

Annual Financial Report



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PARK COUNTY, COLORADO

**For Fiscal Year Ended
December 31, 2013**

PARK COUNTY, COLORADO
ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2013

Prepared by the Finance Department
Jody McClurkin, Finance Director

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners
Park County, Colorado

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 Park County, Colorado (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.

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Opinions

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

Emphasis of Matters

Change in Accounting Principle

As described in Note 10 to the financial statements, the County adopted the provisions of GASB Statements Number 61, *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34* and 66, *Technical Corrections-2012-An Amendment of GASB Statements No. 10 and No. 62*. Our opinion is not modified with respect to these matters.

Correction of an Error

The Fleet Services Fund equity was increased as the result of correcting the recorded capitalization of specific assets and accumulated depreciation for the period. In addition, the December 31, 2012 General Fund equity was also restated to adjust for previously improperly recognized revenues and amounts owed by the Public Trustee to the General Fund. Accordingly, the improperly recognized revenue restatement impacted the government-wide financial statements as well. Additional information is provided in Note 11 to the financial statements.

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 B1 through B7, and E1 through E3, 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 Park County, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements, and the Local Highway Finance Report, are presented for purposes of additional analysis and legal compliance and are not a required part of the financial statements.

The combining and individual nonmajor fund financial statements with budgetary comparison schedules and the Local Highway Finance Report are the responsibility of management and were

derived from and relate directly to the underlying accounting and other records used to prepare the 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 nonmajor fund financial statements and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 26, 2014, on our consideration of Park County, Colorado'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 Park County, Colorado's internal control over financial reporting and compliance.

Payette & Adams, LLC

November 26, 2014
Denver, Colorado

Park County, Colorado

Management's Discussion and Analysis

December 31, 2013

As management of Park County, Colorado (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2013.

FINANCIAL HIGHLIGHTS

- The net position of Park County exceeded its liabilities at the close of the most recent fiscal year by \$31,139,777. Of this amount, \$6,736,795 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net position increased by \$2,089,649. As of the close of the current fiscal year, Park County governmental funds reported combined ending fund balances of \$13,457,384, an increase of \$815,436. Of that amount, \$1,798,677 is unassigned; \$3,076,731 is assigned, primarily for a 3-month fiscal reserve for operations; \$1,203,262 is committed; and the balance is restricted or non-spendable.
- At the end of the current year, unassigned fund balance for the General Fund was \$1,798,677 or 16% of total General Fund expenditures.

OVERVIEW of the FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components:

- 1) government-wide financial statements;
- 2) fund financial statements; and
- 3) notes to the financial statements.

This report also provides required supplementary information and other supplementary information in addition to the financial statements themselves.

General Purpose 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 deferred inflows of resources and liabilities and deferred outflows of resources, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the County include general government, judicial, public safety, health and human services, auxiliary services, road and bridge, and culture and recreation.

The government-wide financial statements can be found on pages C1 and C2 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. The 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, fiduciary funds and enterprise funds.

Governmental Funds:

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. The County's major governmental funds include the General Fund, Road and Bridge Fund, and Human Services Fund. The County also reports a number of minor governmental funds. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

General Fund:

Administration of general County operations is accomplished through various departments within the General Fund. At the beginning of 2013, the fund balance was \$4,088,532; and at the end of 2013, the fund balance increased by \$1,180,667, resulting in a fund balance of \$5,269,199. Following is a listing of the General Fund departments listed by function.

Administrative Operations:

- The Commissioners' Office coordinates County operations, financial reporting and accounting, and budget preparation.
- The Commissioners' Attorney works under direction of the Commissioners.
- The Planning and Building Office monitors the change of land use within the County.
- The Assessor's Office appraises and assesses taxes for all property within the County.
- The Treasurer's Office collects taxes, fees and handles all County banking needs.
- The Clerk & Recorder's Office operates motor vehicle, recordings and runs all elections.
- The Maintenance department oversees maintenance and cleaning of County buildings.
- Finance, Purchasing and Human Resource departments administer personnel, payroll and financial support functions.

Judicial:

- The District Attorney's Office provides judicial services jointly with other counties within the district.

Public Safety:

- The Sheriff's department, County Jail, Coroner's Office, Emergency Communication Center, Emergency Management and Animal Control provide public safety.

Health and Hospitals:

- The County's Public Health department provides services for pregnant mothers, newborn babies, and vaccinations for Park County residents.
- The Environmental Health department provides restaurant, groundwater and septic permits and inspections.
- Pikes Peak Mental Health provides mental health counseling and services to Park County and other counties.

Community Auxiliary Services:

- The Park County Fair is held annually during the month of July, under direction of the Park County Commissioners through the Park County Fair Board.

- The County provides office space and funding to South Park Senior Coalition to assist seniors in the County.
- Economic Development provides assistance to retain current businesses and assists in attracting new business into the County. This department also handles tourism requests.
- The Veterans' Office assists veterans living in the County.
- The County provides the communications network and dispatch services for most County entities including fire, local police and ambulance communications.
- The Historic Preservation and National Heritage Area preserve local Historical Properties.

Intergovernmental Co-operation:

- The County, in partnership with Teller County provides a Weed Management program.

Special Revenue Funds

The County's special revenue funds account for specific revenues that are legally restricted to expenditure for a particular purpose. The County's special revenue funds include the Road and Bridge Fund, Human Services Fund, and those funds which are detailed on pages F-1 and F-2, including the Conservation Trust Fund, Grant Fund, E-911 Fund, 1041 Fee Fund, Employee Retirement Fund, Sheriff's Seizure and Program Fund, Federal Mineral Impact Fund and Sales Tax Trust Fund.

At the beginning of 2013, the County's special revenue funds had aggregate fund balances of \$6,984,281 and ended the year with fund balances totaling \$7,177,195 resulting in an increase of \$192,914. An increase of approximately \$23,000 in the Road and Bridge Fund, \$34,000 in the Human Services Fund, \$5,000 in the Employee Retirement Fund, \$68,000 in the E-911 Fund, \$54,000 in the Conservation Trust Fund, and \$36,000 in the Sales Tax Trust Fund offset by decreases of approximately \$14,000 in the Sheriff's Seizure and Program Fund and \$13,000 in the Federal Mineral Lease Fund were the reasons for the increase in the Special Revenue Funds in 2013.

Debt Service Funds:

The County's Debt Service Fund is used to pay the principal and interest to the County's long-term debt. The beginning fund balance of \$984,775 decreased by \$795 during 2013 resulting in an ending fund balance of \$983,980.

Capital Projects Fund:

The County's Capital Projects Fund accounts for the acquisition and construction of its major capital facilities. As noted above, the Health & Human Services building construction, the purchase of the former Fairplay Town Hall, and smaller improvement projects totaled approximately \$857,000 in expenditures from this fund. Transfers into the fund of \$300,000 resulted in a net decrease of approximately \$557,000. The ending fund balance was \$27,010 compared to the beginning fund balance of \$584,360.

Proprietary Funds

The County has one Enterprise Fund and two Internal Service Funds.

Recreation Fund

The Recreation Fund is used to account for the proceeds from fishing access fees. The net loss for the year was \$6,206, which resulted in an ending net position of \$8,356.

Internal Service Funds

The Risk Management and Fleet Services Funds account for risk management and fleet services provided to other departments or agencies of the government on a cost reimbursement basis.

Fiduciary/Agency Funds

The County Treasurer holds cash and investments as an agent for other governments, as well as for County funds. Agency funds held by the County Treasurer on behalf of other governments totaled \$894,024 at the end of 2013.

Schedules and 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 D1 through D16 of this report.
- The combining and individual fund financial statements are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages F1 through F19.
- The Local Highway Finance Report on pages G1 and G2 is submitted to the State of Colorado and reflects the County's receipts and disbursements for road and street purposes during the year.

FINANCIAL ANALYSIS

The County uses fund accounting to ensure compliance with finance-related legal requirements. The County adopts an annually appropriated budget for each of its funds. Budgetary comparison statements have been provided to demonstrate compliance.

Government-wide Financial Analysis:

As previously mentioned, the government-wide financial statements are designed to provide readers with a broad overview and long-term analysis of the County's finances, in a manner similar to a private-sector business.

The following schedule summarizes the County's net position at the end of 2013:

	Park County's Net Position at December 31			
	Governmental Activities		Business Type Activities	
	2013	Restated 2012	2013	2012
Assets:				
Current assets	\$ 23,445,885	\$ 23,201,926	\$ 8,356	\$ 14,748
Capital assets, net of accumulated depreciation	19,775,775	19,717,581	-	-
Total Assets	43,221,660	42,919,507	8,356	14,748
Deferred Outflow of Resources:	64,563	96,842	-	-
Liabilities:				
Current liabilities	2,453,949	2,958,916	-	186
Long-term debt	2,037,258	2,866,801	-	-
Total Liabilities	4,491,207	5,825,717	-	186
Deferred Inflow of Resources:				
Unavailable property tax revenue	7,663,595	8,155,066	-	-
Net Position:				
Net investment in capital assets	17,057,933	15,774,591	-	-
Restricted	7,345,049	3,899,127	-	-
Unrestricted	6,728,439	9,361,848	8,356	14,562
Total Net Position	\$ 31,131,421	\$ 29,035,566	\$ 8,356	\$ 14,562

Traditionally, a government's largest investment is in its capital assets: land, building, equipment, machinery, and specialized tools which are necessary to deliver and/or provide services to its residents and customers. Because capital assets may not be quickly converted to cash, these assets are not an available source of funding for future spending. Park County's capital assets account for 46% of its total assets at the end of 2013.

