & Capital Outlay	\$6,582,192	\$8,393,334	\$0	\$0	\$6,582,192	\$8,393,334
Social Services	\$9,161,580	\$8,913,053	\$0	\$0	\$9,161,580	\$8,913,053
Debt Services	\$40,293	\$25,344	\$0	\$0	\$40,293	\$25,344
Airport	\$0	\$0	\$714,692	\$502,900	\$714,692	\$502,900
Total Expenses	\$23,431,004	\$24,809,539	\$714,692	\$502,900	\$24,145,696	\$25,312,439
Increase / (Decrease) in Net Assets	(\$4,139,301)	(\$5,046,319)	\$318,099	(\$136,286)	(\$3,821,202)	(\$5,182,605)
Net Position -- January 1	\$60,286,252	\$65,332,571	\$1,431,885	\$1,568,171	\$61,718,137	\$66,900,742
Prior Year Adjustment			\$57,835		\$57,835	\$0
Net Position -- January 1, restated	\$60,286,252	\$65,332,571	\$1,489,720	\$1,568,171	\$61,775,972	\$66,900,742
Net Position -- December 31	\$56,146,951	\$60,286,252	\$1,807,819	\$1,431,885	\$57,954,770	\$61,718,137

CAPITAL ASSETS

CAPITAL ASSETS AT YEAR END Net of Accumulated Depreciation

Capital Assets Net of Accum Dprec	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Land	\$470,261	\$464,551	\$117,304	\$117,304	\$587,565	\$581,855
Water Rights	\$0	\$0	\$76,600	\$76,600	\$76,600	\$76,600
Infrastructure	\$30,750,828	\$33,495,654	\$0	\$0	\$30,750,828	\$33,495,654
Structure & Improvements	\$10,147,880	\$9,649,707	\$1,186,080	\$1,096,988	\$11,333,960	\$10,746,695
Equipment	\$1,931,521	\$3,563,654	\$486,149	\$281,012	\$2,417,670	\$3,844,666
Total Capital Assets (net)	\$43,300,490	\$47,173,566	\$1,866,133	\$1,571,904	\$45,166,623	\$48,745,470

During fiscal year 2013, Las Animas County added \$1,575,958 and retired \$21,500 in capital assets, including infrastructure, equipment, buildings, and vehicles. After depreciation, the total value of all assets is \$45,166,623. The County depreciates capital assets, except land and water rights, using the straight-line depreciation method and a predetermined useful life of the asset.

LONG-TERM DEBT

LONG TERM DEBT AT YEAR END

Long Term Debt	Governmental Activities		Business-Type Activities		Total	
	2013	2012	2013	2012	2013	2012
Sales Tax revenue Bonds	\$0	\$0	\$0	\$0	\$0	\$0
Notes Payable	\$0	\$0	\$0	\$0	\$0	\$0
Capital Lease Obligations	\$937,936	\$1,101,869	\$0	\$0	\$937,936	\$1,101,869
Compensated Absences	\$441,234	\$471,117	\$0	\$0	\$441,234	\$471,117
Total Long-Term Debt	\$1,379,170	\$1,572,986	\$0	\$0	\$1,379,170	\$1,572,986

Total long-term debt obligations of the County decreased by \$163,933 from 2012 to 2013. The amount owed to employees for compensated absences decreased by 6.4% in 2013. Compensated absences include accrued annual leave and sick leave due to employees of the general fund, road & bridge fund, and the department of social (human) services fund upon their separation from employment with the county.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Assessed valuation of taxable properties used for the 2014 budget preparation decreased by \$102,434,310, or 21.6%. A Ballot Question (1B) approved by voters of Las Animas County in November 2005 which allowed the county to freeze the mill levy at that year's level of 9.357 mills for a five-year period expired at the end of 2010. Beginning with the 2011 budget year, Las Animas County was again required to adhere to any revenue restrictions as it pertains to the assessment of property taxes. Due to the decrease in valuation, the mill levy will remain at

9.357 in 2013 in conformance with TABOR. General fund spending in 2014 is projected to decrease by \$269,693 (3.9%) under what was actually spent in 2013, and general fund revenue is expected to increase by \$184,748 (2.9%) from what was actually realized in 2013. Revenues and expenditures in the general fund and road and bridge fund may fluctuate accordingly with the county's receipt of any capital improvement grants and awards.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the County's finances. If you have questions about this report or need additional financial information, please contact the County Finance Director at 200 E. First Street, Trinidad, Colorado 81082, or by calling (719) 845-2578.

BASIC FINANCIAL STATEMENTS

LAS ANIMAS COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2013

<u>ASSETS</u>	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Cash	8,520,499	-	8,520,499
Investments	5,418,039	-	5,418,039
Receivables (Net, if Applicable, of Allowance for Uncollectibles):			
Accounts	709,142	12,114	721,256
Accrued Interest	16,573	-	16,573
Accrued Revenue	34,767	-	34,767
Due from Business Type Activities	80,532	-	80,532
Due from Other Governments	146,823	-	146,823
Inventories	34,799	25,841	60,640
Prepaid Insurance	-	5,406	5,406
Fixed Assets (Net)	<u>43,300,490</u>	<u>1,866,133</u>	<u>45,166,623</u>
<u>Total Assets</u>	<u>58,261,664</u>	<u>1,909,494</u>	<u>60,171,158</u>
 <u>DEFERRED OUTFLOWS OF RESOURCES</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <u>LIABILITIES</u>			
Due to Governmental Activities	-	80,532	80,532
Unearned Grant Payments	229,825	19,805	249,630
Accounts Payable	327,362	1,338	328,700
Accrued Wages & Benefits Payable	60,215	-	60,215
Liabilities Agency Funds	33,652	-	33,652
Other Liabilities	7,323	-	7,323
Due to Other Governments	77,166	-	77,166
Noncurrent Liabilities:			
Due Within One Year	172,810	-	172,810
Due in More than One Year	765,126	-	765,126
Compensated Absences Payable	<u>441,234</u>	<u>-</u>	<u>441,234</u>
<u>Total Liabilities</u>	<u>2,114,713</u>	<u>101,675</u>	<u>2,216,388</u>
 <u>DEFERRED INFLOWS OF RESOURCES</u>	 <u>-</u>	 <u>-</u>	 <u>-</u>
 <u>NET POSITION</u>			
Net Investment in Capital Assets	42,362,554	1,866,133	44,228,687
Restricted for:			
Capital Projects	3,468,973	-	3,468,973
Public Safety	24,689	-	24,689
Roads and Bridges	5,245,280	-	5,245,280
Parks and Recreation	239,581	-	239,581
Tabor Reserve	331,200	-	331,200
Unrestricted (Deficit)	<u>4,474,674</u>	<u>(58,314)</u>	<u>4,416,360</u>
<u>Total Net Position</u>	<u>56,146,951</u>	<u>1,807,819</u>	<u>57,954,770</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2013

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants & Contributions	Capital Grants & Contributions	Governmental Activities	Business Type Activities	Total
Governmental Activities							
General Government	3,940,823	629,502	189,550	-	(3,121,771)	-	(3,121,771)
Public Safety	2,785,373	100,660	-	34,767	(2,649,946)	-	(2,649,946)
Health & Environment	255,022	-	-	-	(255,022)	-	(255,022)
Auxiliary Services	216,725	-	57,318	-	(159,407)	-	(159,407)
Intergovernmental	448,996	-	-	-	(448,996)	-	(448,996)
Roads, Bridges and Capital Outlay	6,582,192	-	2,996,272	-	(3,585,920)	-	(3,585,920)
Social Services	9,161,580	-	8,690,469	-	(471,111)	-	(471,111)
Debt Service Interest	40,293	-	-	-	(40,293)	-	(40,293)
Total Governmental Activities	23,431,004	730,162	11,933,609	34,767	(10,732,466)	-	(10,732,466)
BUSINESS TYPE ACTIVITIES							
Airport	714,692	344,486	169,482	223,496	-	22,772	22,772
Total Business Type Activities	714,692	344,486	169,482	223,496	-	22,772	22,772
Total Primary Government	24,145,696	1,074,648	12,103,091	258,263	(10,732,466)	22,772	(10,709,694)
General Revenues:							
Property Taxes					4,304,387	-	4,304,387
Specific Ownership Taxes					715,243	-	715,243
Sales Taxes					28	-	28
Intergovernmental Not Specifically Restricted					1,082,426	-	1,082,426
Interest Revenue					67,503	-	67,503
Other Revenues					718,905	-	718,905
Transfers In (Out)					(295,327)	295,327	-
Total General Revenues & Transfers					6,593,165	295,327	6,888,492
Changes in Net Position					(4,139,301)	318,099	(3,821,202)
Net Position – Beginning					60,286,252	1,431,885	61,718,137
Prior Year Adjustment					-	57,835	57,835
Net Position – Ending					56,146,951	1,807,819	57,954,770

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2013

	Special Revenue			Capital Expenditure	Other Governmental Funds	Total Governmental Funds
	General	Road & Bridge	Public Welfare			
ASSETS:						
Cash	2,042,176	3,133,271	610,655	1,095,660	1,638,737	8,520,499
Investments	1,373,670	1,966,760	337,989	692,861	1,046,759	5,418,039
Receivables (Net, of Allowance where Applicable)						
Accounts	116,848	217,552	10,161	364,407	174	709,142
Accrued Revenue	34,767	-	-	-	-	34,767
Accrued Interest	16,573	-	-	-	-	16,573
Inventory	-	34,799	-	-	-	34,799
Due from Other Funds	80,532	54,888	-	-	-	135,420
Due from Other Governments	-	-	146,823	-	-	146,823
<u>Total Assets</u>	<u>3,664,566</u>	<u>5,407,270</u>	<u>1,105,628</u>	<u>2,152,928</u>	<u>2,685,670</u>	<u>15,016,062</u>
<u>Deferred Outflows of Resources</u>	-	-	-	-	-	-
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:						
<u>Liabilities:</u>						
Accounts Payable	127,952	56,976	41,352	101,082	-	327,362
Accrued Salaries Payable	-	60,215	-	-	-	60,215
Due to Other Funds	54,888	-	-	-	-	54,888
Due to Other Governments	-	-	77,166	-	-	77,166
Liabilities Payable from Restricted Assets	-	-	33,652	-	-	33,652
Other Payables	-	-	7,323	-	-	7,323
Unearned Grant Payments	-	10,000	219,825	-	-	229,825
<u>Total Liabilities</u>	<u>182,840</u>	<u>127,191</u>	<u>379,318</u>	<u>101,082</u>	<u>-</u>	<u>790,431</u>
<u>Deferred Inflows of Resources</u>	-	-	-	-	-	-
<u>Fund Balances:</u>						
Nonspendable:						
Inventories	-	34,799	-	-	-	34,799
Prepaid Expense	-	-	-	-	-	-
Restricted:						
Emergencies	331,200	-	-	-	-	331,200
Roads & Bridges	-	5,245,280	-	-	-	5,245,280
Capital Outlay	-	-	-	2,051,846	1,417,127	3,468,973
Parks and Recreation	-	-	-	-	239,581	239,581
Public Safety	-	-	-	-	24,689	24,689
Committed:						
Unanticipated Obligations	-	-	-	-	503,460	503,460
Assigned:						
Social Services	-	-	726,310	-	-	726,310
Public Works	-	-	-	-	500,813	500,813
Unassigned:	3,150,526	-	-	-	-	3,150,526
<u>Total Fund Balances</u>	<u>3,481,726</u>	<u>5,280,079</u>	<u>726,310</u>	<u>2,051,846</u>	<u>2,685,670</u>	<u>14,225,631</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
	<u>3,664,566</u>	<u>5,407,270</u>	<u>1,105,628</u>	<u>2,152,928</u>	<u>2,685,670</u>	<u>15,016,062</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2013

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

<u>Total Fund Balance – Governmental Funds</u>	\$ 14,225,631
Add:	
Capital Assets used in governmental activities are not considered current financial resources and, therefore, not reported in the governmental funds.	113,644,330
Less:	
Accumulated depreciation is not recognized in the governmental funds because capital assets are expensed at the time of acquisition.	70,343,840
Long-Term liabilities for Compensated Absences of \$441,234 and Capital Lease Payable of \$937,936 are not due and payable in the current period and, therefore, not reported in the governmental funds.	<u>1,379,170</u>
<u>GOVERNMENTAL ACTIVITIES NET POSITION</u>	<u>56,146,951</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 Year Ended December 31, 2013

	Special Revenue			Other Governmental Funds	Total Governmental Funds	
	General	Road & Bridge	Public Welfare			Capital Expenditure
REVENUES:						
Taxes	4,452,677	2,460,925	405,828	135,758	18,980	7,474,168
Licenses & Permits	4,072	-	-	-	-	4,072
Intergovernmental Revenues	379,871	931,564	8,690,469	-	537,237	10,539,141
Charges for Services	660,909	-	-	-	-	660,909
Interest Revenues	67,503	-	-	-	-	67,503
Miscellaneous Revenues	764,418	71,170	-	3,293	2,356	841,237
<u>Total Revenues</u>	<u>6,329,450</u>	<u>3,463,659</u>	<u>9,096,297</u>	<u>139,051</u>	<u>558,573</u>	<u>19,587,030</u>
EXPENDITURES						
General Government	3,428,324	-	-	-	422	3,428,746
Public Safety	2,473,983	-	-	-	28,002	2,501,985
Health Services	255,022	-	-	-	-	255,022
Auxiliary Services	141,084	-	-	-	-	141,084
Intergovernmental	448,996	-	-	-	-	448,996
Roads, Bridges & Capital Outlay	-	3,404,661	-	202,245	-	3,606,906
Social Services	-	-	9,164,779	-	-	9,164,779
Debt Service	36,482	89,723	-	48,289	29,732	204,226
<u>Total Expenditures</u>	<u>6,783,891</u>	<u>3,494,384</u>	<u>9,164,779</u>	<u>250,534</u>	<u>58,156</u>	<u>19,751,744</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES						
	(454,441)	(30,725)	(68,482)	(111,483)	500,417	(164,714)
Other Financing Sources (Uses)						
Lease Purchase Proceeds	-	-	-	-	-	-
Operating Transfers In (Out)	-	500,000	-	(295,327)	(500,000)	(295,327)
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>500,000</u>	<u>-</u>	<u>(295,327)</u>	<u>(500,000)</u>	<u>(295,327)</u>
NET CHANGES IN FUND BALANCES	(454,441)	469,275	(68,482)	(406,810)	417	(460,041)
FUND BALANCES-Beginning	3,936,167	4,810,804	794,792	2,458,656	2,685,253	14,685,672
FUND BALANCES-Ending	3,481,726	5,280,079	726,310	2,051,846	2,685,670	14,225,631

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
 FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
 Year Ended December 31, 2013

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

Net Change in Fund Balances – Total Governmental Funds \$ (460,041)

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 as depreciation expense. This is the amount of capital outlay reported as an expenditure in the governmental funds functions. 1,575,958

The governmental funds report debt proceeds as another financing source, while repayment of debt principal is reported as an expenditure. The effect of discounts and premiums are recognized when the debt is issued in governmental funds, whereas these amounts are deferred and amortized in the statement of activities. Interest expense is recognized as it accrues in the statement of activities regardless of when it is due. The net effect of these differences follows:

Lease Proceeds	-		
Repayment of Debt Principal	<u>163,933</u>		163,933

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

Compensated Absences	<u>29,883</u>		29,883
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Governmental funds report capital outlay as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. (5,449,034)

GOVERNMENTAL ACTIVITIES CHANGE IN NET POSITION (4,139,301)

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2013

	<u>Business-Type Activities</u>
	<u>Enterprise Fund</u>
	<u>Airport Fund</u>
<u>ASSETS</u>	
<u>Current Assets</u>	
Cash	-
Accounts Receivable	12,114
Inventories	25,841
Prepaid Insurance	5,406
<u>Total Current Assets</u>	<u>43,361</u>
 <u>CAPITAL ASSETS</u>	
Land	117,304
Land Improvements	2,905,406
Building	251,430
Equipment	707,507
Water Rights	76,600
	<u>4,058,247</u>
Less Accumulated Depreciation	<u>(2,192,114)</u>
<u>Total Capital Assets, Net of Accumulated Depreciation</u>	<u>1,866,133</u>
 <u>Total Assets</u>	 <u>1,909,494</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>	
	-
 <u>LIABILITIES AND NET POSITION</u>	
<u>Current Liabilities</u>	
Due to Other Funds	80,532
Accounts Payable	1,338
Unearned Grant Payments	19,805
<u>Total Current Liabilities</u>	<u>101,675</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>	
	-
 <u>Net Position</u>	
Net Investment in Capital Assets	1,866,133
Unrestricted (Deficit)	<u>(58,314)</u>
 <u>TOTAL NET POSITION</u>	 <u>1,807,819</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 PROPRIETARY FUNDS
 Year Ended December 31, 2013

	<u>Business Type Activities</u> <u>Enterprise Funds</u> <u>Airport Fund</u>
<u>OPERATING REVENUES</u>	
Operating Revenue	344,486
<u>Total Revenues</u>	<u>344,486</u>
<u>OPERATING EXPENSES</u>	
Cost of Sales	260,524
Public Utility Service	15,679
Office Expense & Supplies	9,335
Depreciation	121,370
Contractual Agreements & Leases	288,624
Telephone	1,258
Maintenance	2,632
Insurance	15,270
Bad Debt	-
<u>Total Operating Expenses</u>	<u>714,692</u>
<u>OPERATING INCOME (LOSS) BEFORE OTHER SOURCES</u>	<u>(370,206)</u>
<u>NON OPERATING REVENUES (EXPENSES)</u>	
Grants	392,978
Transfers In	295,327
<u>Total Non Operating Revenues (Expenses)</u>	<u>688,305</u>
<u>INCOME BEFORE CAPITAL CONTRIBUTIONS</u>	318,099
<u>CAPITAL CONTRIBUTIONS – EQUIPMENT PURCHASE</u>	<u>-</u>
<u>CHANGE IN NET POSITION</u>	318,099
<u>TOTAL NET POSITION, January 1</u>	1,431,885
<u>PRIOR YEAR ADJUSTMENT</u>	<u>57,835</u>
<u>TOTAL NET POSITION, December 31</u>	<u>1,807,819</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2013

	Business Type Activities <u>Enterprise Funds</u> <u>Airport Fund</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Receipts from Customers & Users	334,901
Payments to Vendors – Supplies and Services	(561,120)
<u>NET CASH PROVIDED (USED) BY OPERATIONS</u>	<u>(226,219)</u>
<u>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</u>	
Grant Revenue	392,978
Operating Transfers In	295,327
Due To Other Funds	(104,322)
<u>NET CASH PROVIDED BY NON-CAPITAL FINANCING ACTIVITIES</u>	<u>583,983</u>
<u>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</u>	
Non-Financed Purchase of Property & Equipment	(357,764)
Capital Contributions – Equipment Purchase	-
<u>NET CASH PROVIDED BY (USED FOR) IN CAPITAL AND RELATED FINANCING ACTIVITIES</u>	<u>(357,764)</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Other Revenue	-
<u>NET CASH PROVIDED BY INVESTING ACTIVITIES</u>	<u>-</u>
<u>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</u>	<u>-</u>
<u>CASH AND CASH EQUIVALENTS – Beginning</u>	<u>-</u>
<u>CASH AND CASH EQUIVALENTS – Ending</u>	<u>-</u>
<u>RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Operating Income (Loss)	(370,206)
Non Cash Items in Operations:	
Depreciation	121,370
(Increase) Decrease in Inventory	13,534
(Increase) Decrease in Receivables/Accruals	(8,979)
Increase (Decrease) in Payables/Accruals	18,062
<u>NET CASH PROVIDED (USED FOR) OPERATING ACTIVITIES</u>	<u>(226,219)</u>
<u>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</u>	
Cash Paid for Interest Expense	-
Cash Paid for Income Taxes	-
<u>TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2013

	<u>Agency Funds</u>
<u>ASSETS</u>	
Cash	480,793
Investments	-
<u>Total Assets</u>	<u>480,793</u>
<u>LIABILITIES</u>	
Deposits Held for Others	<u>480,793</u>
<u>Total Liabilities</u>	<u>480,793</u>
<u>NET POSITION</u>	<u> -</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY DEPOSITS HELD FOR OTHERS
FIDUCIARY FUNDS
Year Ended December 31, 2013

	<u>Agency Funds</u>
<u>ADDITIONS</u>	
Receipts	16,244,892
<u>DEDUCTIONS</u>	
Disbursements	<u>16,168,710</u>
<u>CHANGES IN DEPOSITS HELD FOR OTHERS</u>	76,182
<u>DEPOSITS HELD FOR OTHERS – Beginning of Year</u>	<u>404,611</u>
<u>DEPOSITS HELD FOR OTHERS – End of Year</u>	<u>480,793</u>

The accompanying notes are an integral part of these financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTE 1 THE FINANCIAL REPORTING ENTITY

Reporting Entity

Las Animas County was created by an act of legislature in 1866, and is governed by applicable Colorado Statutes. The County is managed by three Commissioners and provides the following services: public safety, highways and roads, sanitation, health and social services, culture-recreation, public improvements, planning and zoning, tax and license assessments and collections, and general administrative services.

The Las Animas County is a County governed by an elected three member commission. As required by generally accepted accounting principles, these financial statements present the Las Animas County (the primary government) and its component units. The component units discussed below are included in the County's reporting entity because of the significance of their operational or financial relationships with the County.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Commission is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board, and (i) either the County's ability to impose its will on the organization or (ii) there is a potential for the organization to provide a financial benefit or impose a financial burden on the County.

The basic financial statements include blended presented component units. The blended component units, although legally separate entities are, in substance, part of the County's operations and so data from these units are combined with data of the primary government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Commission.

Individual Component Unit Disclosures

Blended Component Units:

There is one component unit that is included in these financial statements:

1. The Public Trustee is organized as a separate entity, with the Las Animas County Treasurer managing the operations. Although it is separate from the County, the Public Trustee is reported as if it were part of the primary government because the County is required by Colorado Law to provide substantial operating support.

Intergovernmental Agreements

The County has entered into the following intergovernmental agreements:

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 1 THE FINANCIAL REPORTING ENTITY (Continued)

Intergovernmental Agreements (Continued)

Huerfano/Las Animas Counties Health Department

The Health Department operates a two county district health department. The counties appoint a seven member board and the board hires the health officer.

The governing board approves the operating budget and presents it to the County Commissioners for their approval. The County Commissioners then approve the amount of contributions each county will make to the Health Department for the ensuing year. In 2013, the allocation of budgeted expenditures was 70% for a total expenditure to the County of \$255,022.

Office of the District Attorney-Third Judicial District

The County is included in a two county judicial district which provides prosecution and other legal services to the Counties in the district. In 2013, the total expenditure for the County was \$267,316.

Las Animas County E-911

Las Animas County E-911's sole purpose is to provide emergency telephone service to county residents. Initial grants received for the purchase of required equipment are in the name of Las Animas County. The County also appoints a portion of the governing Board of Directors.

Condensed audited financial statement information as of December 31, 2013, is presented for the Health Department and Las Animas County E-911 and as of December 31, 2012 for the third Judicial District

Statement of Net Position

	<u>Health Department</u>	<u>Third Judicial District</u>	<u>Las Animas County E-911</u>
<u>ASSETS</u>	<u>192,979</u>	<u>65,414</u>	<u>564,397</u>
<u>LIABILITIES</u>	48,044	9,763	51,478
<u>NET POSITION</u>	<u>144,935</u>	<u>55,651</u>	<u>512,919</u>
<u>TOTAL LIABILITIES & NET POSITION</u>	<u>192,979</u>	<u>65,414</u>	<u>564,397</u>

Statement of Activities

<u>REVENUES</u>	1,035,553	713,571	244,354
<u>EXPENDITURES</u>	1,144,945	697,962	278,810
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(109,392)</u>	<u>15,609</u>	<u>(34,456)</u>

NOTE 1 THE FINANCIAL REPORTING ENTITY (Continued)

Las Animas County E-911 (Continued)

The Health Department has not incurred any material current or long-term debt as of the balance sheet date.

The accounting policies of Las Animas County conform to generally accepted accounting principles as applicable to governments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

Government-Wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the County) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the *governmental* and *business-type activities* of the County and between the County. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reporting separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Basis of Presentation (Continued)

Fund Financial Statements (Continued)

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as public protection, public ways and facilities, health, public assistance, and recreation services.
- *Road and Bridge Fund* is used to account for the operations of the County Road Department. Financing is provided by an annual property tax levy, state contributions and other miscellaneous revenues.
- *Public Welfare Fund* is used to account for the operations of the County Welfare Department. Financing is provided by state grants and annual property tax levy.
- *The Capital Expenditure Fund* is used to account for capital additions. Financing is provided by Federal and State grants and miscellaneous revenues.

The County reports the following major enterprise fund:

- *Airport Fund* is used to account for the operations of the County Airport. Financing is provided by user fees.

The County reports the following additional fund types:

- *The Special Revenue Funds* are used to account for specific revenues that are legally restricted to expenditure for particular purposes.
- *The Capital Projects Funds* account for financial resources created by the issuance of bonded indebtedness and are used for major capital projects.
- *The Agency Funds* account for assets held by the County as an agent for various local governments.

B. Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Accounting (Continued)

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Sales taxes, interest, certain state and federal grants and charges for services are accrued when their receipt occurs within sixty days after the end of the accounting period so as to be both measurable and available. Property tax revenues are recognized in the fiscal year for which they were levied, provided they are due and collectible within 60 days after the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

C. Non-Current Governmental Assets/Liabilities

GASB Statement No. 34 eliminates the presentation of account groups, but provides for these records to be maintained and incorporates the information into the Governmental Activities column in the government-wide statement of net position.

D. Cash and Cash Equivalents

For purposes of the accompanying statement of cash flows, the enterprise funds consider all highly liquid investments with a maturity of three months or less when purchased, and their equity in the County Treasurer's investment pool, to be cash equivalents.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Investments

Statutes authorize the County to invest its surplus cash in the following investment instruments:

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. Local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

F. Inventories

Inventories are stated at lower of average cost or market. Recorded inventories mainly consist of fuel, oil and road base.

G. Property Taxes

Property taxes represent ad valorem taxes levied by the County, which are payable to the County Treasurer, and are recognized as revenue by the County in the year for which they are levied.

Property taxes are levied in December for collection in the subsequent year.

Property taxes attach as an enforceable lien on property as of January 1. Taxes may be paid without penalty in either of two ways: (a) Full payment by April 30, or (b) First half must be paid by last day of February, and second half must be paid by June 15.