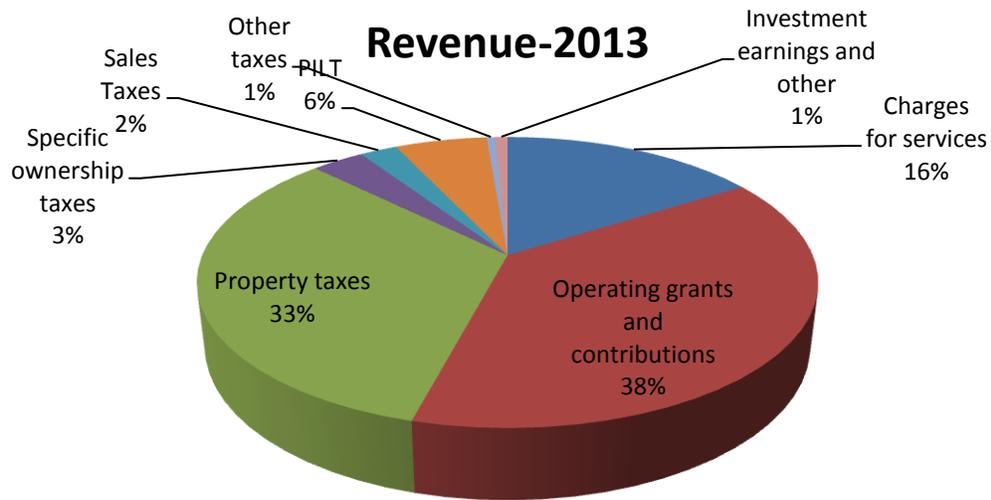
At the end of the 2013 fiscal year, the County's net position was \$31,139,777; an increase of \$2,089,555 compared to the prior year balance. The restricted component of net position totals \$7,345,049. Restrictions include 3% of fiscal spending, which has been reserved for emergencies regarding the Taxpayer's Bill of Rights ("TABOR") and restrictions related to specific revenue sources in the Special Revenue Fund type. \$17,057,933 or 55% of the total net position represents the County's "equity" in capital assets (i.e., cost of capital assets, less accumulated depreciation and debt incurred to acquire those capital assets). The unrestricted, or spendable, portion of net position is \$6,736,795 or 22%.

The following schedule summarizes the changes in the County's net position during 2013:

Park County's Change in Net Position

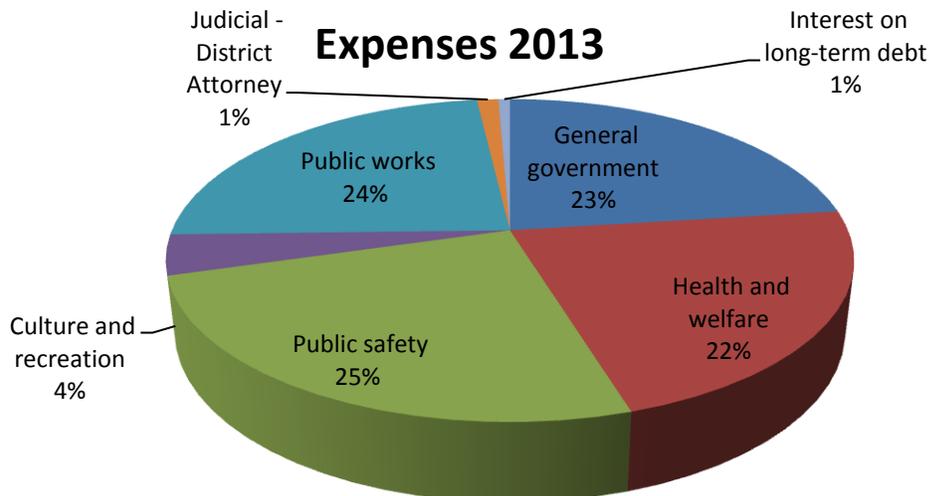
	Park County's Change in Net Position			
	Governmental Activities		Business Type Activities	
	2013	Restated 2012	2013	2012
Program revenues:				
Charges for services	\$ 3,936,773	\$ 1,841,884	\$ 36,270	\$ 23,132
Operating grants and contributions	9,374,741	9,998,500	-	-
Capital grants and contributions	-	129,216	-	-
General revenues:				
Property taxes	8,166,842	7,868,367	-	-
Specific ownership taxes	807,255	723,693	-	-
Sales Taxes	568,934	524,652	-	-
PILT	1,413,454	1,172,715	-	-
Other taxes	131,993	87,838	-	-
Investment earnings and other	188,150	767,477	-	-
Total revenues	<u>24,588,142</u>	<u>23,114,342</u>	<u>36,270</u>	<u>23,132</u>
Expenses:				
General government	5,175,140	5,513,767	-	-
Health and welfare	5,000,114	4,569,601	-	-
Public safety	5,689,443	5,235,341	-	-
Culture and recreation	911,348	937,516	42,476	28,390
Public works	5,298,511	5,359,876	-	-
Judicial - District Attorney	271,833	292,129	-	-
Interest on long-term debt	145,898	186,017	-	-
Total expenses	<u>22,492,287</u>	<u>22,094,247</u>	<u>42,476</u>	<u>28,390</u>
Change in Net Position	2,095,855	1,020,095	(6,206)	(5,258)
Net Position, Restated - January 1	<u>29,035,566</u>	<u>28,015,471</u>	<u>14,562</u>	<u>19,820</u>
Net Position, December 31	<u>\$ 31,131,421</u>	<u>\$ 29,035,566</u>	<u>\$ 8,356</u>	<u>\$ 14,562</u>

The following graph illustrates the County's 2013 revenue sources:



For 2013, the County increased funding to allow for the purchase of supplies, equipment, vehicles, and manpower to various departments of the governmental activities to enhance quality services.

The following graph depicts the County's 2013 expenses:



Fund Financial Analysis:

Aggregate governmental fund balances at year-end showed an increase of \$815,436. This increase is primarily the net result of excess revenues in the General, Road & Bridge, and Human Services Funds offset by capital outlay for completion of the Health & Human Services Building, the purchase of the former Fairplay Town Hall for use as the library, construction upgrades to existing facilities, and equipment/vehicle purchases. Additionally, the General Fund transferred \$1,027,183 to other funds, including the Capital Projects and Fleet Services Funds.

The Human Services Fund had excess revenues over expenditures of \$134,160 for 2013. A \$100,000 transfer was made from this fund to the Capital Projects Fund, resulting in a \$34,160 fund balance at the year end.

The activity in the Road & Bridge Fund during 2013 resulted in revenues closely matching expenses with a net effect of \$9,811 before a transfer of \$13,059 from the Mineral Impact Fund was made. The ending balance for this fund was \$22,870 higher in 2013 than the prior year.

Budget Variances and Amendments:

The County was required to amend the budgets of several funds for the current fiscal year in order to ensure that expenditures did not exceed appropriations and to comply with State budget statutes. The more significant of these budget amendments were as follows:

- General Fund departments received budgetary increases totaling \$212,707 to cover general operating expenditures in excess of originally budgeted amount. These increases included a capital expense for a property to house our maintenance department.
- Fleet Services Fund received a budgetary increase in the amount of \$250,500 to cover personnel and operating costs in excess of the original budgeted amount.
- The Sales Tax Trust Fund received a budgetary increase in the amount of \$1,771,700 primarily for a capital expenditure that was not considered in the original budget for 2013.

Capital Assets and Debt Administration:

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2013, equaled \$19,775,775. This is an increase of \$58,194 from the prior year. Additional information on the County's capital assets can be found in Note 3 of the Notes to Financial Statements.

Long-Term Debt

The County executed a Lease Purchase Agreement with JP Morgan Chase Equipment Leasing in June 2013 for the procurement of vehicles through the Fleet Fund. Additional information on the County's long-term debt can be found in Note 4 of the Notes to Financial Statements.

Next Year's Budget and Rates:

The County's General Fund balance at the end of fiscal year 2013 was \$5,269,199. A reserve is considered necessary to start the year and provide basic services to the residents of and visitors to Park County. An adequate reserve at the year-end on which to operate government at a basic level is generally a minimum of three months or 25% of budgeted expenditures. At the end of 2013, the County's General Fund balance approximated 46% of actual 2013 General Fund expenditures. The 2014 budget was kept as close to the 2013 budget as possible.

Request for Information

This financial report is designed to provide a general overview of the County's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Park County Finance Department, P.O. Box 1373, Fairplay, Colorado 80440.

BASIC FINANCIAL STATEMENTS

Park County, Colorado
Statement of Net Position
December 31, 2013

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets:			
Cash and investments - Unrestricted	\$ 14,176,314	\$ 8,356	\$ 14,184,670
Cash and investments - Restricted	631,026	-	631,026
Receivables, net:			
Taxes	7,663,595	-	7,663,595
Intergovernmental	48,559	-	48,559
Accounts	861,833	-	861,833
Other	30,893	-	30,893
Inventories, at cost	33,665	-	33,665
Capital assets, not depreciated	5,056,041	-	5,056,041
Capital assets, depreciated, net of accumulated depreciation	14,719,734	-	14,719,734
Total assets	<u>43,221,660</u>	<u>8,356</u>	<u>43,230,016</u>
Deferred Outflow of Resources:			
Deferred bond refunding costs, net	64,563	-	64,563
Liabilities:			
Accounts payable	881,777	-	881,777
Accrued interest	4,985	-	4,985
Due to other governments	210,379	-	210,379
Debt obligations:			
Due within one year	1,356,808	-	1,356,808
Due in more than one year	2,037,258	-	2,037,258
Total liabilities	<u>4,491,207</u>	<u>-</u>	<u>4,491,207</u>
Deferred Inflow of Resources:			
Unavailable property tax revenue	7,663,595	-	7,663,595
Net Position:			
Net investment in capital assets	17,057,933	-	17,057,933
Restricted			
Emergencies - TABOR	583,000	-	583,000
Motor vehicle licensing equipment	87,522	-	87,522
Debt service	983,980	-	983,980
Public safety	429,449	-	429,449
Public works	3,262,319	-	3,262,319
Recreation	149,983	-	149,983
Land and water conservation	1,848,796	-	1,848,796
Unrestricted	6,728,439	8,356	6,736,795
Total Net Position	<u>\$ 31,131,421</u>	<u>\$ 8,356</u>	<u>\$ 31,139,777</u>

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

Park County, Colorado
Statement of Activities
For the Year Ended December 31, 2013