H. Capital Assets

Capital assets (including infrastructure) are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed fixed assets are valued at their estimated fair market value on the date contributed. Capital assets include public domain (infrastructure) general fixed assets consisting of certain improvements including roads and bridges. The County defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets used in operations are

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Capital Assets (Continued)

depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

The estimated useful lives are as follows:

Infrastructure	5-50 years
Structures and Improvements	10-75 years
Equipment	3-25 years

The County has one network of infrastructure assets – roads and bridges.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

I. Compensated Absences

County Union Employees

Union employees accrue vacation leave at various rates based on length of continuous employment to a maximum of 35 days. Upon separation, employees receive payment for any unused vacation leave. If an employee is not able to use accrued vacation time because of staffing or scheduling problems, the employee may cash any unused vacation time earned during the calendar year in which the employee was prevented from taking vacation time.

Sick leave is accrued at a rate of one day per month to a maximum of 120 days. Upon separation, employees receive 50% payment for any unused sick leave earned before January 1, 2000 less any sick leave taken from that date until the employee's date of separation.

County Non-Union Employees

Non-Union employees accrue vacation leave at various rate based on length of continuous employment. Upon separation, employees receive payment for any unused vacation leave. If an employee is not able to use accrued vacation time because of staffing or scheduling problems, the employee may cash out unused time on a day to day basis.

Sick leave is accrued at a rate of one day per month to a maximum of 120 days. Upon separation, employees receive 50% payment for any unused sick leave earned before June 1, 2001 less any sick leave taken from that date until the employee's date of separation.

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Compensated Absences (Continued)

At December 31, 2013, the County has a liability for accrued sick leave and vacation payable of \$441,234.

A summary of compensated absences is presented as follows:

General County Government	\$ 242,843
Social Services	<u>\$ 198,391</u>
Total	<u>\$ 441,234</u>

Compensated absences for general county government is payable upon separation.

The Department of Social Services' liability for accrued sick leave is payable up to one-fourth of the unused amount under certain criteria upon separation. Unused annual leave is payable upon separation.

J. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "due to/from other funds".

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide presentation.

K. Estimates

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

L. Budgets and Budgetary Accounting

The County follows these procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to September 1, the Finance Manager submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

L. Budgets and Budgetary Accounting (Continued)

4. The County Commissioners approve all budget transfers or revisions.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds.
6. Budgets for the General, Special Revenue, Capital Projects Fund, and Enterprise Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgets are not prepared for the Fiduciary Funds.

M. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are prepared in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund, Special Revenue Funds, Capital Projects Fund, and Enterprise Funds. Outstanding encumbrances lapse at the end of the year.

N. GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the County Commissioners (the County's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The County's Committed Fund Balance is fund balance reporting required by the County Commission, either because of a County Commission Policy in the County Policy Manual, or because of motions that passed at County Commission meetings.

Assigned Fund Balance Policy:

The County's Assigned Fund Balance is fund balance reporting occurring by County Commissioners Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The County's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

Fund Balance Classification by Fund:

	<u>Special Revenue Funds</u>			<u>Other</u>	<u>Total</u>	
	<u>General</u>	<u>Road & Bridge</u>	<u>Public Welfare</u>	<u>Capital Expenditure</u>	<u>Governmental Fund</u>	<u>Governmental Funds</u>
<u>Nonspendable:</u>						
Inventories	-	34,799	-	-	-	34,799
Prepaid Expenses	-	-	-	-	-	-
<u>Restricted:</u>						
Emergencies	331,200	-	-	-	-	331,200
Road and Bridge	-	5,245,280	-	-	-	5,245,280
Capital Outlay	-	-	-	2,051,846	1,417,127	3,468,973
Parks & Recreation	-	-	-	-	239,581	239,581
Public Safety	-	-	-	-	24,689	24,689
<u>Committed:</u>						
Unanticipated Obligations	-	-	-	-	503,460	503,460
<u>Assigned:</u>						
Social Services	-	-	726,310	-	-	726,310
Public Works	-	-	-	-	500,813	500,813
<u>Unassigned:</u>	<u>3,150,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,150,526</u>
<u>Total Fund Balances</u>	<u>3,481,726</u>	<u>5,280,079</u>	<u>726,310</u>	<u>2,051,846</u>	<u>2,685,670</u>	<u>14,225,631</u>

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification Policies and Procedures (Continued)

In addition to assets, the statement of financial position and the balance sheet 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.

In addition to liabilities, the statement of financial position and the balance sheet 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.

NOTE 3 RECEIVABLES

Receivables at year-end of the County's major individual funds and nonmajor funds in the aggregate, including the applicable allowances for uncollectible accounts are as follows:

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Public Welfare Fund</u>	<u>Capital Expenditure Fund</u>	<u>Nonmajor Fund</u>	<u>Total Governmental Activities</u>
<u>Receivables-</u>						
<u>Governmental Activities</u>						
Accounts	116,848	217,552	10,161	364,407	174	709,142
Interest	16,573	-	-	-	-	16,573
Accrued Revenue	34,767	-	-	-	-	34,767
Accounts (Social Services)	-	-	2,683,813	-	-	2,683,813
<u>Gross Receivables</u>	<u>168,188</u>	<u>217,552</u>	<u>2,693,974</u>	<u>364,407</u>	<u>174</u>	<u>3,444,295</u>
Less: Allowance for Uncollectibles	-	-	(2,536,990)	-	-	(2,536,990)
<u>Total Receivables</u>	<u>168,188</u>	<u>217,552</u>	<u>156,984</u>	<u>364,407</u>	<u>174</u>	<u>907,305</u>
<u>Receivables-</u>						
<u>Business-Type Activities</u>						
Accounts		12,114				
Interest		-				
Other		-				
<u>Gross Receivables</u>		<u>12,114</u>				
Less: Allowance for Uncollectibles		-				
<u>Total Receivables</u>		<u>12,114</u>				

Governmental funds report deferred revenues in connection with receivables for revenues not considered available to liquidate liabilities of the current period. Governmental and enterprise funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 3 RECEIVABLES (Continued)

At December 31, 2013, the various components of deferred revenue and unearned revenue were as follows:

	<u>Unavailable</u>	<u>Unearned</u>
<u>Governmental Activities:</u>		
<u>Major Funds:</u>		
Grant drawdowns prior to meeting all eligibility requirements	-	229,825
<u>Nonmajor Funds:</u>		
Grant drawdowns prior to meeting all eligibility requirements	-	-
<u>Total Governmental Activities</u>	<u>-</u>	<u>229,825</u>
<u>Business-Type Activities:</u>	<u>-</u>	<u>-</u>

NOTE 4 DEFINED CONTRIBUTION PLAN

The County provides pension benefits for substantially all full time employees through a defined contribution plan of the Colorado County Officials and Employees Retirement Association. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. One year of service is required previous to participation in the Colorado County Officials and Employees Retirement Association Plan.

Employees contribute 3% of their salary to the plan with an equal amount contributed by the County. Vesting occurs at the rate of 20% per year. County contributions for, and earnings forfeited by, employees who leave employment before fully vesting are returned to the County. The County's total payroll for fiscal year 2013 was \$4,134,569. The salary for which contributions were calculated was \$3,988,561. The County and employees each made the required 3% contributions of \$119,657 or \$239,314 in total.

NOTE 5 DEFERRED COMPENSATION PLAN

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all permanent employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to a employees until termination, retirement, death, or unforeseeable emergency.

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 5 DEFERRED COMPENSATION PLAN (Continued)

In 2001, the County adopted an amendment to its Deferred Compensation Plan with CCOERA. The adoption of the amendment was due to recent changes in the Internal Revenue Code. Specifically the amendment states that all amounts deferred under this plan, all property and rights purchased with such amounts, and all income attributable to such amounts, property or rights shall, until made available to the participant or beneficiary, be held in the Colorado County Officials and Employees Retirement Association Deferred Compensation Plan Trust for the exclusive benefit of participants and their beneficiaries. Colorado County officials and Employees Retirement Association is trustee of the trust.

Eligible voluntary employee contributions were \$64,165 for 2013.

NOTE 6 RISK MANAGEMENT

County Workers' Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. In 1986, the County joined together with other Counties in the State of Colorado to form the County Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Summary audited financial information as of December 31, 2013 follows:

Assets	<u>38,837,642</u>
Liabilities	21,949,766
Fund Equity	<u>16,887,876</u>
	<u>38,837,642</u>
Revenues	9,971,091
Expenses	<u>7,586,753</u>
	2,384,338
Net Investment Income	1,072,212
Gain On Commutation	<u> -</u>
Net Income (Loss)	<u>3,456,550</u>

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 6 RISK MANAGEMENT (Continued)

Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. During 1986, the County was unable to obtain property and liability insurance at a cost it considered to be economically justifiable. Therefore, the County jointed together with other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP) for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year.

Summary audited financial information as of December 31, 2013 follows:

Assets	<u>26,414,251</u>
Liabilities	9,495,033
Fund Equity	<u>16,919,218</u>
	<u>26,414,251</u>
Revenues	6,784,711
Expenses	<u>7,163,444</u>
Net Income (Loss)	<u>(378,733)</u>

County Health Pool

Since 1999, the County has been a member of the County Health Pool (CHP) which is administered by County Technical Services, Inc. The CHP provides medical, dental, vision and life insurance benefits to more than 5,300 employees of 37 local government agencies. CHP is the only county-owned health plan provider in Colorado with benefits, contribution rates, and coverages determined by representatives from member counties. The CHP board meets every other month to discuss the industry, plan changes, coverages and renewal, as well as vote on appeals. In 2013, the county contribution for CHP coverage for each employee was \$584 per month which paid for the employee's medical and life insurance as well as dental and vision coverage for the entire family.

Summary audited financial information as of December 31, 2013 follows:

Assets	<u>11,871,707</u>
Liabilities	4,624,524
Net Position	<u>7,247,183</u>
	<u>11,871,707</u>
Revenues	47,775,525
Expenses	<u>48,259,822</u>
Increase (Decrease) in Net Position	<u>(484,297)</u>

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 7 INTERFUND TRANSACTIONS

Interfund Receivables/Payables

Individual Fund Interfund Receivable and Payable balances at December 31, 2013 were as follows:

	<u>Due From</u>	<u>Due To</u>	<u>Repayment Period</u>	<u>Purpose</u>
Governmental Activities:				
General Fund	80,532	54,888	Within 1 Year	Operational
Road & Bridge Fund	54,888	-	Within 1 Year	Operational
Business Type Activities:				
Airport	-	80,532	Within 1 Year	Operational
	<u>135,420</u>	<u>135,420</u>		

Transfers

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues. The following schedule briefly summarizes the County's transfer activity.

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>	<u>Purpose</u>
Major Funds:			
General	-	-	Operational
Road & Bridge	500,000	-	Capital Outlay
Capital Expenditure	-	295,327	Capital Outlay
Public Welfare	-	-	Capital Outlay
Nonmajor Funds:	-	500,000	Capital Outlay
Business-Type:			
Airport	<u>295,327</u>	<u>-</u>	Operational
	<u>795,327</u>	<u>795,327</u>	

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 8 CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 was as follows:

	Balance January 1, <u>2013</u>	<u>Adjustment</u>	<u>Additions</u>	<u>Retirements</u>	Balance December 31, 2013
<u>GOVERNMENTAL ACTIVITIES:</u>					
<u>Capital Assets, Not Being</u>					
 <u>Depreciated:</u>					
Land	464,551	5,710	-	-	470,261
<u>Total Capital Assets Not</u>					
 <u>Being Depreciated</u>	464,551	5,710	-	-	470,261
<u>Capital Assets, Being Depreciated:</u>					
Infrastructure	78,882,721	-	1,229,241	-	80,111,962
Structures & Improvements	17,693,032	2,467,087	-	-	20,160,119
Equipment	15,049,568	(2,472,797)	346,717	21,500	12,901,988
<u>Total Capital Assets, Being</u>					
 <u>Depreciated</u>	111,625,321	(5,710)	1,575,958	21,500	113,174,069
<u>Less Accumulated Depreciation for:</u>					
Infrastructure	45,387,067	(103,165)	4,077,232	-	49,361,134
Structures & Improvements	8,099,401	1,023,434	889,404	-	10,012,239
Equipment	11,429,838	(920,269)	482,398	21,500	10,970,467
<u>Total Accumulated Depreciation</u>	64,916,306	-	5,449,034	21,500	70,343,840
<u>Total Capital Assets, Being</u>					
 <u>Depreciated, Net</u>	46,709,015	(5,710)	(3,873,076)	-	42,830,229
<u>Governmental Activities Capital</u>					
 <u>Assets, Net</u>	47,173,566	-	(3,873,076)	-	43,300,490
<u>BUSINESS-TYPE ACTIVITIES</u>					
<u>Capital Assets, Not Being Depreciated:</u>					
Land	117,304	-	-	-	117,304
Water Rights	76,600	-	-	-	76,600
<u>Total Capital Assets, Not Being</u>					
 <u>Depreciated</u>	193,904	-	-	-	193,904
<u>Capital Assets, Being Depreciated</u>					
Structures & Improvements	2,987,104	-	169,732	-	3,156,836
Equipment	461,640	-	245,867	-	707,507
<u>Total Capital Assets, Being</u>					
 <u>Depreciated</u>	3,448,744	-	415,599	-	3,864,343
<u>Less Accumulated Depreciation for:</u>					
Structures & Improvements	1,890,116	-	80,640	-	1,970,756
Equipment	180,628	-	40,730	-	221,358
<u>Total Accumulated Depreciation</u>	2,070,744	-	121,370	-	2,192,114
<u>Total Capital Assets, Being</u>					
 <u>Depreciated, Net</u>	1,378,000	-	294,229	-	1,672,229
<u>Business-Type Activities Capital</u>					
 <u>Assets, Net</u>	1,571,904	-	294,229	-	1,866,133