Functions/Programs:	Program Revenues				Net (Expense) Revenue and Change in Net Position			
	Expenses	Charges for Services		Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government								
Governmental activities:								
General government	\$ 5,175,140	\$ 1,471,235	\$ 8,084	\$ -	\$ (3,695,821)	\$ -	\$ (3,695,821)	
Health and welfare	5,000,114	74,606	3,919,714	-	(1,005,794)	-	(1,005,794)	
Public safety	5,689,443	2,266,372	71,468	-	(3,351,603)	-	(3,351,603)	
Culture and recreation	911,348	18,902	456,800	-	(435,646)	-	(435,646)	
Public works	5,298,511	105,658	4,918,675	-	(274,178)	-	(274,178)	
Judicial - District Attorney	271,833	-	-	-	(271,833)	-	(271,833)	
Interest on long-term debt	145,898	-	-	-	(145,898)	-	(145,898)	
Total Governmental activities	22,492,287	3,936,773	9,374,741	-	(9,180,773)	-	(9,180,773)	
Business-type activities:								
Recreation	42,476	36,270	-	-	-	(6,206)	(6,206)	
Total Primary Government	\$ 22,534,763	\$ 3,973,043	\$ 9,374,741	\$ -	\$ (9,180,773)	\$ (6,206)	\$ (9,186,979)	
General revenues:								
Taxes:								
Property taxes					8,166,842	-	8,166,842	
Specific ownership taxes					807,255	-	807,255	
Sales taxes					568,934	-	568,934	
Other taxes					131,993	-	131,993	
PILT					1,413,454	-	1,413,454	
Investment earnings					(55,677)	-	(55,677)	
Miscellaneous					203,809	-	203,809	
Gain on sale of capital assets					40,018	-	40,018	
Total general revenues					11,276,628	-	11,276,628	
Change in Net Position					2,095,855	(6,206)	2,089,649	
Net Position, Restated - January 1					29,035,566	14,562	29,050,128	
Net Position, - December 31					\$ 31,131,421	\$ 8,356	\$ 31,139,777	

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

**Park County, Colorado
Balance Sheet
Governmental Funds
December 31, 2013**

	General Fund	Road and Bridge Fund	Human Services Fund	Other Governmental Funds	Total Governmental Funds
Assets:					
Cash and investments - Unrestricted	\$ 5,266,167	\$ 3,147,398	\$ 1,133,110	\$ 3,567,718	\$ 13,114,393
Cash and investments - Restricted	-	-	-	231,017	231,017
Accounts receivable	284,731	273,139	-	303,963	861,833
Property taxes receivable	6,864,138	359,342	273,053	167,062	7,663,595
Due from other governments	-	-	48,559	-	48,559
Interest receivable	30,893	-	-	-	30,893
Inventory	-	33,665	-	-	33,665
Total assets	\$ 12,445,929	\$ 3,813,544	\$ 1,454,722	\$ 4,269,760	\$ 21,983,955
Liabilities, Deferred Inflows and Fund Balances					
Liabilities:					
Accounts/vouchers payable	\$ 312,592	\$ 158,220	\$ 23,800	\$ 157,985	\$ 652,597
Due to other governments	-	-	-	210,379	210,379
Total liabilities	312,592	158,220	23,800	368,364	862,976
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	6,864,138	359,342	273,053	167,062	7,663,595
Fund balances:					
Non-Spendable	-	33,665	-	-	33,665
Restricted					
Emergencies - TABOR	583,000	-	-	-	583,000
Motor vehicle licensing equipment	87,522	-	-	-	87,522
Debt service	-	-	-	983,980	983,980
Public safety	-	-	-	429,449	429,449
Public works	-	3,262,317	-	2	3,262,319
Recreation	-	-	-	149,983	149,983
Land and water conservation	-	-	-	1,848,796	1,848,796
Committed	-	-	1,157,869	45,393	1,203,262
Assigned	2,800,000	-	-	276,731	3,076,731
Unassigned	1,798,677	-	-	-	1,798,677
Total fund balances	5,269,199	3,295,982	1,157,869	3,734,334	13,457,384
Total liabilities, deferred inflows, and fund balances	\$ 12,445,929	\$ 3,813,544	\$ 1,454,722	\$ 4,269,760	

Amounts reported for governmental activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	19,314,544
Internal service funds are used by management to charge the costs of health insurance and fleet assets to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	1,293,981
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These include bonds payable (\$975,000), Certificates of Participation (\$680,000) Capital Leases (\$1,062,842), Compensated Absences (\$276,224), Deferred Debt Refunding Costs 64,563, and accrued interest (\$4,985).	(2,934,488)
Net position of governmental activities	\$ 31,131,421

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

Park County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2013

	General Fund	Road and Bridge Fund	Human Services Fund	Other Governmental Funds	Total Governmental Funds
Revenues:					
Taxes	\$ 8,289,932	\$ 262,661	\$ 366,605	\$ 755,826	\$ 9,675,024
Licenses and permits	387,378	19,166	-	-	406,544
Intergovernmental revenue	1,575,095	4,918,675	3,617,831	676,594	10,788,195
Fines and forfeitures	117,770	-	-	-	117,770
Charges for services	3,056,649	86,492	-	269,318	3,412,459
Interest	(61,282)	-	-	4,848	(56,434)
Miscellaneous	95,453	2,566	-	23,522	121,541
Total revenues	<u>13,460,995</u>	<u>5,289,560</u>	<u>3,984,436</u>	<u>1,730,108</u>	<u>24,465,099</u>
Expenditures:					
General government	4,668,194	-	-	224,877	4,893,071
Health and welfare	459,206	-	3,811,546	713,522	4,984,274
Public safety	5,188,108	-	-	161,953	5,350,061
Culture and recreation	470,180	-	-	385,473	855,653
Public works	-	4,648,391	-	-	4,648,391
Judicial - District Attorney	271,833	-	-	-	271,833
Capital outlay	196,824	22,801	38,730	827,169	1,085,524
Debt service:					
Principal	-	580,569	-	644,579	1,225,148
Interest	-	27,988	-	87,120	115,108
Miscellaneous	-	-	-	2,300	2,300
Total expenditures	<u>11,254,345</u>	<u>5,279,749</u>	<u>3,850,276</u>	<u>3,046,993</u>	<u>23,431,363</u>
Excess (deficiency) of revenues over expenditures	<u>2,206,650</u>	<u>9,811</u>	<u>134,160</u>	<u>(1,316,885)</u>	<u>1,033,736</u>
Other financing sources (uses):					
Proceeds from asset disposals	1,200	-	-	-	1,200
Transfers in from other funds	-	13,059	-	907,683	920,742
Transfers (out) to other funds	(1,027,183)	-	(100,000)	(13,059)	(1,140,242)
Total other financing sources (uses)	<u>(1,025,983)</u>	<u>13,059</u>	<u>(100,000)</u>	<u>894,624</u>	<u>(218,300)</u>
Net change in fund balances	1,180,667	22,870	34,160	(422,261)	815,436
Fund balances - January 1 Restated	<u>4,088,532</u>	<u>3,273,112</u>	<u>1,123,709</u>	<u>4,156,595</u>	<u>12,641,948</u>
Fund balances - December 31	<u>\$ 5,269,199</u>	<u>\$ 3,295,982</u>	<u>\$ 1,157,869</u>	<u>\$ 3,734,334</u>	<u>\$ 13,457,384</u>

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

PARK COUNTY, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL 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 Changes in Fund Balances - Total Governmental Funds	\$	815,436
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation(\$1,335,417), exceeded capital outlay (\$1,085,524).		(249,893)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. These include payments on bonds of \$315,000, Certificates of Participation \$215,000, Capital Leases \$695,148, and Change in Accrued Compensated Absences of (\$5,389).		1,219,759
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These are the amortization of bond refunding costs (\$32,279) and accrued interest \$1,489.		(30,790)
The Internal service fund is used by management to charge certain costs to individual funds. The net revenue (expense) of the internal service funds are reported with governmental activities.		<u>341,343</u>
Change in Net Position of Governmental Activities	\$	<u><u>2,095,855</u></u>

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

**Park County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2013**

	Business-type Activities - Enterprise Funds Recreation Fund	Governmental Activities Internal Service Funds
Assets:		
Current assets		
Cash and cash equivalents	\$ 8,356	\$ 1,061,921
Restricted cash	-	400,009
Total current assets	8,356	1,461,930
Noncurrent assets		
Capital assets		
Vehicles	-	541,798
Accumulated depreciation	-	(80,567)
Total Noncurrent assets	-	461,231
Total assets	8,356	1,923,161
 Liabilities:		
Current liabilities		
Accounts payable and accrued liabilities	-	229,180
Current portion of lease obligation	-	96,134
Total Current Liabilities	-	325,314
Long term liabilities		
Leases payable	-	303,866
Total liabilities	-	629,180
 Net Position:		
Net investment in capital assets	-	461,231
Unrestricted	8,356	832,750
Total net position	\$ 8,356	\$ 1,293,981

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

Park County, Colorado
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds	Governmental Activities
	Recreation Fund	Internal Service Funds
Operating revenues:		
Charges for services	\$ 36,270	\$ 2,598,510
Total operating revenues	<u>36,270</u>	<u>2,598,510</u>
Operating expenses:		
General government	-	135,232
Culture and recreation	42,476	-
Claims and administration	-	2,310,257
Depreciation	-	70,753
Total operating expenses	<u>42,476</u>	<u>2,516,242</u>
Operating income (loss)	<u>(6,206)</u>	<u>82,268</u>
Non-operating revenues:		
Sale of Assets	-	38,818
Interest	-	757
Total non-operating revenues	<u>-</u>	<u>39,575</u>
Loss before transfers	<u>(6,206)</u>	<u>121,843</u>
Transfers in from other funds	-	219,500
Change in net position	(6,206)	341,343
Net position - January 1 Restated	<u>14,562</u>	<u>952,638</u>
Net position - December 31	<u>\$ 8,356</u>	<u>\$ 1,293,981</u>

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

Park County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2013

	Business-type Activities - Enterprise Funds Recreation Fund	Governmental Activities Internal Service Funds
	<u> </u>	<u> </u>
Cash flows from operating activities:		
Cash received for charges for services	\$ 36,270	\$ 2,598,510
Cash paid for goods and services	(42,662)	(2,367,724)
Net cash provided (used) for operating activities	<u>(6,392)</u>	<u>230,786</u>
Cash flows from noncapital financing activities		
Transfers in from other funds	-	219,500
Net cash provided by noncapital financing activities	<u>-</u>	<u>219,500</u>
Cash flows from capital and related financing activities		
Purchase of capital assets	-	(369,722)
Sale of assets	-	29,700
Lease proceeds	-	400,000
Net cash provided by capital and related financing activities	<u>-</u>	<u>59,978</u>
Cash flows from investing activities:		
Interest received	-	757
Net cash provided by investing activities	<u>-</u>	<u>757</u>
Net increase (decrease) in cash and cash equivalents	(6,392)	511,021
Cash and cash equivalents - January 1	<u>14,748</u>	<u>950,909</u>
Cash and cash equivalents - December 31	<u>\$ 8,356</u>	<u>\$ 1,461,930</u>
 Reconciliation of operating loss to net cash used for operating activities:		
Operating income (loss)	<u>\$ (6,206)</u>	<u>\$ 82,268</u>
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation	-	70,753
Increase (decrease) in accounts payable and accrued liabilities	(186)	77,765
Total adjustments	<u>(186)</u>	<u>148,518</u>
Net cash provided (used) for operating activities	<u>\$ (6,392)</u>	<u>\$ 230,786</u>

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

Park County, Colorado
STATEMENT OF FIDUCIARY NET POSITION
Fiduciary Fund
December 31, 2013

	<u>Agency Fund</u>
Assets	
Cash and investments	<u>\$ 894,024</u>
Liabilities	
Due to other governmental agencies	\$ 712,893
Held by Public Trustee	<u>181,131</u>
Total liabilities	<u>\$ 894,024</u>

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

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Park County, Colorado (the "County") is a political subdivision organized under the statutes of the State of Colorado. A three-member Board of Commissioners is responsible for setting policy, appointing administrative personnel and the adoption of an annual budget in accordance with state statutes.

The accounting policies of the County conform to generally accepted accounting principles as applicable to governments. Following is a summary of the more significant policies.

Reporting Entity

As required by GAAP, the financial statements present the financial activities of the County and its component units. Component units are legally separate entities for which the county is considered to be financially accountable. Blended component units, though legally separate entities, are also part of the County's operations. Data from these units is combined with that of the primary government. Conversely, each discretely presented component unit is reported in a separate column in the government-wide financial statements, to emphasize that it is legally separated from the primary government. All component units have a December 31 year-end.

Blended component units. The Park County Building Authority, formed in 2004 as a non-profit corporation under Section 501(c)(4) of the Internal Revenue Code, exists solely to issue debt to acquire real estate for lease to the County. The County is financially accountable for the activities of the Building Authority and its assets are reflected in the County's capital assets, and its debt is recorded in the County's long-term debt. The County Board of County Commissioners acts as the Board of the Authority. The Building Authority does not prepare separate financial statements.

The Telephone Authority was formed by resolution of the Park County Board of County Commissioners under an intergovernmental agreement with the County municipalities and fire districts. Under this agreement, the Telephone Authority is responsible for the 911 telephone system equipment purchase and maintenance. Additionally, the Telephone Authority helps fund the Sheriff's managed and staffed 911 call center. The Telephone Authority funding is provided by telephone surcharges determined by the BOCC and collected and remitted primarily by CenturyLink. Additional funding may be provided at the BOCC's discretion. Members of the telephone Authority Board are appointed by the BOCC. This Board sets the annual budget required by the Department of Local Affairs, Division of Local Government. The Park County E-911 Authority does not prepare separate financial statements.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the County. For the most part, the effect of interfund activity has been removed from these statements. However, the effect of interfund services provided and used is not eliminated in the statement of activities. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current *financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

The Agency Fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Property taxes, specific ownership taxes, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

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

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

The *Road and Bridge Fund* accounts for the County's share of State revenues that are legally restricted for the maintenance of highways and roads within the County's boundaries and to account for property taxes and other revenues restricted for highway and road purposes.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

The *Human Services Fund* administers the County's State and Federal revenues that are restricted for providing of health and human services to the residents of the County.

Additionally, the County reports the following non-major fund types:

The *Recreation Enterprise Fund* accounts for the financial activities associated with the County's recreational fishing program.

The *Internal Service Funds* are used to account for the partially self-insured health insurance program for County employees and the administration of the County's fleet of vehicles. These services are provided to other County funds and departments on a cost reimbursement basis.

Agency Funds are used to account for the collection and distribution of property and other taxes between the County's funds and other governments and agencies. Agency Funds are also used to account for the activities of the County's Public Trustee and segregate these activities into a separate fund as required by state statutes.

Investments

Investments in securities are carried at fair value. Unrealized gains or losses resulting from changes in fair value between January 1 and December 31 are recognize as a component of interest income. Realized gains or losses on securities included in the investment portfolio are recognized only when related security is sold prior to the stated maturity. Certain investments are restricted for debt service.

Receivables

Receivables are reported net of an allowance for uncollectible accounts. The County believes that all current receivables are collectible.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds. The resulting receivables and payables are classified on the balance sheet as *due from other funds* and *due to other funds* because they are short-term in nature.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as *internal balances*.

Inventories

Inventories consist of supplies for the County's use and are carried at cost using the first-in, first-out method. Inventories are reported net of an allowance for obsolescence.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. Property and equipment of the County is depreciated using the straight line method over the following estimated useful lives:

Land Improvements	15 years
Buildings and Improvements	20 - 40 years
Roads	50 years
Equipment	3 - 10 years
Vehicles	5 years

Compensated Absences

Employees of the County are allowed to accumulate unused vacation time at the rate of 4 hours per month at their time of hire until the completion of one year of service. Subsequently, an employee will earn 8 hours per month for one year through five years of service, 12 hours per month for six through fourteen years of service, and 16 hours per month for fifteen or more years of service. An employee may accrue up to the maximum amount which is 96 hours, 144 hours and 192 hours for the three levels of experience as noted above.

Employees accrue paid sick leave at the rate of 4 hours per month at their time of hire until the completion of one year of service. Subsequently, employees will earn 8 hours of paid sick leave until the maximum accrual amount of 480 hours is reached. As sick leave does not vest, no liability is recorded.

Unearned Revenues

Unearned revenues consist of advances received on grants that are recognized as revenue when the terms of the grant are fulfilled.

Deferred Outflows/Inflows of Resources

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

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

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Net Position

The government-wide fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted. Net investment in capital assets is intended to reflect the portion of net position which is associated with non-liquid, capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost. Restricted net position is liquid assets, which have third party limitations on their use. Unrestricted net position represents assets that do not have any third party limitations on their use.

Fund Balance Classification

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

Nonspendable – This classification includes amounts that cannot be spent because they are either not in a spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either (a) externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. The County has classified Emergency Reserves as being restricted because their use is restricted by State Statute for declared emergencies. The County has classified the balances of the *Road and Bridge Fund*, *Conservation Trust Fund*, the *Sheriff's Seizure and Program Fund*, the *E-911 Authority Fund*, and the *Federal Mineral Impact Fund* as restricted because their use is restricted by State Statute. The County has classified the *Sales Tax Trust Fund* as restricted because its use is restricted through voter approval and the *Debt Service Fund* balance is restricted for the repayment of long-term debt.

Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of County Commissioners. These amounts cannot be used for any other purpose unless the Board of County Commissioners removes or changes the specified use by taking the same type of action (ordinance or resolution) that was employed when the funds were initially committed.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Classification (Continued)

This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The County has classified the *1041 Fee Fund and the Human Services Fund* as committed as of December 31, 2013.

Assigned – This classification includes amounts the government intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. The County has classified the fund balances of the *Employee Retirement Fund and the Capital Projects Fund* as assigned as of December 31, 2013. For the General Fund, amounts constrained for the intent to be used for a specific purpose has been delegated to the County Chief Administrative Officer and Director of Budget and Finance through the budget process which is approved by the Board of County Commissioners.

Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

The County's financial policies require that a 3 month reserve of operating expenditures be maintained in the General, Road and Bridge, and Human Services Funds.

Property Taxes

Property taxes are levied on or before December 15 and attach as an enforceable lien on property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's office collects property taxes and remits them on a monthly basis. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

Since property tax revenues are levied to support expenditures of the succeeding year, a receivable and corresponding unavailable property tax revenue shown as deferred inflow of resources was recorded at December 31.

Statement of Cash Flows

For purposes of the statement of cash flows, the County considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the County's financial position and operations. However, complete comparative data in accordance with generally accepted accounting principles has not been presented since its inclusion would make the financial statements unduly complex and difficult to read.

Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

Budgetary Basis of Accounting

Prior to October 15, the County Administrator submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures of all funds and the means of financing them.

A public hearing is conducted to obtain taxpayer comments.

The operating budget includes proposed expenditures/expenses and the means of financing them. Public hearings are conducted in the county to obtain comments. On or before December 22, the County must certify the mill levy. However prior to certifying the mill levy, budgets by fund are legally enacted through passage of an appropriation resolution.

Budgets for governmental funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budgets are legally adopted for all governmental funds annually through a Budget Resolution.

Budgets for proprietary funds are adopted on a basis consistent with accounting principles generally acted in the United States of America, except that the County excludes depreciation and amortization and include debt service principal and interest payments and capital outlay.

The Board of County Commissioners must approve transfers between funds, or increases to a fund's budget. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Fund, Capital Projects Fund, and Proprietary Funds. For budgetary purposes all unexpended appropriations lapse at year-end.