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 8 CAPITAL ASSETS (Continued)

Depreciation Expense was Charged to Governmental Functions as Follows:

General Government	607,607
Public Safety	294,383
Auxiliary Services	75,641
Roads and Bridges	4,452,493
Public Welfare	<u>18,910</u>
<u>Total Depreciation Expense – Governmental Functions</u>	<u>5,449,034</u>

Depreciation Expense was Charged to the Business-Type Function as Follows:

Airport	<u>121,370</u>
<u>Total Depreciation Expenses – Business-Type Function</u>	<u>121,370</u>

NOTE 9 LONG-TERM DEBT

Long-term liabilities at December 31, 2013 consisted of the following:

	<u>Balance</u> <u>01-01-13</u>	<u>Additions</u> <u>Accretions</u>	<u>Retirements</u>	<u>Balance</u> <u>12-31-13</u>	<u>Amounts Due</u> <u>Within One Year</u>
<u>Governmental Activities</u>					
Capital Lease Obligations	1,101,869	-	163,933	937,936	172,810
Compensated Absences (Note 2)	<u>471,117</u>	<u>-</u>	<u>29,883</u>	<u>441,234</u>	<u>-</u>
<u>Total Governmental</u> <u>Activities – Long Term</u> <u>Liabilities</u>	<u>1,572,986</u>	<u>-</u>	<u>193,816</u>	<u>1,379,170</u>	<u>172,810</u>

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 9 LONG-TERM DEBT (continued)

Lease Purchases Payable:

Terms and transactions of Lease Agreements are as follows:

The County entered into a capital lease agreements for the following:

<u>Fund/Item</u>	<u>Cost</u>	<u>Interest Rate</u>	<u>Monthly/Annual Payments</u>	<u>Number of Payments</u>	<u>First Payment Date</u>
Energy Retrofit	535,525	4.05%	\$3,819 - \$4,327	120 Months	6/22/2011
Computer System	163,279	4.64%	36,483	5 Years	1/15/2012
Equipment (Vehicles/Graders)	562,736	2.99%	119,456	5 Years	8/13/2012

Annual debt service requirements to maturity for the lease purchase agreements are as follows:

Future minimum payments required are:

	<u>Year</u>	<u>Annual Payment</u>	<u>Principal</u>	<u>Interest</u>
Energy Retrofit:	2014	51,400	31,605	19,795
	2015	62,347	44,035	18,312
	2016	67,654	51,283	16,371
	2017	71,713	57,533	14,180
	2018	76,016	64,290	11,726
	2019	80,577	71,589	8,988
	2020	85,412	79,467	5,945
	2021	90,537	87,967	2,570
	2022	<u>15,233</u>	<u>15,156</u>	<u>77</u>
		600,889	<u>502,925</u>	<u>97,964</u>
Less Amount Representing Interest Present Value of Future Minimum Lease Payments		<u>(97,964)</u>		
		<u>502,925</u>		

	<u>Year</u>	<u>Annual Payment</u>	<u>Principal</u>	<u>Interest</u>
Computer System:	2014	36,482	31,845	4,637
	2015	36,483	33,322	3,161
	2016	<u>36,483</u>	<u>31,866</u>	<u>4,617</u>
		109,448	<u>97,033</u>	<u>12,415</u>
Less Amount Representing Interest Present Value of Future Minimum Lease Payments		<u>(12,415)</u>		
		<u>97,033</u>		

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 9 LONG-TERM DEBT (continued)

Lease Purchases Payable:

Equipment:	<u>Year</u>	<u>Annual Payment</u>	<u>Principal</u>	<u>Interest</u>
	2014	119,455	109,360	10,095
	2015	119,456	112,627	6,829
	2016	<u>119,456</u>	<u>115,991</u>	<u>3,465</u>
		358,367	<u>337,978</u>	<u>20,389</u>
Less Amount Representing Interest Present Value of Future Minimum Lease Payments		<u>(20,389)</u>		
		<u>337,978</u>		

The following is the annual debt service requirements to maturity for all lease purchase agreements:

	<u>Year</u>	<u>Annual Payment</u>	<u>Principal</u>	<u>Interest</u>
	2014	207,337	172,810	34,527
	2015	218,286	189,984	28,302
	2016	223,593	199,140	24,453
	2017	71,713	57,533	14,180
	2018	76,016	64,290	11,726
	2019	80,577	71,589	8,988
	2020	85,412	79,467	5,945
	2021	90,537	87,967	2,570
	2022	<u>15,233</u>	<u>15,156</u>	<u>77</u>
		1,068,704	<u>937,936</u>	<u>130,768</u>
Less Amount Representing Interest Present Value of Future Minimum Lease Payments		<u>(130,768)</u>		
		<u>937,936</u>		

Defeasance of the Sales and Use Tax Revenue Bonds, Series 1997

In prior years, the County defeased the 1997 sales and use tax revenue bonds by placing excess debt service fund monies in a irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the County's financial statements. On December 31, 2013, \$2,680,000 of bonds outstanding are considered defeased.

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 10 NET POSITION/FUND BALANCES

The government-wide and business-type activities fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets (net of related debt), restricted and unrestricted.

- *Net Investment In Capital Assets* – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.
- *Restricted Net Position* – This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- *Unrestricted Net Position* – This category represents net position of the County, not restricted for any project or other purpose.

As of December 31, 2013, restricted fund balance for emergencies is described below:

- *Emergencies* – Cash and investments of approximately \$331,200 are available as Emergency Reserves as required by Article X, Section 20 of the Constitution of the State of Colorado (See Note 12).

NOTE 11 HOSPITAL LAND AND BUILDINGS

On March 1, 1990, title to the land and buildings of Mount San Rafael Hospital was transferred to Las Animas County, Colorado, in connection with the retirement of the First Lien Hospital Building Bonds, Series A, issued by the Hospital in 1971 to construct the hospital. The contingent Trust Agreement pursuant to which the bonds were issued provides that at such time as the principal and interest of the bonds shall be paid in full, the Hospital will transfer and convey all of its right, title and interest in the real estate and improvements subject to the Contingent Trust Agreement to the County, free and clear of all liens and encumbrances. Subsequent to the transfer, the Hospital leased the land and buildings from the County for a period of twenty four years at a nominal fee of \$1 per year. This property is included in the County's Fixed Assets at cost.

NOTE 12 CONTINGENCIES - TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

LAS ANIMAS COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
For the Fiscal Year Ended December 31, 2013

NOTE 12 CONTINGENCIES - TAX, SPENDING AND DEBT LIMITATIONS (Continued)

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal 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 1% of Fiscal Year Spending (excluding bonded debt service) in 1993, 2% in 1995 and 3% thereafter. Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

TABOR requires, with certain exceptions, voters approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocably pledging present cash reserves for all future payments.

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 (and qualification as an Enterprise) will require judicial interpretation.

NOTE 13 LITIGATION

As of December 31, 2013, the County was involved in various claims in which no formal lawsuit has been filed. An evaluation as to outcome was not possible as of the audit date.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Grants

The County recognizes as revenue grant monies received as reimbursement for costs incurred in certain Federal and State programs it administers. Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts, if any, to be immaterial.

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 15 CASH AND INVESTMENTS

The County's cash at year-end consisted of deposits in financial institutions and was entirely covered by federal depository insurance or by collateral held by the financial institutions as their agent in the County's name. Collateral is held under provisions of the Public Deposit Protection Act of 1975. This act requires pledged collateral to be clearly identified as security for public deposits and it requires that the pledging financial institution certify to the secured governmental unit that it is secured and indicate the location of the collateral. In the event of default or insolvency on the part of the pledging financial institution, the custodian will surrender the collateral to the state bank commissioner. A breakdown of cash deposits and certificates of deposit follows:

At December 31, 2013, the County's bank balance and corresponding carrying balance were as follows:

	<u>Bank Balance</u>	<u>Carrying Balance</u>
Insured FDIC	760,963	760,963
Uninsured, Collateralized Under the Public Deposit Protection Act of the State of Colorado	13,996,987	13,568,678
Cash on Hand	-	62,508
<u>Total Cash and Deposits</u>	<u>14,757,950</u>	<u>14,392,149</u>
<u>Recap</u>		
Cash	8,520,499	
Certificates of Deposit	5,390,857	
Cash – Agency Fund	<u>480,793</u>	
<u>Total</u>	<u>14,392,149</u>	

As presented above, deposits with a bank balance of \$13,996,987 and a carrying balance of \$13,568,678 as of December 31, 2013 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

Investments

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

- Obligations of the United States and certain U.S. government agency securities
- Certain international agency securities

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 15 CASH AND INVESTMENTS (Continued)

Investments (Continued)

- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

As of December 31, 2013, the County's reporting entity had the following investments:

<u>Type of Investments</u>	<u>Fair Value/ Carrying Value</u>	<u>Cost</u>	<u>Average Credit Quality Rating</u>
<u>Pooled Investments</u>			
Money Market Funds	1,890	1,890	AAA
GNMA Guaranteed Pass Through Certificate	11,348	16,524	Implicit backing of the U.S. Government
FNMA Guaranteed Pass Through CTF	13,944	20,031	Senior to AAA Rating with implied backing of the U.S. Government
<u>Non Pooled Investments</u>			
Certificates of Deposit	<u>5,390,857</u>	<u>5,390,857</u>	Unrated
	<u>5,418,039</u>	<u>5,429,302</u>	

Interest Rate Risk – The County does not have a formal investment policy that limits investment maturities for managing possible fair value losses due to increasing interest rates.

Credit Risk – State Law limits the type of investments allowable. The ratings by Standard & Poor for each investment are disclosed above.

Concentration of Credit Risk – The County has no policy restricting the amount that can be invested in any issuer.

LAS ANIMAS COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 For the Fiscal Year Ended December 31, 2013

NOTE 16 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The governmental funds balance sheet includes a reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net change in fund balances – total governmental funds* and *changes in net position of governmental activities* as reported in the government-wide financial statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources management and full accrual basis used for government-wide statements.

The following Interfund Activity has been eliminated in the government-wide financial statements:

	<u>Interfund Transfer In</u>	<u>Interfund Transfer Out</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	-	-	-	54,888
Capital Expenditure Fund	-	-	-	-
Road and Bridge Fund	500,000	-	54,888	-
Public Welfare	-	-	-	-
Non Major Funds	-	500,000	-	-
	<u>500,000</u>	<u>500,000</u>	<u>54,888</u>	<u>54,888</u>

NOTE 17 PRIOR YEAR ADJUSTMENT

The beginning Net Position of the Airport Enterprise Fund was adjusted to reflect an increase in accrued revenues receivable in the amount of \$57,835. The accrued revenue for the Airport Improvement Grant was not recorded during 2012 when grant disbursement were made.

Net Position 12-31-12	1,431,885
Accrued Revenue Adjustment	<u>57,835</u>
Net Position, As Adjusted, 12-31-12	<u>1,489,720</u>

NOTE 18 COMPLIANCE WITH COLORADO LAW

The actual expenditures of the following fund exceeded the budgeted amounts and may be in violation of Colorado Budget Law:

<u>Fund</u>	<u>Amount</u>
Airport	282,692

ADDITIONAL REQUIRED SUPPLEMENTARY INFORMATION

General Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

Road and Bridge – Special Revenue Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

Public Welfare – Special Revenue Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