In 2013, two budget amendments were approved by the County. The effect of these amendments was an overall increase in appropriations of \$2,305,706 broken down by fund as follows:

General fund	\$ 212,707
Conservation trust fund	36,892
Grant fund	8,200
Employee retirement fund	7,600
Sales tax trust fund	1,771,700
Federal mineral impact fund	3,059
Fleet services fund	<u>250,500</u>
Total	<u>\$ 2,290,658</u>

The Fleet Services Fund exceeded the final approved appropriations by approximately \$35,000 for the year ended December 31, 2013.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 2: CASH AND INVESTMENTS

A summary of the primary government cash and investments as of December 31, 2013 follows:

Petty Cash	\$ 3,335
Cash on Hand	37,828
Cash Deposits	1,925,871
Investments	13,742,686
Total	<u>\$ 15,709,720</u>

The above amounts are classified in the financial statements as follows:

Governmental activities – unrestricted	\$ 14,176,314
Governmental activities – restricted	631,026
Business-type activities	8,356
Agency Fund	894,024
Total	<u>\$ 15,709,720</u>

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2013, State regulatory commissioners have indicated that all financial institutions holding deposits for the County are eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. The County has no policy regarding custodial credit risk for deposits.

At December 31, 2013, the County had deposits with financial institutions with a carrying amount of \$1,925,871. The bank balances with the financial institutions were \$1,989,594. Of these balances, \$750,000 was covered by federal depository insurance and \$1,175,871 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

Investments

As of December 31, 2013, the County has the following investments:

	Fair Value	Investment Maturity (Years)	
		Less than One Year	1-5 Years
US Government bonds	\$ 7,459,436	\$ -	\$ 7,459,436
Money market funds	231,017	231,017	-
Certificates of deposit	195,212	-	195,212
Colostrust	<u>5,857,021</u>	<u>5,857,021</u>	<u>-</u>
Total	<u>\$ 13,742,686</u>	<u>\$ 6,088,038</u>	<u>\$ 7,654,648</u>

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 2: CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

The County has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. Investments are limited to a maturity date not exceeding five years unless otherwise approved in writing by the Board of County Commissioners. The County shall maintain at least 25% of its total investment portfolio in instruments maturing in 120 days or less.

Credit Risk

Colorado statutes specify in which instruments the units of local government may invest which includes:

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

The above investments are authorized for all funds and fund types used by Colorado governments. The Government Agency securities have a rating of AA+ from Standard and Poor. The County's investment policy is in line with the Colorado State Statutes.

The County had invested \$5,857,021 in the Colorado Government Liquid Asset Trust (COLOTRUST); an investment vehicle established for local government entities in Colorado to pool surplus funds and which is registered with the State Securities Commissioner. The Fund operates similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities.

A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. Colotrtrust is rated AAAm from Standard. At December 31, 2013, COLOTRUST had a weighted average maturity of 68 days.

Restricted Cash

Cash in the amount of \$231,017 is restricted in the Debt Service Fund as a required reserve for the County's 2004 Certificates of Participation. Cash in the amount of \$400,009 of unspent lease proceeds are restricted for capital purchases in the Fleet Services Fund.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 3: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2013 is summarized below:

	Restated Balances <u>12/31/12</u>	<u>Additions</u>	<u>Deletions</u>	Balances <u>12/31/13</u>
Governmental Activities				
Capital Assets, not depreciated				
Land and Easements	\$ 5,033,240	\$ 22,801	\$ -	\$ 5,056,041
Capital Assets,				
Roads	746,481	-	-	746,481
Buildings and Improvements	16,819,535	995,077	-	17,814,612
Office and Small Equipment	2,535,972	5,072	-	2,541,044
Road Equipment	9,237,900	-	-	9,237,900
Vehicles	6,071,713	62,574	(233,762)	5,900,525
Internal Services Fleet	<u>162,958</u>	<u>378,840</u>	-	<u>541,798</u>
Total Capital Assets, depreciated	<u>35,574,559</u>	<u>1,441,563</u>	<u>(233,762)</u>	<u>36,782,360</u>
Less Accumulated Depreciation				
Roads	138,231	17,615	-	153,160
Buildings and Improvements	7,047,346	450,647	-	7,500,678
Office and Small Equipment	2,158,623	94,879	-	2,253,502
Road Equipment	6,413,404	499,955	-	6,913,359
Vehicles	5,122,800	272,321	(233,762)	5,161,360
Internal Services Fleet	<u>9,814</u>	<u>70,753</u>	-	<u>80,567</u>
Total Accumulated Depreciation	<u>20,890,218</u>	<u>1,406,170</u>	<u>(233,762)</u>	<u>22,062,626</u>
Total Capital Assets, depreciated, Net	<u>14,684,341</u>	<u>35,393</u>	<u>-</u>	<u>14,719,734</u>
Governmental Activities, Capital Assets, Net	<u>\$ 19,717,581</u>	<u>\$ 58,194</u>	<u>\$ -</u>	<u>\$ 19,775,775</u>

2013 depreciation expense was charged to functions/programs of the County as follows:

Governmental Activities	
General Government	\$ 274,380
Culture and Recreation	55,695
Health and Welfare	15,840
Public Works	650,120
Public Safety	339,382
Internal Services – Fleet	<u>70,753</u>
Total	<u>\$ 1,406,170</u>

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 4: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2013.

	<u>Balance</u> <u>12/31/12</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/13</u>	<u>Due In</u> <u>One Year</u>
Capital Improvement					
Bonds	\$ 1,290,000	\$ -	\$ 315,000	\$ 975,000	\$ 325,000
Certificate of Participation	895,000	-	215,000	680,000	220,000
Capital Leases	1,757,990	-	695,148	1,062,842	632,392
Internal Services - Fleet					
Capital Lease	-	400,000	-	400,000	96,134
Compensated Absences	<u>270,835</u>	<u>560,601</u>	<u>555,212</u>	<u>276,224</u>	<u>83,282</u>
Total	<u>\$ 4,213,825</u>	<u>\$ 960,601</u>	<u>\$ 1,780,360</u>	<u>\$ 3,394,066</u>	<u>\$ 1,356,808</u>

In March of 2004, the County, through the Building Authority, issued \$3,145,000 Jail Refunding Capital Improvement Bonds. Bond proceeds were used to advance refund a portion of the 1996 Jail Facility Capital Improvement Bonds. Interest accrues at rates ranging from 2.5% to 3.65% per annum and is payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2015.

The County, through the Building Authority, issued \$2,310,000 of certificates of participation in 2004 to provide funds for the expansion of the County's jail facility in additions to funding the establishment of a reserve fund. The Certificates have a stated interest rate ranging from 2.5% to 3.7% per annum and are payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2015.

The County has entered into several capital lease agreements to purchase equipment including a new lease in 2013 in the amount of \$400,000. These leases are paid from revenues of the Road and Bridge Fund, E-911 Fund and the Fleet Services Fund. The leases require interest to be paid ranging from 1.73% to 2.86%. These leases mature from 2009 to 2017. Vehicles, equipment, and buildings in the approximate amount of \$4.6 million purchased under capital leases have been capitalized in the government-wide financial statements. Accumulated depreciation of approximately \$1 million has been recognized on those assets.

Compensated absences are expected to be paid by revenues generated by the General Fund.

Future Debt Service Requirements

Annual debt service requirements for the outstanding bonds and certificates at December 31, 2013 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 545,000	\$ 59,820	\$ 604,820
2015	<u>1,110,000</u>	<u>40,745</u>	<u>1,150,745</u>
Total Debt Service Requirements	<u>\$ 1,655,000</u>	<u>\$ 100,565</u>	<u>\$ 1,755,565</u>

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 4: LONG-TERM DEBT (CONTINUED)

Debt service requirements for the capital leases are as follows:

Year Ended December 31, _

2014	\$	758,221
2015		542,150
2016		104,377
2017		<u>104,377</u>
Total Payments		1,509,125
Less: Amounts representing interest		<u>(46,283)</u>
Total		<u>\$ 1,462,842</u>

NOTE 5: INTERFUND AMOUNTS

Transfers are made from the General Fund to fund capital projects, purchase fleet vehicles and assist in making debt service payments. The Human Services Fund transfer to the Capital Projects Fund was for the Human Services building. Transactions between the various funds of the County can result in receivables and payables at year-end. The sum of all balances presented in the following table agrees with the sum of interfund balances presented in the balance sheets for governmental and statement of net position for the proprietary funds. Interfund balances not expected to be repaid within one year of the financial statement date are reported in the governmental fund balance sheets as long-term assets and the fund balance is reserved for that amount.

Interfund transfers at December 31, 2013, were comprised of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Projects	General	\$ 200,000
Capital Projects	Human Services	100,000
Debt Service	General	607,683
Fleet Services	General	219,500
Road and Bridge	Federal Mineral Lease	<u>13,059</u>
Total		<u>\$ 1,140,242</u>

NOTE 6: RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County has acquired commercial coverage for these risks and claims, if any, which are not expected to exceed the commercial insurance coverage. The County has addressed these risks in the following manner:

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 6: RISK MANAGEMENT (continued)

1. County Workers' Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. The County purchases commercial workman's compensation insurance from Pinnacol Assurance, a quasi-public authority of the State of Colorado. Settled claims resulting from these risks have not exceeded coverage in any of the past five years and coverage limits remain unchanged from the prior year.

2. Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County has joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool ("CAPP"), a public entity risk pool which currently operates as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement of formulation 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.

3. Self Insurance Plan

The County has established a self-insured health benefit plan. The plan is administered by BlueCross/Blue Shield of Colorado and is funded through a combination of employee contributions and contributions made by the County. Claims are paid from funds accumulated through these contributions. Under the terms of contract with Blue Cross/Blue Shield the plan has a stop-loss coverage for individual occurrences in excess of \$100,000 and becomes fully insured at any time claims exceed 110% of the retained premiums of the plan.

The claims liability account is based on actual claims paid subsequent to year-end. Changes in the claims liability amounts in 2013:

	<u>2013</u>	<u>2012</u>
Balance January 1,	\$ 148,851	\$ 174,258
Claims and Changes in Estimates	1,780,986	2,903,550
Claims Paid	<u>(1,728,055)</u>	<u>(2,928,957)</u>
Balance December 31,	<u>\$ 201,782</u>	<u>\$ 148,851</u>

NOTE 7: RETIREMENT COMMITMENTS

Employees Pension Plan

The County contributes to a multiple employer defined contribution retirement plan administered by the Colorado Officials and Employees Retirement Association. Every employee who is employed by the County for more than one year is eligible to participate in the Plan. Both the County and the employee contribute 3% of the employee's base salary. Plan provisions are established and may be amended by County Commissioners. The County Commissioners set and change the contribution rates to the plan.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 7: RETIREMENT COMMITMENTS (continued)

Participants vest in employer contributions and in earnings, losses, and changes in fair market value of Plan assets at a rate of 20% for each full twelve months of participating in the Plan. Participants are immediately vested in their own contributions and earnings.

Employer contributions are funded by governmental funds. The County's contributions for 2013 were \$214,674 on a base salary of \$7,155,791 which was reduced by forfeitures of \$20,896. Employee contributions amounted to \$214,674. The fair value of the assets held by COERA was \$5,528,936 as of December 31, 2013.

NOTE 8: COMMITMENTS AND CONTINGENCIES

Claims and Judgments

The County participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the County may be required to reimburse the grantor government. As of December 31, 2013, significant amounts of grant expenditures have not been audited but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the County.

Tabor Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local government. In November 1995, voters within the County approved the collection, retention and expenditure of grants and revenues generated from the operation of the jail commencing on January 1, 1995, and subsequent years.

In November 1998, voters within the County approved the collection, retention and expenditure of interest and investment earnings, revenue from federal, other local and district governmental entities commencing on January 1, 1999, and subsequent years. The County has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2013, the emergency reserve of \$583,000 was recorded as a reservation of Fund Balance in the General Fund.

Litigation

The County is involved in various lawsuits. The outcome of this litigation cannot be determined at this time. A loss contingency has not been recorded for any of the claims.

Contributions

The County has a commitment for \$250,000 contribution related to a funding commitment for a conservation easement.

Acquisitions

The County has a commitment to acquire additional equipment of approximately \$260,000 utilizing lease proceeds obtained prior to year end.

Landfill Closure Costs

The County is currently in negotiations with the Colorado Department of Public Health and Environment in regards to potential closure costs related to landfills closed near the implementation of the Title D requirements. At this time the State has not yet approved the County's plan, therefore an estimate of those costs cannot be made at this time.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2013

NOTE 9: SUBSEQUENT EVENTS

Subsequent to year end the County entered into an agreement with the Colorado State Infrastructure Bank to borrow \$570,000 payable over ten years as part of a \$11.4 million road project with the balance of funding coming from state and federal funds.

NOTE 10: NEW ACCOUNTING PRONOUNCEMENTS

The accounting and reporting policies of Park County conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Beginning in fiscal year 2013, the County implemented the following statements issued by GASB.

GASB Statement Number 61 – *The Financial Reporting Entity: Omnibus – An Amendment of GASB Statements No. 14 and No. 34*, which clarifies reporting entity issues which have arisen since the issuance of the original standards.

GASB Statement Number 66 – *Technical Corrections – 2012 – An Amendment of GASB Statements No. 10 and No. 62*, which provides guidance that resulted from the issuance of two pronouncements, Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

The adoption of the above standards had no effect on the reporting entity.

NOTE 11: RESTATEMENT

During 2013, the County discovered that specific assets acquired through the Fleet Services Fund had not been capitalized at the fund level as required by generally accepted accounting principles which resulted in the current recognition of capital assets of \$153,144 and an increase in net position of the same amount. In addition it was determined that the balance of its governmental capital assets was overstated by \$487,253 with a corresponding overstatement of accumulated depreciation on those same assets. The County also identified that accumulated depreciation was understated by \$690,430 which also resulted in an additional reduction of the government activities net position of the same amount.

Also during 2013, the County discovered that it had improperly recognized certain revenues being held by the Clerk’s Office for fees which were allowed to be retained by the Clerk and used for the purpose of acquiring additional technology equipment to be used as part of its motor vehicle licensing operations. In addition excess funds related to the Public Trustee had not been transferred to the General Fund and various outstanding items from prior years had not been reversed. The effects of the correction resulted in the reduction of cash with the treasurer of \$74,102 and a decrease in the general fund balance of the same amount.

The following is a summary of the effects of the corrections:

General Fund

Fund balance as previously stated at December 31, 2012	\$ 4,162,634
Clerk funds understated	(212,170)
Clerk’s retained funds improperly excluded from the general fund	98,294
Public Trustee overstatement	53,276
Correction of outstanding items from prior years	<u>(13,502)</u>
Total adjustment	<u>(74,102)</u>
Restated Balance at December 31, 2012	<u>\$ 4,088,532</u>

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2013

NOTE 11: RESTATEMENT (Continued)

Fleet Services Fund

Net position as previously stated at December 31, 2012	\$ 220,402
Capital assets understated	<u>153,144</u>
Restated Balance at December 31, 2012	<u>\$ 373,546</u>

Governmental Activities

Net position as previously stated at December 31, 2012	\$29,800,098
General Fund understated	(74,102)
Accumulated depreciation understated	<u>(690,430)</u>
Restated Balance at December 31, 2012	<u>\$29,035,566</u>

REQUIRED SUPPLEMENTARY INFORMATION

Park County, Colorado
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Property tax	\$ 7,400,275	\$ 7,400,275	\$ 7,424,467	\$ 24,192	\$ 7,151,207
Specific ownership tax	650,000	650,000	733,472	83,472	657,717
Severance tax	40,000	40,000	91,304	51,304	53,008
Other taxes	33,000	33,000	40,689	7,689	34,830
Licenses and permits	353,047	353,047	387,378	34,331	388,088
Intergovernmental	1,168,129	1,168,129	1,575,095	406,966	1,567,551
Fines and forfeitures	174,850	174,850	117,770	(57,080)	135,029
Charges for services	1,696,900	1,696,900	3,056,649	1,359,749	1,616,907
Interest	100,000	100,000	(61,282)	(161,282)	140,332
Miscellaneous revenues	21,000	21,000	95,453	74,453	177,278
Total revenues	<u>11,637,201</u>	<u>11,637,201</u>	<u>13,460,995</u>	<u>1,823,794</u>	<u>11,921,947</u>
Expenditures:					
General government	5,521,801	5,549,508	4,668,194	881,314	4,740,983
Health and welfare	537,104	537,104	459,206	77,898	433,515
Public safety	5,439,836	5,439,836	5,188,108	251,728	4,666,385
Culture and recreation	528,547	528,547	470,180	58,367	493,872
Judicial - District Attorney	296,545	296,545	271,833	24,712	292,129
Capital outlay	2,000	187,000	196,824	(9,824)	262,179
Total expenditures	<u>12,325,833</u>	<u>12,538,540</u>	<u>11,254,345</u>	<u>1,284,195</u>	<u>10,889,063</u>
Excess (deficiency) of revenues over expenditures	<u>(688,632)</u>	<u>(901,339)</u>	<u>2,206,650</u>	<u>3,107,989</u>	<u>1,032,884</u>
Other financing (uses):					
Proceeds from asset disposal	-	-	1,200	1,200	55,901
Transfers (out)	(1,027,183)	(1,027,183)	(1,027,183)	-	(1,498,877)
Total other financing (uses)	<u>(1,027,183)</u>	<u>(1,027,183)</u>	<u>(1,025,983)</u>	<u>1,200</u>	<u>(1,442,976)</u>
Net change in fund balances	(1,715,815)	(1,928,522)	1,180,667	3,109,189	(410,092)
Fund balances - January 1 Restated	<u>3,778,888</u>	<u>3,778,888</u>	<u>4,088,532</u>	<u>309,644</u>	<u>4,498,624</u>
Fund balances - December 31	<u>\$ 2,063,073</u>	<u>\$ 1,850,366</u>	<u>\$ 5,269,199</u>	<u>\$ 3,418,833</u>	<u>\$ 4,088,532</u>

See the accompanying independent auditors' report.

Park County, Colorado
Road and Bridge Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Property tax	\$ 244,544	\$ 244,544	\$ 238,757	\$ (5,787)	\$ 230,246
Specific ownership tax	18,000	18,000	23,904	5,904	20,706
Charges for services	50,200	50,200	86,492	36,292	-
Licenses and permits	20,300	20,300	19,166	(1,134)	27,651
Intergovernmental	4,777,210	4,777,210	4,918,675	141,465	4,968,419
Miscellaneous revenues	-	-	2,566	2,566	19,409
Total revenues	<u>5,110,254</u>	<u>5,110,254</u>	<u>5,289,560</u>	<u>179,306</u>	<u>5,266,431</u>
Expenditures:					
Public works	5,552,433	5,552,433	4,648,391	904,042	4,760,767
Capital outlay	50,000	50,000	22,801	27,199	1,605,220
Debt service:					
Principal	580,570	580,570	580,569	1	796,230
Interest	27,989	27,989	27,988	1	48,521
Total expenditures	<u>6,210,992</u>	<u>6,210,992</u>	<u>5,279,749</u>	<u>931,243</u>	<u>7,210,738</u>
Excess (deficiency) of revenues over expenditures	<u>(1,100,738)</u>	<u>(1,100,738)</u>	<u>9,811</u>	<u>1,110,549</u>	<u>(1,944,307)</u>
Other financing sources:					
Proceeds from sale of assets	-	-	-	-	249,998
Transfers In	-	-	13,059	13,059	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>13,059</u>	<u>13,059</u>	<u>249,998</u>
Net change in fund balances	(1,100,738)	(1,100,738)	22,870	1,123,608	(1,694,309)
Fund balances - January 1	<u>3,376,223</u>	<u>3,376,223</u>	<u>3,273,112</u>	<u>(103,111)</u>	<u>4,967,421</u>
Fund balances - December 31	<u>\$ 2,275,485</u>	<u>\$ 2,275,485</u>	<u>\$ 3,295,982</u>	<u>\$ 1,020,497</u>	<u>\$ 3,273,112</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Human Services Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	2013			Variance Positive (Negative)	2012
	Original Budget	Original and Final Budget	Actual		Actual
Revenues:					
Property tax	\$ 333,344	\$ 333,344	\$ 333,618	\$ 274	\$ 321,931
Specific ownership tax	40,000	40,000	32,987	(7,013)	29,989
Intergovernmental	3,861,061	3,861,061	3,617,831	(243,230)	3,598,234
Miscellaneous	6,800	6,800	-	(6,800)	34,977
Total revenues	<u>4,241,205</u>	<u>4,241,205</u>	<u>3,984,436</u>	<u>(256,769)</u>	<u>3,985,131</u>
Expenditures:					
Health and welfare	4,221,823	4,221,823	3,811,546	410,277	3,827,881
Capital outlay	-	-	38,730	(38,730)	-
Total expenditures	<u>4,221,823</u>	<u>4,221,823</u>	<u>3,850,276</u>	<u>371,547</u>	<u>3,827,881</u>
Excess (deficiency) of revenues over expenditures	<u>19,382</u>	<u>19,382</u>	<u>134,160</u>	<u>114,778</u>	<u>157,250</u>
Other financing (uses):					
Transfers out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	-	<u>(305,000)</u>
Total other financing (uses)	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	-	<u>(305,000)</u>
Net change in fund balance	(80,618)	(80,618)	34,160	114,778	(147,750)
Fund balances - January 1	<u>1,007,197</u>	<u>1,007,197</u>	<u>1,123,709</u>	<u>116,512</u>	<u>1,271,459</u>
Fund balances - December 31	<u>\$ 926,579</u>	<u>\$ 926,579</u>	<u>\$ 1,157,869</u>	<u>\$ 231,290</u>	<u>\$ 1,123,709</u>