Capital Expenditures – Special Revenue Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted</u> <u>Amounts</u>	<u>Actual</u>	<u>Variance-</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original & Final</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<u>REVENUE</u>			
<u>Property Tax Revenue</u>			
Current Property Taxes	3,954,435	3,888,091	(66,344)
Less Treasurer's Fees	<u>(100,000)</u>	<u>(83,987)</u>	<u>16,013</u>
<u>Net Amount</u>	<u>3,854,435</u>	<u>3,804,104</u>	<u>(50,331)</u>
Delinquent Property Taxes	10,000	9,270	(730)
Specific Ownership Taxes	480,000	610,225	130,225
Special Mobile Equipment	<u>70,000</u>	<u>29,078</u>	<u>(40,922)</u>
<u>Total</u>	<u>4,414,435</u>	<u>4,452,677</u>	<u>38,242</u>
<u>Licenses and Permits</u>			
Liquor Licenses (15% Only)	2,000	1,600	(400)
Special Use Permits	<u>3,000</u>	<u>2,472</u>	<u>(528)</u>
<u>Total</u>	<u>5,000</u>	<u>4,072</u>	<u>(928)</u>
<u>Intergovernmental Revenue</u>			
COEM / DOJ Grant	34,767	34,767	-
County Cost Allocation	60,000	54,316	(5,684)
State Wildfire Grant	-	23,590	23,590
Expenditure Reimbursements	4,000	18,280	14,280
EMS Funds	13,000	20,500	7,500
Planning	8,000	6,850	(1,150)
Emergency Management	10,000	1,425	(8,575)
Cigarette Tax	3,000	4,538	1,538
Impact Assistance	3,570	3,892	322
Veterans Service	600	500	(100)
Search & Rescue Grant	5,000	2,500	(2,500)
Mineral Leasing	250,000	163,713	(86,287)
Noxious Weed Program	<u>32,000</u>	<u>45,000</u>	<u>13,000</u>
<u>Total</u>	<u>423,937</u>	<u>379,871</u>	<u>(44,066)</u>
<u>Charges for Services</u>			
Sheriff's Fees	50,000	77,759	27,759
Inmate Fees	25,000	22,901	(2,099)
County Clerk Fees	230,000	254,299	24,299
County Treasurer's Fees	250,000	213,638	(36,362)
Assessor's Fees	3,000	670	(2,330)
County Surveyor	-	7,806	7,806
Zoning and Building Fees	75,000	63,938	(11,062)
Oil and Gas Fees	<u>5,500</u>	<u>19,898</u>	<u>14,398</u>
<u>Total</u>	<u>638,500</u>	<u>660,909</u>	<u>22,409</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts		Variance- Favorable
	Original & Final	Actual	(Unfavorable)
<u>REVENUE (Continued)</u>			
<u>Miscellaneous Revenue</u>			
Miscellaneous Income	66,400	72,409	6,009
Interest Earnings	135,000	67,503	(67,497)
Rents from Tenants	65,000	48,902	(16,098)
Insurance Reimbursements	499,026	559,058	60,032
Wind Farm	-	84,049	84,049
Public Trustee	37,500	-	(37,500)
<u>Total</u>	<u>802,926</u>	<u>831,921</u>	<u>28,995</u>
<u>TOTAL REVENUE</u>	<u>6,284,798</u>	<u>6,329,450</u>	<u>44,652</u>
<u>EXPENDITURES</u>			
<u>GENERAL GOVERNMENT</u>			
<u>County Commissioners</u>			
Salaries	175,500	175,538	(38)
Retirement & Fringe Benefits	41,401	38,167	3,234
Office Supplies	500	1,596	(1,096)
Professional Services	1,000	-	1,000
Telephone & Postage	1,500	446	1,054
Travel & Transportation Expense	2,000	2,443	(443)
Equipment & Fixtures	1,000	-	1,000
Dues & Meetings	25,000	17,738	7,262
Miscellaneous	15,000	1,800	13,200
Other Services	42,000	64,840	(22,840)
<u>Total</u>	<u>304,901</u>	<u>302,568</u>	<u>2,333</u>
<u>County Attorney</u>			
Office Supplies	300	281	19
Miscellaneous	2,500	864	1,636
Contractual Services	90,500	76,609	13,891
<u>Total</u>	<u>93,300</u>	<u>77,754</u>	<u>15,546</u>
<u>County Surveyor</u>			
Surveyors Fees	3,000	-	3,000

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted <u>Amounts</u>		Variance- Favorable (Unfavorable)
	<u>Original & Final</u>	<u>Actual</u>	
<u>GENERAL GOVERNMENT (Continued)</u>			
<u>Planning and Zoning</u>			
Salaries	54,909	46,345	8,564
Retirement & Fringe Benefits	13,418	9,820	3,598
Office Supplies & Operating Supplies	2,500	1,033	1,467
Telephone & Postage	3,500	1,790	1,710
Travel & Transportation Expense	1,500	957	543
Advertising & Legal Notices	1,500	399	1,101
Maintenance Contracts	3,900	2,107	1,793
Equipment & Fixtures	500	433	67
Miscellaneous	5,000	4,993	7
Dues and Meetings	2,000	263	1,737
Wind Farm Expenses	-	12,580	(12,580)
Special Accounts	1,500	-	1,500
<u>Total</u>	<u>90,227</u>	<u>80,720</u>	<u>9,507</u>
<u>Council of Governments</u>			
Allocations /Housing	15,700	15,700	-
<u>Total</u>	<u>15,700</u>	<u>15,700</u>	<u>-</u>
<u>County Administrator</u>			
Salaries	199,620	137,401	62,219
Retirement & Fringe Benefits	545,568	491,580	53,988
Dues & Meetings	2,500	3,921	(1,421)
Office Supplies	10,000	9,596	404
Other Services & Charges	6,000	272	5,728
Telephone & Postage	25,000	21,679	3,321
Travel & Transportation	500	1,388	(888)
Advertising & Legal Notices	6,000	4,564	1,436
Insurance	230,000	205,357	24,643
Equipment and Fixtures	1,000	316	684
Other	5,000	268	4,732
<u>Total</u>	<u>1,031,188</u>	<u>876,342</u>	<u>154,846</u>
<u>Chief Accounting Officer</u>			
Salaries	97,527	110,216	(12,689)
Retirement & Fringe Benefits	25,399	27,030	(1,631)
Office Supplies	3,000	3,465	(465)
Repairs/Maintenance Contracts	59,500	29,567	29,933
Professional Fees	34,000	33,500	500
Equipment & Fixtures	4,500	393	4,107
Dues and Meetings	500	227	273
<u>Total</u>	<u>224,426</u>	<u>204,398</u>	<u>20,028</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts Original & Final	Actual	Variance- Favorable (Unfavorable)
<u>GENERAL GOVERNMENT (Continued)</u>			
<u>County Clerk & Recorder - Operations</u>			
Salaries	231,375	224,423	6,952
Retirement & Fringe Benefits	69,902	64,286	5,616
Office & Operating Supplies	40,000	27,028	12,972
Telephone & Postage	22,000	13,284	8,716
Dues and Meetings	6,500	3,181	3,319
Maintenance Contracts	68,000	36,236	31,764
Bonds/Advertising/Legal	1,010	-	1,010
<u>Total</u>	<u>438,787</u>	<u>368,438</u>	<u>70,349</u>
<u>County Clerk & Recorder - Elections</u>			
Salaries	67,888	78,335	(10,447)
Retirement & Fringe Benefits	22,264	22,946	(682)
Office & Operating Supplies	48,000	26,593	21,407
Judges	5,000	-	5,000
Telephone & Postage	10,000	4,800	5,200
Travel & Transportation	4,500	(77)	4,577
Advertising & Legal Notices	10,000	2,995	7,005
Contractual Services	25,000	19,312	5,688
Maintenance Contracts	25,000	660	24,340
Dues and Meetings	2,000	1,514	486
<u>Total</u>	<u>219,652</u>	<u>157,078</u>	<u>62,574</u>
<u>County Treasurer</u>			
Salaries	181,035	188,237	(7,202)
Retirement & Fringe Benefits	57,130	51,878	5,252
Office & Operating Supplies	9,000	9,061	(61)
Telephone & Postage	15,000	16,842	(1,842)
Advertising & Legal Notices	25,000	22,618	2,382
Insurance/Bonds	500	100	400
Maintenance Contracts	70,000	74,230	(4,230)
Dues and Meetings	3,000	2,282	718
<u>Total</u>	<u>360,665</u>	<u>365,248</u>	<u>(4,583)</u>
<u>Public Trustee</u>			
Salaries	29,296	16,886	12,410
Retirement & Fringe Benefits	3,120	5,557	(2,437)
Office Supplies	1,500	667	833
<u>Total</u>	<u>33,916</u>	<u>23,110</u>	<u>10,806</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts		Variance- Favorable
	<u>Original & Final</u>	<u>Actual</u>	<u>(Unfavorable)</u>
GENERAL GOVERNMENT (Continued)			
<u>County Assessor</u>			
Salaries	299,545	295,839	3,706
Retirement & Fringe Benefits	92,462	82,759	9,703
Office Supplies	14,540	16,415	(1,875)
Telephone & Postage	13,700	11,470	2,230
Travel & Transportation Expense	4,000	691	3,309
Advertising & Legal Notices	2,000	746	1,254
Maintenance Contracts	94,500	95,124	(624)
Contractual Services	6,000	2,500	3,500
Dues and Meetings	7,000	4,145	2,855
<u>Total</u>	<u>533,747</u>	<u>509,689</u>	<u>24,058</u>
<u>Maintenance of Buildings & Plant</u>			
Salaries	132,045	139,559	(7,514)
Retirement & Fringe Benefits	36,773	36,442	331
Telephone & Postage	1,500	1,361	139
Travel & Transportation	2,500	4,374	(1,874)
Public Utility Services	210,000	193,103	16,897
Operating Supplies	5,200	2,593	2,607
Equipment & Fixtures	3,000	21,624	(18,624)
Repairs and Maintenance	76,000	47,986	28,014
Miscellaneous	-	237	(237)
<u>Total</u>	<u>467,018</u>	<u>447,279</u>	<u>19,739</u>
TOTAL GENERAL GOVERNMENT	<u>3,816,527</u>	<u>3,428,324</u>	<u>388,203</u>
 PUBLIC SAFETY			
<u>County Sheriff</u>			
Salaries	638,702	660,808	(22,106)
Retirement & Fringe Benefits	201,087	193,870	7,217
Office Supplies	5,000	3,493	1,507
Operating Supplies	8,600	14,931	(6,331)
Travel, Transportation Expense	30,550	57,973	(27,423)
Search & Rescue	5,000	9,506	(4,506)
Advertising and Legal Notices	1,000	223	777
Uniforms	11,250	9,835	1,415
Telephone & Postage	8,400	9,832	(1,432)
Miscellaneous	-	25,600	(25,600)
Dues and Meetings	6,000	1,913	4,087
Training	3,000	520	2,480
Maintenance & Repair	26,000	56,626	(30,626)
Radio/Communications	4,000	810	3,190
Capital Outlay	5,000	3,855	1,145
<u>Total</u>	<u>953,589</u>	<u>1,049,795</u>	<u>(96,206)</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts		Variance- Favorable (Unfavorable)
	Original & Final	Actual	
<u>PUBLIC SAFETY (Continued)</u>			
<u>County Jail</u>			
Salaries	594,395	564,991	29,404
Retirement & Fringe Benefits	203,406	181,142	22,264
Supplies / Printing	38,500	48,157	(9,657)
Food Expense	100,000	143,582	(43,582)
Inmate Commissary	10,000	8,124	1,876
Telephone	7,000	1,708	5,292
Transports/Mileage	10,000	10,191	(191)
Doctors/Pharmacy/Ambulance	164,500	155,504	8,996
Maintenance & Repairs	5,000	3,394	1,606
Equipment & Fixtures	3,000	1,600	1,400
Advertising & Legal Notices	3,000	790	2,210
Other	5,000	909	4,091
Contractual Agreements	20,000	12,516	7,484
Uniforms	8,500	4,963	3,537
<u>Total</u>	<u>1,172,301</u>	<u>1,137,571</u>	<u>34,730</u>
<u>County Coroner</u>			
Salaries	40,670	33,100	7,570
Fringe Benefits	2,532	10,871	(8,339)
Supplies	2,000	2,274	(274)
Travel/Transportation Expense	1,000	1,156	(156)
Doctors	25,000	37,080	(12,080)
Equipment & Fixtures	18,000	11,113	6,887
Telephone	1,200	1,049	151
Miscellaneous	7,100	4,484	2,616
<u>Total</u>	<u>97,502</u>	<u>101,127</u>	<u>(3,625)</u>
<u>Public Building Inspector</u>			
Salaries	35,568	32,957	2,611
Retirement & Fringe Benefits	11,358	7,861	3,497
Travel/Transportation Expense	6,000	2,690	3,310
Telephone	1,000	492	508
Office/Operating Supplies	3,000	1,718	1,282
Equipment & Fixtures	1,000	-	1,000
Dues & Meetings	1,000	41	959
Personnel Training	2,000	1,451	549
<u>Total</u>	<u>60,926</u>	<u>47,210</u>	<u>13,716</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts	Actual	Variance- Favorable (Unfavorable)
	Original & Final	Actual	(Unfavorable)
<u>PUBLIC SAFETY (Continued)</u>			
<u>Oil and Gas Inspection</u>			
Salaries	52,735	52,858	(123)
Retirement and Fringe Benefits	13,186	12,848	338
Supplies	20,500	18,073	2,427
Telephone and Postage	700	616	84
Travel	3,500	2,413	1,087
Dues and Meetings	<u>1,200</u>	<u>595</u>	<u>605</u>
<u>Total</u>	<u>91,821</u>	<u>87,403</u>	<u>4,418</u>
<u>Civil Defense</u>			
Salaries	10,250	9,544	706
Retirement & Fringe Benefits	1,492	2,248	(756)
Capital Outlay	34,767	35,074	(307)
Supplies	2,000	1,500	500
Other Services & Charges	-	156	(156)
Telephone & Postage	800	-	800
Dues and Meetings	3,400	370	3,030
Other	<u>2,000</u>	<u>1,985</u>	<u>15</u>
<u>Total</u>	<u>54,709</u>	<u>50,877</u>	<u>3,832</u>
<u>TOTAL PUBLIC SAFETY</u>	<u>2,430,848</u>	<u>2,473,983</u>	<u>(43,135)</u>
<u>HEALTH AND HOSPITALS</u>			
<u>County Allocation</u>			
Health Department	<u>255,024</u>	<u>255,022</u>	<u>2</u>
<u>TOTAL HEALTH AND HOSPITALS</u>	<u>255,024</u>	<u>255,022</u>	<u>2</u>
<u>AUXILIARY SERVICES</u>			
<u>Allocation - Senior Citizens Center</u>	<u>17,000</u>	<u>17,000</u>	<u>-</u>
<u>Allocation-Chamber of Commerce</u>	<u>12,500</u>	<u>12,500</u>	<u>-</u>
<u>Extension Service</u>			
Salaries	10,400	7,425	2,975
Retirement & Fringe Benefits	1,404	483	921
Office Supplies	4,000	3,767	233
Operating Supplies	2,500	1,688	812
Telephone & Postage	2,500	2,299	201
Travel & Transportation Expense	3,000	2,803	197
Dues and Meetings	3,000	6,500	(3,500)
Contractual Services	25,600	12,338	13,262
Capital Outlay	<u>1,500</u>	<u>301</u>	<u>1,199</u>
<u>Total</u>	<u>53,904</u>	<u>37,604</u>	<u>16,300</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts Original & Final	Actual	Variance- Favorable (Unfavorable)
<u>AUXILIARY SERVICES (continued)</u>			
<u>County Fair</u>			
Salaries	1,500	1,425	75
Retirement & Fringe Benefits	-	85	(85)
Judges	2,500	2,370	130
Telephone & Postage	750	215	535
Travel & Transportation Expense	2,500	706	1,794
Supplies & Printing	2,000	597	1,403
Miscellaneous	1,500	820	680
Awards and Prizes	3,000	3,370	(370)
Capital Outlay	<u>4,000</u>	<u>1,124</u>	<u>2,876</u>
Total	<u>17,750</u>	<u>10,712</u>	<u>7,038</u>
<u>Fairground Operations</u>			
Salaries	24,674	20,564	4,110
Retirement & Fringe Benefits	10,198	9,707	491
Office Supplies	200	10	190
Operating Supplies	5,000	288	4,712
Telephone	1,000	338	662
Travel and Transportation	1,000	-	1,000
Utilities	10,000	5,720	4,280
Equipment & Fixtures	3,000	771	2,229
Maintenance & Repairs	<u>15,000</u>	<u>10,387</u>	<u>4,613</u>
Total	<u>70,072</u>	<u>47,785</u>	<u>22,287</u>
<u>Veterans Office</u>			
Salaries	12,066	12,376	(310)
Retirement & Fringe Benefits	1,285	1,314	(29)
Office Supplies	300	-	300
Telephone & Postage	650	346	304
Travel & Transportation	-	428	(428)
Equipment & Fixtures	500	269	231
Dues and Meetings	<u>700</u>	<u>750</u>	<u>(50)</u>
Total	<u>15,501</u>	<u>15,483</u>	<u>18</u>
<u>TOTAL AUXILIARY SERVICES</u>	<u>186,727</u>	<u>141,084</u>	<u>45,643</u>
<u>INTERGOVERNMENTAL</u>			
<u>Predator Control</u>			
<u>District Attorney</u>			
Allocation	<u>267,316</u>	<u>267,316</u>	<u>-</u>
Total	<u>267,316</u>	<u>267,316</u>	<u>-</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
GENERAL FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