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

Park County, Colorado
 Combining Balance Sheet
 Non-major Governmental Funds
 December 31, 2013 with comparative totals for 2012

	Special Revenue										Capital Projects	Total Non-major Governmental Funds	
	Conservation Trust Fund	Grant Fund	Employee Retirement Fund	Sales Tax Trust Fund	Sheriff's Seizure and Program Fund	E-911 Authority Fund	1041 Fee Fund	Federal Mineral Impact Fund	Debt Service Fund	Capital Projects Fund			2013
Assets:													
Cash and investments - Unrestricted	\$ 132,788	\$ 68,872	\$ 249,721	\$ 1,871,051	\$ 21,021	\$ 398,897	\$ 45,393	\$ 2	\$ 752,963	\$ 27,010	\$ 3,567,718	\$ 3,951,011	
Cash and investments - Restricted	-	-	-	-	-	-	-	-	231,017	-	231,017	663,347	
Accounts receivable	33,088	147,897	-	91,062	-	31,916	-	-	-	-	303,963	103,401	
Prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	164	
Property taxes receivable	-	-	167,062	-	-	-	-	-	-	-	167,062	170,370	
Total assets	\$ 165,876	\$ 216,769	\$ 416,783	\$ 1,962,113	\$ 21,021	\$ 430,813	\$ 45,393	\$ 2	\$ 983,980	\$ 27,010	\$ 4,269,760	\$ 4,888,293	
Liabilities:													
Accounts payable	\$ 15,893	\$ 6,390	-	\$ 113,317	\$ 262	\$ 22,123	-	-	-	-	\$ 157,985	\$ 453,833	
Due to other governments	-	210,379	-	-	-	-	-	-	-	-	210,379	107,495	
Total liabilities	15,893	216,769	-	113,317	262	22,123	-	-	-	-	368,364	561,328	
Deferred Inflows of Resources													
Deferred Property Tax Revenue	-	-	167,062	-	-	-	-	-	-	-	167,062	170,370	
Fund balances:													
Non-Spendable	-	-	-	-	-	-	-	-	-	-	-	164	
Restricted	-	-	-	-	-	-	-	-	-	-	-	-	
Debt service	-	-	-	-	-	-	-	-	983,980	-	983,980	984,775	
Public safety	-	-	-	-	20,759	408,690	-	-	-	-	429,449	375,604	
Public works	-	-	-	-	-	-	-	2	-	-	2	13,053	
Recreation	149,983	-	-	-	-	-	-	-	-	-	149,983	95,911	
Land and water conservation	-	-	-	1,848,796	-	-	-	-	-	-	1,848,796	1,812,818	
Committed	-	-	-	-	-	-	45,393	-	-	-	45,393	45,393	
Assigned	-	-	249,721	-	-	-	-	-	-	27,010	276,731	828,877	
Total fund balances	149,983	-	249,721	1,848,796	20,759	408,690	45,393	2	983,980	27,010	3,734,334	4,156,595	
Total liabilities, deferred inflows and fund balances	\$ 165,876	\$ 216,769	\$ 416,783	\$ 1,962,113	\$ 21,021	\$ 430,813	\$ 45,393	\$ 2	\$ 983,980	\$ 27,010	\$ 4,269,760	\$ 4,888,293	

Park County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2013 with comparative totals for 2012

	Conservation Trust Fund	Grant Fund	Employee Retirement Fund	Special Revenue					Debt Service Fund	Capital Projects Fund	Total Non-major Governmental Funds	
				Sales Tax Trust Fund	Sheriff's Seizure and Program Fund	E-911 Authority Fund	1041 Fee Fund	Federal Mineral Impact Fund			2013	2012
Revenues:												
Property tax	\$ -	\$ -	\$ 170,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 170,000	\$ 164,983	
Specific ownership tax	-	-	16,892	-	-	-	-	-	-	16,892	15,281	
Sales tax	-	-	-	568,934	-	-	-	-	-	568,934	524,652	
E911 Surcharge	-	-	-	-	269,318	-	-	-	-	269,318	280,789	
Intergovernmental	135,870	467,324	-	73,400	-	-	-	-	-	676,594	559,647	
Interest	128	-	738	2,470	-	-	-	-	-	4,848	7,729	
Miscellaneous	200	12,067	-	-	11,255	-	-	8	-	23,522	70,121	
Total revenues	136,198	479,391	187,630	644,804	11,255	269,318	-	8	-	1,730,108	1,623,202	
Expenditures:												
General government	-	-	182,426	-	-	-	-	-	42,451	224,877	188,005	
Health and welfare	-	104,576	-	608,946	-	-	-	-	-	713,522	296,764	
Public safety	-	71,468	-	-	13,208	77,277	-	-	-	161,953	159,467	
Culture and recreation	82,126	303,347	-	-	-	-	-	-	-	385,473	390,776	
Capital outlay	-	-	-	-	12,270	-	-	-	814,899	827,169	1,320,446	
Debt service:												
Principal	-	-	-	-	-	114,579	-	-	-	530,000	621,327	
Interest	-	-	-	-	-	9,438	-	-	-	77,682	106,566	
Miscellaneous	-	-	-	-	-	-	-	-	-	2,300	72,272	
Total expenditures	82,126	479,391	182,426	608,946	25,478	201,294	-	-	857,350	3,046,993	3,155,623	
Excess (deficiency) of revenues over expenditures	54,072	-	5,204	35,858	(14,223)	68,024	-	8	(857,350)	(1,316,885)	(1,532,421)	
Other financing sources (uses):												
Proceeds from sale of assets	-	-	-	-	-	-	-	-	-	-	11,732	
Transfers in from other funds	-	-	-	-	-	-	-	-	300,000	907,683	1,408,877	
Transfers to other funds	-	-	-	-	-	-	(13,059)	-	-	(13,059)	-	
Total other financing sources (uses)	-	-	-	-	-	-	(13,059)	-	300,000	894,624	1,420,609	
Net change in fund balances	54,072	-	5,204	35,858	(14,223)	68,024	-	(13,051)	(557,350)	(422,261)	(111,812)	
Fund balances - January 1	95,911	-	244,517	1,812,938	34,982	340,666	45,393	13,053	584,360	4,156,595	4,268,407	
Fund balances - December 31	\$ 149,983	\$ -	\$ 249,721	\$ 1,848,796	\$ 20,759	\$ 408,690	\$ 45,393	\$ 2	\$ 27,010	\$ 3,734,334	\$ 4,156,595	

See the accompanying independent auditors' report.
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**Park County, Colorado
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	<u>2013</u>			<u>Variance</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Intergovernmental	\$ 125,000	\$ 125,000	\$ 135,870	\$ 10,870	\$ 129,216
Interest	200	200	128	(72)	268
Miscellaneous	-	-	200	200	-
Total revenues	<u>125,200</u>	<u>125,200</u>	<u>136,198</u>	<u>10,998</u>	<u>129,484</u>
Expenditures:					
Culture and recreation	<u>163,000</u>	<u>199,892</u>	<u>82,126</u>	<u>117,766</u>	<u>135,621</u>
Total expenditures	<u>163,000</u>	<u>199,892</u>	<u>82,126</u>	<u>117,766</u>	<u>135,621</u>
Excess (Deficiency) of revenues over expenditures	(37,800)	(74,692)	54,072	128,764	(6,137)
Fund balances - January 1	<u>40,986</u>	<u>74,692</u>	<u>95,911</u>	<u>21,219</u>	<u>102,048</u>
Fund balances - December 31	<u>\$ 3,186</u>	<u>\$ -</u>	<u>\$ 149,983</u>	<u>\$ 149,983</u>	<u>\$ 95,911</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Intergovernmental	\$ 873,812	\$ 881,312	\$ 467,324	\$ (413,988)	\$ 405,186
Miscellaneous	-	700	12,067	11,367	-
Total revenues	<u>873,812</u>	<u>882,012</u>	<u>479,391</u>	<u>(402,621)</u>	<u>405,186</u>
Expenditures:					
General government	-	-	-	-	10,027
Health and welfare	66,469	66,469	104,576	(38,107)	69,011
Public safety	70,155	70,155	71,468	(1,313)	70,993
Culture and recreation	545,282	553,482	303,347	250,135	255,155
Total expenditures	<u>681,906</u>	<u>690,106</u>	<u>479,391</u>	<u>210,715</u>	<u>405,186</u>
Excess (deficiency) of revenues over expenditures	191,906	191,906	-	(191,906)	-
Fund balances - January 1	<u>(125,505)</u>	<u>(125,505)</u>	<u>-</u>	<u>125,505</u>	<u>-</u>
Fund balances - December 31	<u>\$ 66,401</u>	<u>\$ 66,401</u>	<u>\$ -</u>	<u>\$ (66,401)</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Employee Retirement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	<u>Actual</u>
Revenues:					
Property taxes	\$ 170,831	\$ 169,800	\$ 170,000	\$ 200	\$ 164,983
Specific ownership taxes	16,500	16,500	16,892	392	15,281
Interest	-	-	738	738	727
Total revenues	<u>187,331</u>	<u>186,300</u>	<u>187,630</u>	<u>1,330</u>	<u>180,991</u>
Expenditures:					
General government	<u>185,400</u>	<u>193,000</u>	<u>182,426</u>	<u>10,574</u>	<u>152,646</u>
Total expenditures	<u>185,400</u>	<u>193,000</u>	<u>182,426</u>	<u>10,574</u>	<u>152,646</u>
Excess of revenues (deficiency) over expenditures	1,931	(6,700)	5,204	11,904	28,345
Fund balances - January 1	<u>203,851</u>	<u>203,851</u>	<u>244,517</u>	<u>40,666</u>	<u>216,172</u>
Fund balances - December 31	<u>\$ 205,782</u>	<u>\$ 197,151</u>	<u>\$ 249,721</u>	<u>\$ 52,570</u>	<u>\$ 244,517</u>

See the accompanying Independent auditors' report.