<u>INTERGOVERNMENTAL (Continued)</u>	<u>Budgeted</u> <u>Amounts</u>		<u>Variance-</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original & Final</u>	<u>Actual</u>	
<u>Fire Control</u>			
Operating Supplies	1,000	1,400	(400)
Dues and Meetings	15,000	15,051	(51)
Capital Outlay	4,500	5,475	(975)
Allocation VFD	-	2,400	(2,400)
<u>Total</u>	<u>20,500</u>	<u>24,326</u>	<u>(3,826)</u>
<u>Ambulance Service</u>			
EMS Grant	<u>13,000</u>	<u>18,100</u>	<u>(5,100)</u>
<u>Total</u>	<u>13,000</u>	<u>18,100</u>	<u>(5,100)</u>
<u>E-911</u>			
Allocation	<u>160,000</u>	<u>114,254</u>	<u>45,746</u>
<u>Non-Profit Agencies</u>			
Allocation	<u>25,000</u>	<u>25,000</u>	<u>-</u>
 <u>TOTAL INTERGOVERNMENTAL</u>	 <u>485,816</u>	 <u>448,996</u>	 <u>36,820</u>
 <u>DEBT SERVICE</u>			
Interest Capital Lease	-	6,048	(6,048)
Principal Capital Lease	-	30,434	(30,434)
<u>Total</u>	<u>-</u>	<u>36,482</u>	<u>(36,482)</u>
 <u>TOTAL EXPENDITURES</u>	 <u>7,174,942</u>	 <u>6,783,891</u>	 <u>391,051</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 <u>(890,144)</u>	 <u>(454,441)</u>	
 <u>OTHER FINANCING SOURCES (USES)</u>			
Transfers In (Out)	<u>(57,000)</u>	-	<u>57,000</u>
<u>Total Other Financing Sources (Uses)</u>	<u>(57,000)</u>	-	<u>57,000</u>
 <u>TOTAL REVENUES AND OTHER SOURCES OVER</u> <u>(UNDER) EXPENDITURES AND OTHER USES</u>	 <u>(947,144)</u>	 <u>(454,441)</u>	
 <u>FUND BALANCE, January 1</u>	 <u>3,618,804</u>	 <u>3,936,167</u>	
 <u>FUND BALANCE, December 31</u>	 <u>2,671,660</u>	 <u>3,481,726</u>	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND - ROAD AND BRIDGE FUND
SCHEDULE OF REVENUE, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

<u>REVENUE</u>	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>Intergovernmental Revenue</u>			
Highway Users Tax	2,545,908	2,460,925	(84,983)
Energy Impact Grant	-	10,000	10,000
Oil & Gas Fees	4,500	16,280	11,780
Mineral Lease Rights	35,000	6,949	(28,051)
Forest Service	9,000	-	(9,000)
M.V. Registration	40,000	56,728	16,728
HUTF FASTER (SB 09-108)	400,000	535,346	135,346
Taylor Grazing Act & Bankhead Jones	150	9,193	9,043
Severance Tax	400,000	297,068	(102,932)
<u>Total</u>	<u>3,434,558</u>	<u>3,392,489</u>	<u>(42,069)</u>
<u>Miscellaneous Revenue</u>			
Miscellaneous	77,363	61,170	(16,193)
Sale of Assets	-	10,000	10,000
<u>Total</u>	<u>77,363</u>	<u>71,170</u>	<u>(6,193)</u>
<u>TOTAL REVENUE</u>	<u>3,511,921</u>	<u>3,463,659</u>	<u>(48,262)</u>
<u>EXPENDITURES</u>			
Salaries	1,417,621	1,336,534	81,087
Retirement & Fringe Benefits	474,783	385,346	89,437
Office Supplies	7,500	5,124	2,376
Operating Supplies	1,012,500	644,463	368,037
Repairs & Maintenance Road Equipment	295,000	276,120	18,880
Insurance and Bonds	180,000	97,052	82,948
Public Utility Service	82,000	69,152	12,848
Capital Outlay	339,723	247,224	92,499
Road Construction	772,800	314,666	458,134
Weed Expense	15,000	-	15,000
Radio/Communication	30,000	6,388	23,612
Telephone & Postage	10,000	8,579	1,421
Lease Purchase Principal	-	79,758	(79,758)
Lease Purchase Interest	-	9,965	(9,965)
Miscellaneous	24,500	14,013	10,487
<u>Total Expenditures</u>	<u>4,661,427</u>	<u>3,494,384</u>	<u>1,167,043</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(1,149,506)</u>	<u>(30,725)</u>	
<u>OTHER FINANCIAL SOURCES (USES)</u>			
Transfer In	500,000	500,000	-
<u>Total Other Financing Sources (Uses)</u>	<u>500,000</u>	<u>500,000</u>	<u>-</u>
<u>TOTAL REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>(649,506)</u>	<u>469,275</u>	
<u>FUND BALANCE, January 1</u>	<u>4,114,737</u>	<u>4,810,804</u>	
<u>FUND BALANCE, December 31</u>	<u>3,465,231</u>	<u>5,280,079</u>	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND - PUBLIC WELFARE FUND
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
<u>REVENUE</u>			
<u>Intergovernmental Revenues</u>			
Administration	566,331	458,766	(107,565)
Adult Protection	-	38,243	38,243
Food Stamp Fraud	20,652	25,474	4,822
Core Services	259,778	218,778	(41,000)
LEAP	895,502	491,437	(404,065)
AID to Needy Disabled	100,000	101,239	1,239
Child Care	256,418	167,225	(89,193)
Child Welfare	1,162,684	819,775	(342,909)
RES MH Child Welfare	-	8,946	8,946
Chaffee Independent Living	-	18,775	18,775
Child Support Enforcement	-	113,074	113,074
Old Age Pension Administration	425,000	371,110	(53,890)
Home Care Allowance	42,750	39,865	(2,885)
Medicaid Transportation	125,000	101,567	(23,433)
Program Incentives	186,828	67,886	(118,942)
CW SB 94	-	2,992	2,992
Single Entry Point	564,573	615,728	51,155
Colorado Works	911,600	865,626	(45,974)
Food Stamp Benefits	4,300,000	4,104,051	(195,949)
CSE Retained	35,000	44,031	9,031
Miscellaneous Revenue	-	50	50
<u>Total Intergovernmental Revenue</u>	<u>9,852,116</u>	<u>8,674,638</u>	<u>(1,177,478)</u>
<u>Tax Revenues</u>			
Property Taxes	357,149	346,686	(10,463)
Senior/Veteran Tax	-	3,480	3,480
Delinquent Property Taxes	-	633	633
Specific Ownership Taxes	20,000	55,029	35,029
<u>Total Tax Revenues</u>	<u>377,149</u>	<u>405,828</u>	<u>28,679</u>
<u>Other Revenues</u>			
Food Commodity Revenue	-	15,831	15,831
<u>Total Other Revenues</u>	<u>-</u>	<u>15,831</u>	<u>15,831</u>
<u>TOTAL REVENUES</u>	<u>10,229,265</u>	<u>9,096,297</u>	<u>(1,132,968)</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND - PUBLIC WELFARE FUND
SCHEDULE OF REVENUE, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>	<u>Actual</u>	Variance- Favorable (Unfavorable)
	<u>Original & Final</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<u>EXPENDITURES</u>			
Administration	697,900	573,040	124,860
Adult Protection	-	47,093	(47,093)
Colorado Works	1,029,302	996,583	32,719
Core Services	305,221	235,954	69,267
Single Entry Point	557,087	572,439	(15,352)
Child Care	288,222	210,373	77,849
Child Welfare	1,296,527	1,035,292	261,235
Chaffee Independent Living	-	18,868	(18,868)
Child Support Enforcement	234,071	206,964	27,107
Home Care Allowance	45,000	24,578	20,422
Food Stamp Fraud	27,536	31,810	(4,274)
SB 94 County Only Expenses	-	2,992	(2,992)
LEAP	895,502	491,432	404,070
Old Age Pension	425,000	371,110	53,890
Medicaid Transportation	125,000	109,838	15,162
Food Stamp Benefits	4,300,000	4,104,051	195,949
Aid to Needy Disabled	125,000	126,548	(1,548)
Food Commodity Expense	-	2,938	(2,938)
General Assistance	-	2,876	(2,876)
<u>Total Expenditures</u>	<u>10,351,368</u>	<u>9,164,779</u>	<u>1,186,589</u>
 <u>REVENUES OVER (UNDER) EXPENDITURES</u>	 (122,103)	 (68,482)	
 <u>FUND BALANCE, January 1</u>	 <u>786,553</u>	 <u>794,792</u>	
 <u>FUND BALANCE, December 31</u>	 <u>664,450</u>	 <u>726,310</u>	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND
CAPITAL EXPENDITURE FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted</u> <u>Amounts</u>	<u>Actual</u>	<u>Variance-</u> <u>Favorable</u> <u>(Unfavorable)</u>
	<u>Original & Final</u>	<u>Actual</u>	<u>(Unfavorable)</u>
<u>REVENUES</u>			
Taxes	139,295	135,758	(3,537)
Local Revenue	500	3,293	2,793
Intergovernmental	<u>475,000</u>	<u>-</u>	<u>(475,000)</u>
<u>Total Revenues</u>	<u>614,795</u>	<u>139,051</u>	<u>(475,744)</u>
<u>EXPENDITURES</u>			
Capital Outlay	1,150,000	196,046	953,954
Debt Service:			-
Principal	-	27,310	(27,310)
Interest	46,826	20,979	25,847
Other	<u>10,412</u>	<u>6,199</u>	<u>4,213</u>
<u>Total Expenditures</u>	<u>1,207,238</u>	<u>250,534</u>	<u>956,704</u>
<u>REVENUE OVER (UNDER) EXPENDITURES</u>	(592,443)	(111,483)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Lease Purchase Proceeds	-	-	-
Transfer In (Out)	<u>150,000</u>	<u>(295,327)</u>	<u>(445,327)</u>
<u>Total Other Financing Sources (Uses)</u>	<u>150,000</u>	<u>(295,327)</u>	<u>(445,327)</u>
<u>TOTAL REVENUES AND OTHER SOURCES</u> <u>OVER (UNDER) EXPENDITURES AND</u> <u>OTHER USES</u>	(442,443)	(406,810)	
<u>FUND BALANCE, January 1</u>	<u>2,415,351</u>	<u>2,458,656</u>	
<u>FUND BALANCE, December 31</u>	<u>1,972,908</u>	<u>2,051,846</u>	

The accompanying notes are an integral part of these financial statements.

Proprietary Fund – Business Type Activities

Enterprise Funds – used to account for operations that are financed and operated in a manner similar to private business enterprise, where the intent is that the costs (including depreciation) of providing goods or services to the general public on a continuing basis by financed or recovered primarily through user charges. Enterprise funds are considered major funds because of community interests in the activities and sources of funding supporting these operations.

Airport Fund – this fund accounts for all financial activities associated with the County's airport.

NON MAJOR GOVERNMENTAL FUNDS

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

Jail Facility Fund – to account for sales taxes assessed for specific purposes.

Conservation Trust Fund – to account for the operations of a conservations trust fund financed by the state. Contributions are to be used for the improvement of park and recreation facilities.

Contingent Fund – to account for unforeseen contingencies. Financing is provided by property taxes and transfers from General Fund.

LEAF and DUI – to account for the operations of the County LEAP program. Financing is provided by DUI fees.

PILT – to account for the operations of the PILT Fund. Financing is provided through federal monies.

Capital Projects Fund – account for financial resources created by the issuance of bonded indebtedness and to be used for major capital projects.

Jail Capital Projects Fund – this fund accounts for expenditures from sales tax proceeds for a major capital project. The revenues and expenditures of this fund are controlled by State Statute and the debt ordinance.

LAS ANIMAS COUNTY, COLORADO
 AIRPORT – PROPRIETARY FUND
 SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
 BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended December 31, 2013

	<u>Budgeted Amounts Original & Final</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
<u>OPERATING REVENUES</u>			
Fuel Sales	240,000	310,313	70,313
Hangar Rental	30,000	34,173	4,173
Other Revenues	<u>5,000</u>	<u>-</u>	<u>(5,000)</u>
<u>Total Operating Revenues</u>	<u>275,000</u>	<u>344,486</u>	<u>69,486</u>
<u>OPERATING EXPENSES</u>			
Cost of Sales	200,000	260,524	(60,524)
Contractual Agreements	60,000	73,970	(13,970)
Master Plan Expense	100,000	214,654	(114,654)
Depreciation	-	121,370	(121,370)
Insurance	12,000	15,270	(3,270)
Operating Supplies	15,000	2,557	12,443
Office Supplies & Expense	3,500	6,778	(3,278)
Utilities	8,000	15,679	(7,679)
Telephone	1,500	1,258	242
Maintenance	32,000	2,632	29,368
Bad Debt Expense	<u>-</u>	<u>-</u>	<u>-</u>
<u>Total Operating Expenses</u>	<u>432,000</u>	<u>714,692</u>	<u>(282,692)</u>
<u>OPERATING INCOME (LOSS) BEFORE OTHER SOURCES</u>	<u>(157,000)</u>	<u>(370,206)</u>	
<u>NON OPERATING REVENUES (EXPENSES)</u>			
Grants Revenue	100,000	392,978	292,978
Transfers In	<u>57,000</u>	<u>295,327</u>	<u>238,327</u>
<u>Total Non Operating Revenues (Expenses)</u>	<u>157,000</u>	<u>688,305</u>	<u>531,305</u>
<u>INCOME BEFORE CAPITAL CONTRIBUTION</u>	-	318,099	
<u>CAPITAL CONTRIBUTIONS – FIXED ASSETS</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>CHANGE IN NET POSITION</u>	-	318,099	
<u>NET POSITION, January 1</u>	1,568,171	1,431,885	
<u>PRIOR YEAR ADJUSTMENT</u>	<u>-</u>	<u>57,835</u>	
<u>NET POSITION, December 31</u>	<u>1,568,171</u>	<u>1,807,819</u>	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 COMBINING BALANCE SHEET
 NON MAJOR GOVERNMENTAL FUNDS
 December 31, 2013

	Special Revenue Fund		
	Jail Facility	Conservation Trust	Contingent
<u>ASSETS</u>			
Cash	792,543	146,196	307,114
Investments	506,244	93,385	196,172
Accounts Receivables	-	-	174
<u>Total Assets</u>	<u>1,298,787</u>	<u>239,581</u>	<u>503,460</u>
 <u>LIABILITIES AND FUND EQUITY</u>			
<u>Liabilities</u>			
Accounts Payable	-	-	-
<u>Total Liabilities</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Fund Balances:</u>			
<u>Nonspendable:</u>			
Inventories	-	-	-
Prepaid Expense	-	-	-
<u>Restricted:</u>			
Emergencies	-	-	-
Roads and Bridges	-	-	-
Capital Outlay	1,298,787	-	-
Parks and Recreation	-	239,581	-
Public Safety	-	-	-
<u>Committed:</u>			
Unanticipated Obligations	-	-	503,460
<u>Assigned:</u>			
Roads and Bridges	-	-	-
Capital Outlay	-	-	-
Public Works	-	-	-
<u>Unassigned:</u>			
<u>Total Fund Balances</u>	<u>1,298,787</u>	<u>239,581</u>	<u>503,460</u>
 <u>TOTAL LIABILITIES AND FUND BALANCES</u>			
	<u>1,298,787</u>	<u>239,581</u>	<u>503,460</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 COMBINING BALANCE SHEET
 NON MAJOR GOVERNMENTAL FUNDS
 December 31, 2013

	<u>Special Revenue Fund</u>		<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
	<u>LEAF & DUI</u>	<u>PILT</u>	<u>Jail Fund</u>	
<u>ASSETS</u>				
Cash	15,066	305,605	72,213	1,638,737
Investments	9,623	195,208	46,127	1,046,759
Accounts Receivables	-	-	-	174
<u>Total Assets</u>	<u>24,689</u>	<u>500,813</u>	<u>118,340</u>	<u>2,685,670</u>
 <u>LIABILITIES AND FUND EQUITY</u>				
<u>Liabilities</u>				
Accounts Payable	-	-	-	-
<u>Total Liabilities</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
 <u>Fund Balances:</u>				
<u>Nonspendable:</u>				
Inventories	-	-	-	-
Prepaid Expense	-	-	-	-
<u>Restricted:</u>				
Emergencies	-	-	-	-
Roads and Bridges	-	-	-	-
Capital Outlay	-	-	118,340	1,417,127
Parks and Recreation	-	-	-	239,581
Public Safety	24,689	-	-	24,689
<u>Committed:</u>				
Unanticipated Obligations	-	-	-	503,460
<u>Assigned:</u>				
Roads and Bridges	-	-	-	-
Capital Outlay	-	-	-	-
Public Works	-	500,813	-	500,813
<u>Unassigned:</u>				
<u>Total Fund Balances</u>	<u>24,689</u>	<u>500,813</u>	<u>118,340</u>	<u>2,685,670</u>
 <u>TOTAL LIABILITIES AND FUND BALANCES</u>				
	<u>24,689</u>	<u>500,813</u>	<u>118,340</u>	<u>2,685,670</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON MAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2013

	Special Revenue Fund		
	Jail Facilities	Conservation Trust	Contingent
<u>REVENUES</u>			
Taxes	28	-	18,952
Intergovernmental Revenues	-	57,317	-
Other Revenues	-	1,059	52
<u>Total Revenues</u>	28	58,376	19,004
<u>EXPENDITURES</u>			
Capital Outlay	-	-	-
Social Services	-	-	-
Public Safety	-	-	19,292
Debt Service	-	-	-
Other	99	-	323
<u>Total Expenditures</u>	99	-	19,615
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(71)	58,376	(611)
<u>OTHER FINANCING SOURCES (USES)</u>			
Capital Lease Proceeds	-	-	-
Operating Transfers In (Out)	-	-	-
<u>Total Other Financing Sources (Uses)</u>	-	-	-
<u>TOTAL REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	(71)	58,376	(611)
<u>FUND BALANCE, January 1</u>	1,298,858	181,205	504,071
<u>FUND BALANCE, December 31</u>	1,298,787	239,581	503,460

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 COMBINING STATEMENT OF REVENUES, EXPENDITURES
 AND CHANGES IN FUND BALANCES
 NON MAJOR GOVERNMENTAL FUNDS
 Year Ended December 31, 2013

	<u>Special Revenue Fund</u>		<u>Capital Projects</u>	<u>Total Non-Major Governmental Funds</u>
	<u>LEAF & DUI</u>	<u>PILT</u>	<u>Jail Fund</u>	
<u>REVENUES</u>				
Taxes	-	-	-	18,980
Intergovernmental Revenues	-	479,920	-	537,237
Other Revenues	<u>1,245</u>	<u>-</u>	<u>-</u>	<u>2,356</u>
<u>Total Revenues</u>	<u>1,245</u>	<u>479,920</u>	<u>-</u>	<u>558,573</u>
<u>EXPENDITURES</u>				
Capital Outlay	-	-	-	-
Social Services	-	-	-	-
Public Safety	800	-	7,910	28,002
Debt Service	-	-	29,732	29,732
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>422</u>
<u>Total Expenditures</u>	<u>800</u>	<u>-</u>	<u>37,642</u>	<u>58,156</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>445</u>	<u>479,920</u>	<u>(37,642)</u>	<u>500,417</u>
<u>OTHER FINANCING SOURCES (USES)</u>				
Capital Lease Proceeds	-	-	-	-
Operating Transfers In (Out)	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>(500,000)</u>	<u>-</u>	<u>(500,000)</u>
<u>TOTAL REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	<u>445</u>	<u>(20,080)</u>	<u>(37,642)</u>	<u>417</u>
<u>FUND BALANCE, January 1</u>	<u>24,244</u>	<u>520,893</u>	<u>155,982</u>	<u>2,685,253</u>
<u>FUND BALANCE, December 31</u>	<u>24,689</u>	<u>500,813</u>	<u>118,340</u>	<u>2,685,670</u>

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND
JAIL FACILITY FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>REVENUE</u>			
State Tax Revenue	-	28	28
<u>Total Revenues</u>	-	28	28
<u>EXPENDITURES</u>			
Other	-	99	(99)
<u>Total Expenditures</u>	-	99	(99)
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	-	(71)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers (Out)	(130,000)	-	130,000
<u>REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	(130,000)	(71)	
<u>FUND BALANCE, January 1</u>	1,298,803	1,298,858	
<u>FUND BALANCE, December 31</u>	1,168,803	1,298,787	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND
CONSERVATION TRUST FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	Budgeted Amounts		Variance-
	Original & Final	Actual	Favorable (Unfavorable)
<u>REVENUE</u>			
Intergovernmental - Lottery	50,000	57,317	7,317
Interest Revenue	-	1,059	1,059
<u>Total Revenues</u>	50,000	58,376	8,376
<u>EXPENDITURES</u>			
Capital Outlay	-	-	-
Other	-	-	-
<u>Total Expenditures</u>	-	-	-
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	50,000	58,376	
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfers (Out)	(150,000)	-	150,000
<u>REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	(100,000)	58,376	
<u>FUND BALANCE, January 1</u>	174,846	181,205	
<u>FUND BALANCE, December 31</u>	74,846	239,581	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND
CONTINGENT FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>REVENUE</u>			
Property Taxes	16,731	16,384	(347)
Specific Ownership Tax	2,000	2,568	568
Other	-	52	52
<u>Total Revenues</u>	<u>18,731</u>	<u>19,004</u>	<u>273</u>
<u>EXPENDITURES</u>			
Miscellaneous	325,557	323	325,234
Fire Expenditures	-	19,292	(19,292)
West Nile Expenditures	-	-	-
<u>Total Expenditures</u>	<u>325,557</u>	<u>19,615</u>	<u>305,942</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	(306,826)	(611)	
<u>OTHER FINANCING SOURCES (USES)</u>			
Transfer In (Out)	-	-	-
<u>OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	(306,826)	(611)	
<u>FUND BALANCE, January 1</u>	<u>507,892</u>	<u>504,071</u>	
<u>FUND BALANCE, December 31</u>	<u>201,066</u>	<u>503,460</u>	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND
LEAF AND DUI FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted Amounts</u> <u>Original & Final</u>	<u>Actual</u>	Variance- Favorable <u>(Unfavorable)</u>
<u>REVENUE</u>			
DUI Fees	<u>2,500</u>	<u>1,245</u>	<u>(1,255)</u>
<u>EXPENDITURES</u>			
Miscellaneous	<u>10,000</u>	<u>800</u>	<u>9,200</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	<u>(7,500)</u>	<u>445</u>	
<u>FUND BALANCE, January 1</u>	<u>25,992</u>	<u>24,244</u>	
<u>FUND BALANCE, December 31</u>	<u>18,492</u>	<u>24,689</u>	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
SPECIAL REVENUE FUND
PILT FUND
SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
Year Ended December 31, 2013

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>REVENUE</u>			
Federal Sources	450,000	479,920	29,920
<u>EXPENDITURES</u>			
Miscellaneous	-	-	-
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	450,000	479,920	
<u>Other Financing Sources (Uses)</u>			
Transfer (Out)	(500,000)	(500,000)	-
<u>Total Revenues and Other Sources</u>	(500,000)	(500,000)	-
<u>REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</u>	(50,000)	(20,080)	
<u>FUND BALANCE, January 1</u>	418,671	520,893	
<u>FUND BALANCE, December 31</u>	368,671	500,813	

The accompanying notes are an integral part of these financial statements.

LAS ANIMAS COUNTY, COLORADO
 JAIL CAPITAL PROJECTS FUND
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 Year Ended December 31, 2013

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>Revenue</u>			
Sales Tax	-	-	-
Miscellaneous	-	-	-
<u>Total Revenues</u>	-	-	-
 <u>Expenditures</u>			
Operating Supplies	-	-	-
Equipment & Fixtures	30,000	-	30,000
Maintenance & Repairs	100,000	7,909	92,091
Capital Outlay	-	1	(1)
Debt Service:			
Principal	-	26,430	(26,430)
Interest	-	3,302	(3,302)
<u>Total Expenditures</u>	130,000	37,642	92,358
<u>Revenues Over (Under) Expenditures</u>	(130,000)	(37,642)	
 <u>Other Financing Sources (Uses)</u>			
Capital Lease Proceeds	-	-	-
Transfers In (Out)	130,000	-	(130,000)
<u>Total Other Financing Sources (Uses)</u>	130,000	-	(130,000)
<u>Net Change in Fund Balance</u>	-	(37,642)	
<u>Fund Balance, January 1</u>	187,087	155,982	
<u>Fund Balance, December 31</u>	187,087	118,340	

The accompanying notes are an integral part of these financial statements.

OTHER SCHEDULES

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Las Animas County YEAR ENDING : December 2013
This Information From The Records Of (example - City of _ or County of Las Animas County	Prepared By: Kristee Coberly Phone: 719-845-2578

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)	522,378
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,791,490
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	447,872
3. Other local imposts (from page 2)	0	c. Other	
4. Miscellaneous local receipts (from page 2)	594,398	d. Total (a. through c.)	447,872
5. Transfers from toll facilities		4. General administration & miscellaneous	732,644
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,494,384
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)	594,398	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	3,350,067	2. Notes:	
D. Receipts from Federal Government (from page 2)	19,193	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,963,658	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)	3,494,384

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
	4,810,804	3,963,658	3,494,384	5,280,078	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 2013

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	16,280
5. Specific Ownership &/or Other		g. Other Misc. Receipts	6,949
6. Total (1. through 5.)	0	h. Other	571,169
c. Total (a. + b.)	0	i. Total (a. through h.)	594,398
	(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	2,996,271	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	56,728	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)	297,068	f. Other Federal	19,193
f. Total (a. through e.)	353,796	g. Total (a. through f.)	19,193
4. Total (1. + 2. + 3.f)	3,350,067	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		522,378	522,378
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	522,378	522,378
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	522,378	522,378
			(Carry forward to page 1)

Notes and Comments:

E. Other - Severance Tax 297,068
 F. Other Federal - Energy Impact Grant 10,000
 F. Other Federal - Taylor Bankhead Jones 9,193

LAS ANIMAS COUNTY DEPARTMENT OF HUMAN SERVICES
REQUIRED SUPPLEMENTAL INFORMATION (RSI)
DECEMBER 31, 2013
revised 2013

CATEGORY	A COUNTY EBT AUTHORIZATIONS	B COUNTY SHARE OF AUTHORIZATIONS	C WARRANT ISSUE ISSUED BY COUNTY DEPT	A+C=D TOTAL COUNTY WARRANT ISSUE & AUTHORIZATIONS	B+C=E TOTAL COUNTY DEPT EXPENDITURES
Colorado Works					
Administration	\$ -		\$ 239,603.94	\$ 239,603.94	\$ 239,603.94
Non-ADM - Client Payment	\$ -		\$ 758,009.21	\$ 758,009.21	\$ 758,009.21
EBT (Non ADM)	\$ 756,501.05			\$ 756,501.05	\$ -
Total Colorado Works	\$ 756,501.05		\$ 997,613.15	\$ 1,754,114.20	\$ 997,613.15
Child Care					
EBT / MOE	\$ 136,859.68			\$ 136,859.68	\$ -
Administration	\$ -		\$ 73,513.47	\$ 73,513.47	\$ 73,513.47
Quality Grants	\$ -		\$ -	\$ -	\$ -
Total Child Care	\$ 136,859.68		\$ 73,513.47	\$ 210,373.15	\$ 73,513.47
Child Welfare					
Administration 100%			\$ 87,774.46	\$ 87,774.46	\$ 87,774.46
Administration 80/20%			\$ 536,154.16	\$ 536,154.16	\$ 536,154.16
CHRP				\$ -	\$ -
Mobile Tech Pilot Fund	\$ 2,273.25			\$ 2,273.25	\$ -
Res Mental Health	\$ 11,183.18			\$ 11,183.18	\$ -
Foster Care OOH	\$ 233,984.76			\$ 233,984.76	\$ -
Related Child Care	\$ 26,183.84			\$ 26,183.84	\$ -
SubAdopt	\$ 123,798.85			\$ 123,798.85	\$ -
Relative Guardianship	\$ 11,928.20			\$ 11,928.20	
Case Services	\$ (744.75)			\$ (744.75)	
Total Child Welfare	\$ 408,607.33		\$ 623,928.62	\$ 1,032,535.95	\$ 623,928.62
Total County Administration			\$ 561,718.55	\$ 561,718.55	\$ 561,718.55
Core Services					
Mental Health	\$ 3,290.00			\$ 3,290.00	\$ -
ADAD	\$ 19,272.96			\$ 19,272.96	\$ -
Special Economic Asst	\$ 4,358.39			\$ 6,070.19	\$ -
Core Other EBT/EFT	\$ 9,035.00			\$ 9,035.00	\$ -
Core Other - 100%			\$ 97,043.39	\$ 97,043.39	\$ 97,043.39
Core 80/20%			\$ 101,242.38	\$ 101,242.38	\$ 101,242.38
Total Core Services	\$ 35,956.35		\$ 198,285.77	\$ 235,953.92	\$ 198,285.77
				\$ -	\$ -
Total Child Support Enforce			\$ 206,964.34	\$ 206,964.34	\$ 206,964.34
Total LEAP	\$ 462,902.11		\$ 38,530.05	\$ 491,432.16	\$ 38,530.05
Total Aid to Needy Disabled	\$ 126,548.36			\$ 126,548.36	\$ -
Total A.N.D. HCA	\$ 2,052.00			\$ 2,052.00	\$ -
Total O.A.P. HCA	\$ 15,272.00			\$ 15,272.00	\$ -
Total SSI - HCA	\$ 7,254.00			\$ 7,254.00	
Total Old Age Pension	\$ 359,338.03			\$ 359,338.03	\$ -
Total Food Assist Fraud	\$ -		\$ 31,828.64	\$ 31,828.64	\$ 31,828.64
Total FA Benefits & Collect	\$ 4,104,050.52			\$ 4,104,050.52	\$ -
Total DoD Funds	\$ -			\$ -	\$ -
				\$ -	\$ -
Total Chaffee Indep Living			\$ 18,867.66	\$ 18,867.66	\$ 18,867.66

**LAS ANIMAS COUNTY DEPARTMENT OF HUMAN SERVICES
REQUIRED SUPPLEMENTAL INFORMATION (RSI)
DECEMBER 31, 2013**

CATEGORY	A COUNTY EBT AUTHORIZATIONS	B COUNTY SHARE OF AUTHORIZATIONS	C WARRANT ISSUE ISSUED BY COUNTY DEPT	A+C=D TOTAL COUNTY WARRANT ISSUE & AUTHORIZATIONS	B+C=E TOTAL COUNTY DEPT EXPENDITURES
Total Co Wide Cost Alloc			\$ -	\$ -	\$ -
Medicaid Transportation			\$ 109,838.15	\$ 109,838.15	\$ 109,838.15
Single Entry Point			\$ 572,439.41	\$ 572,439.41	\$ 572,439.41
Other Local Sources					
General Assistance			\$ 2,876.15	\$ 2,876.15	\$ 2,876.15
Commodities			\$ 2,937.47	\$ 2,937.47	\$ 2,937.47
Total Other Sources			\$ 5,813.62	\$ 5,813.62	\$ 5,813.62
IV-E Revenue SB-80 Non-ADM - Client Payment			\$ -	\$ -	\$ -
Parental Fees SB-94 Non-ADM - Client Payment			\$ 2,991.91	\$ 2,991.91	\$ 2,991.91
CWS - Mobile Tech Mobile Fund			\$ 18.16	\$ 18.16	\$ 18.16
IV-E Waiver Kinship Support			\$ 2,636.57	\$ 2,636.57	\$ 2,636.57
IV-E Waiver Roundtable			\$ 119.24	\$ 119.24	\$ 119.24
			\$ -	\$ -	\$ -

\$ 9,852,160.54

SINGLE AUDIT SECTION

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

The Board of County Commissioners
Las Animas County
Trinidad, Colorado 81082

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Las Animas County as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise Las Animas County's basic financial statements, and have issued our report thereon dated September 5, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Dixon, Waller & Co., P.C.

September 5, 2014

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

The Board of County Commissioners
Las Animas County
Trinidad, Colorado 81082

Report on Compliance for Each Major Federal Program

We have audited Las Animas County's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Las Animas County's major federal programs for the year ended December 31, 2013. Las Animas County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

In our opinion, Las Animas County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

Report on Internal Control Over Compliance

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

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

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

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

Dixon, Walker & Co., P.C.

September 5, 2014

LAS ANIMAS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

SUMMARY OF AUDITOR'S RESULTS:

Report

An unqualified report has been issued on the financial statements of Las Animas County.

Internal Control – Financial Statements

No conditions were disclosed by the audit that are considered to be a material weakness. No significant deficiencies not considered a material weakness were identified.

Noncompliance – Financial Statements

No instances of noncompliance in amounts material to the financial statements of Las Animas County were disclosed by the audit.

Internal Control – Federal Awards

No conditions were disclosed by the audit that are considered to be a material weakness. No significant deficiencies not considered a material weakness were identified.

Report on Compliance – Major Programs

An unqualified report has been issued on Las Animas County compliance for major programs.

Audit Findings

Audit findings requiring disclosure in accordance with OMB Circular A-133 Section 510(a) were not disclosed by the audit.

Major Programs

Airport Improvement	(CFDA # 20.106)
TANF	(CFDA # 93.558)
Title XIX Medicaid / Single Entry Point	(CFDA # 93.778)

Dollar Threshold to Distinguish Type A and Type B Programs

\$300,000.

Qualification as low-risk auditee

Las Animas County did not qualify as a low risk auditee for 2013

Findings – GAGAS

None.

LAS ANIMAS COUNTY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2013

SUMMARY OF AUDITOR'S RESULTS: (continued)

Findings – Federal Awards

NONE

LAS ANIMAS COUNTY, COLORADO
SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS
Year Ended December 31, 2013

NONE

LAS ANIMAS COUNTY, COLORADO
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 Year Ended December 31, 2013

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Expenditures Amount</u>
<u>U.S. Department of Transportation</u> (Direct Payment)		
Airport Improvement Program	20.106	223,496
<u>U.S. Department of Homeland Security</u> (Passed through County of Pueblo Colorado)		
Homeland Security Grant Program	97.067	34,767
<u>U.S. Department of Health and Human Services</u> (Passed through State Department of Human Services)		
Title IV-B Child Welfare	93.645	7,562
Title IV-E Foster Care	93.658	231,103
Title XX Block Grant	93.667	119,808
Title XIX Medicaid	93.778	88,980
Title IV-D Administration	93.563	100,550
LEAP	93.568	458,265
Title IV-E Adoption	93.659	61,873
TANF	93.558	869,752
CCDF	93.596	136,266
IV-E Ind. Living	93.674	18,775
<u>(Passed through State Department of Health Care Policy and Finance)</u>		
Single Entry Point	93.778	286,220
<u>U.S. Department of Agriculture</u> (Passed through State Department of Human Services)		
TEFAP Commodities	10.569	60,443
TEFAP Admin	10.568	1,410
<u>TOTALS</u>		<u>2,699,270</u>

LAS ANIMAS COUNTY, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2013

NOTE 1 Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Las Animas County and is presented on the modified accrual basis of accounting. The information in the schedule is prepared in accordance with generally accepted accounting principles. The information is presented in accordance with requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the financial statements.

NOTE 2 Non-Cash Assistance

a) Food Distribution

Non-monetary assistance is reported in the schedule at the fair market value of commodities received.

b) Electronic Benefits Transfer

The County has implemented the Electronic Benefits Transfer Program (EBT) and the following federal awards were received under this program:

1. Low-Income Energy Assistance Program (LEAP),
2. Child Welfare Eligibility and Tracking System (CWEST),
3. Child Care Automated Tracking Systems (CHATS),
4. Colorado Automated Food Stamp System (CAFSS),
5. Temporary Assistance to Needy Families (TANF),
6. Aid to Needy Disabled (AND).

Under this program, Counties authorize welfare payments to clients and/or vendors and subsequently the State bills the County for the County's local share. Non-monetary assistance provided for these programs has been either reported in the schedule at amounts provided by the Colorado Department of Human Services or on the modified accrual basis of accounting.

NOTE 3 Single Entry Point Program

\$157,203 of Single Entry Point monies were passed through to the Huerfano County during 2013. The cash basis of accounting was used to recognize the pass through of these program monies.

NOTE 4 Food Assistance – SNAP

A county must NOT report expenditures for SNAP benefits in its SEFA or its SF-SAC. This is because SNAP benefits are provided exclusively by electronic benefits transfer (EBT). In an EBT environment, there is no pass-through of Federal funds for SNAP benefits as these funds do not pass through the hands of county agencies. Rather, benefits are processed and expenditures determined by State-level EBT systems. With respect to counties, therefore, SNAP benefits do not meet the definitions of "Federal award" and "Federal financial assistance" in section 105 of A-133 (codified by USDA at 7 CFR Section 3052.105).