**Park County, Colorado
Sales Tax Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	<u>2013</u>			Final Budget Variance Positive (Negative)	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Sales tax	\$ 500,000	\$ 500,000	\$ 568,934	\$ 68,934	\$ 524,652
Intergovernmental grants	-	-	73,400	73,400	-
Interest	2,500	2,500	2,470	(30)	3,566
Total Revenues	<u>502,500</u>	<u>502,500</u>	<u>644,804</u>	<u>142,304</u>	<u>528,218</u>
Expenditures:					
Health and welfare	177,500	199,200	608,946	(409,746)	227,753
Capital outlay	-	1,750,000	-	1,750,000	-
Total expenditures	<u>177,500</u>	<u>1,949,200</u>	<u>608,946</u>	<u>1,340,254</u>	<u>227,753</u>
Excess of revenues (deficiency) over expenditures	325,000	(1,446,700)	35,858	1,482,558	300,465
Fund balances - January 1	<u>1,838,473</u>	<u>1,446,700</u>	<u>1,812,938</u>	<u>366,238</u>	<u>1,512,473</u>
Fund balances - December 31	<u>\$ 2,163,473</u>	<u>\$ -</u>	<u>\$ 1,848,796</u>	<u>\$ 1,848,796</u>	<u>\$ 1,812,938</u>

See the accompanying independent auditors' report.

Park County, Colorado
Sheriff's Seizure and Program Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			Final Budget Variance Positive (Negative)	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 13,688
Miscellaneous	5,006	5,006	11,255	6,249	11
Total revenues	<u>5,006</u>	<u>5,006</u>	<u>11,255</u>	<u>6,249</u>	<u>13,699</u>
Expenditures:					
Public safety	30,221	30,221	13,208	17,013	27,553
Capital outlay	-	-	12,270	(12,270)	-
Total expenditures	<u>30,221</u>	<u>30,221</u>	<u>25,478</u>	<u>4,743</u>	<u>27,553</u>
Excess (deficiency) of revenues over expenditures	(25,215)	(25,215)	(14,223)	10,992	(13,854)
Fund balances - January 1	<u>35,171</u>	<u>35,171</u>	<u>34,982</u>	<u>(189)</u>	<u>48,836</u>
Fund balances - December 31	<u>\$ 9,956</u>	<u>\$ 9,956</u>	<u>\$ 20,759</u>	<u>\$ 10,803</u>	<u>\$ 34,982</u>

See the accompanying independent auditors' report.

**Park County, Colorado
E-911 Authority Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	<u>Actual</u>
Revenues:					
E911 Surcharge	\$ 250,000	\$ 250,000	\$ 269,318	\$ 19,318	\$ 280,789
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>269,318</u>	<u>19,318</u>	<u>280,789</u>
Expenditures:					
Public safety	103,935	103,935	77,277	26,658	60,921
Debt service:					
Principal	114,579	114,579	114,579	-	111,327
Interest	9,438	9,438	9,438	-	12,690
Total expenditures	<u>227,952</u>	<u>227,952</u>	<u>201,294</u>	<u>26,658</u>	<u>184,938</u>
Excess (deficiency) of revenues over expenditures	22,048	22,048	68,024	45,976	95,851
Fund balances - January 1	<u>288,769</u>	<u>288,769</u>	<u>340,666</u>	<u>51,897</u>	<u>244,815</u>
Fund balances - December 31	<u>\$ 310,817</u>	<u>\$ 310,817</u>	<u>\$ 408,690</u>	<u>\$ 97,873</u>	<u>\$ 340,666</u>

See the accompanying independent auditors' report.

Park County, Colorado
1041 Fee Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Variance</u>	<u>2012</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Positive</u> <u>(Negative)</u>	<u>Actual</u>
Revenues:					
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:					
Culture and recreation	45,393	45,393	-	45,393	-
Total expenditures	<u>45,393</u>	<u>45,393</u>	<u>-</u>	<u>45,393</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(45,393)	(45,393)	-	45,393	-
Fund balances - January 1	<u>45,393</u>	<u>45,393</u>	<u>45,393</u>	<u>-</u>	<u>45,393</u>
Fund balances - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 45,393</u>	<u>\$ 45,393</u>	<u>\$ 45,393</u>

See the accompanying independent auditors' report.

Park County, Colorado
Federal Mineral Impact Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Intergovernmental	\$ 10,000	\$ -	\$ -	\$ -	\$ 11,557
Interest	-	7	8	1	19
Total revenues	<u>10,000</u>	<u>7</u>	<u>8</u>	<u>1</u>	<u>11,576</u>
Expenditures:					
General government	10,000	-	-	-	25,332
Total expenditures	<u>10,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>25,332</u>
Excess (deficiency) of revenues					
over expenditures	<u>-</u>	<u>7</u>	<u>8</u>	<u>1</u>	<u>(13,756)</u>
Other financing uses:					
Transfers to other funds	-	(13,059)	(13,059)	-	-
Total other financing uses	<u>-</u>	<u>(13,059)</u>	<u>(13,059)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	(13,052)	(13,051)	1	(13,756)
Fund balances - January 1	<u>451</u>	<u>13,059</u>	<u>13,053</u>	<u>(6)</u>	<u>26,809</u>
Fund balances - December 31	<u>\$ 451</u>	<u>\$ 7</u>	<u>\$ 2</u>	<u>\$ (5)</u>	<u>\$ 13,053</u>

See the accompanying independent auditors' report.

Park County, Colorado
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Interest	\$ 3,000	\$ 3,000	\$ 1,504	\$ (1,496)	\$ 3,876
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>1,504</u>	<u>(1,496)</u>	<u>3,876</u>
Expenditures:					
Debt Service					
Principal	530,000	530,000	530,000	-	510,000
Interest	77,683	77,683	77,682	1	93,876
Other	2,300	2,300	2,300	-	1,075
Total expenditures	<u>609,983</u>	<u>609,983</u>	<u>609,982</u>	<u>1</u>	<u>604,951</u>
Excess (deficiency) of revenues over expenditures	<u>(606,983)</u>	<u>(606,983)</u>	<u>(608,478)</u>	<u>(1,495)</u>	<u>(601,075)</u>
Other financing sources (uses):					
Transfers in from other funds	607,683	607,683	607,683	-	603,877
Total other financing sources (uses)	<u>607,683</u>	<u>607,683</u>	<u>607,683</u>	<u>-</u>	<u>603,877</u>
Net change in fund balances	700	700	(795)	(1,495)	2,802
Fund balances - January 1	<u>983,673</u>	<u>983,673</u>	<u>984,775</u>	<u>1,102</u>	<u>981,973</u>
Fund balances - December 31	<u>\$ 984,373</u>	<u>\$ 984,373</u>	<u>\$ 983,980</u>	<u>\$ (393)</u>	<u>\$ 984,775</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)**

	<u>2013</u>			Final Budget Variance Positive (Negative)	<u>2012</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Miscellaneous	\$ -	\$ -	\$ -	\$ -	\$ 69,383
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,383</u>
Expenditures:					
General government	-	-	42,451	(42,451)	71,197
Capital outlay	900,000	900,000	814,899	85,101	1,320,446
Total expenditures	<u>900,000</u>	<u>900,000</u>	<u>857,350</u>	<u>42,650</u>	<u>1,391,643</u>
Excess (deficiency) of revenues over expenditures	<u>(900,000)</u>	<u>(900,000)</u>	<u>(857,350)</u>	<u>42,650</u>	<u>(1,322,260)</u>
Other financing sources:					
Sale of assets	12,000	12,000	-	(12,000)	11,732
Transfers in from other funds	330,000	330,000	300,000	(30,000)	805,000
Total other financing sources	<u>342,000</u>	<u>342,000</u>	<u>300,000</u>	<u>(42,000)</u>	<u>816,732</u>
Net change in fund balances	(558,000)	(558,000)	(557,350)	650	(505,528)
Fund balances - January 1	<u>659,405</u>	<u>659,405</u>	<u>584,360</u>	<u>(75,045)</u>	<u>1,089,888</u>
Fund balances - December 31	<u>\$ 101,405</u>	<u>\$ 101,405</u>	<u>\$ 27,010</u>	<u>\$ (74,395)</u>	<u>\$ 584,360</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2013**

	<u>Risk Management</u>	<u>Fleet Services</u>	<u>Total Internal Service Funds</u>
Assets:			
Current assets			
Cash and cash equivalents	\$ 1,056,202	\$ 5,719	\$ 1,061,921
Restricted cash	-	400,009	400,009
Total current assets	<u>1,056,202</u>	<u>405,728</u>	<u>1,461,930</u>
Noncurrent assets			
Capital assets			
Vehicles	-	541,798	541,798
Accumulated depreciation	-	(80,567)	(80,567)
Total Noncurrent assets	<u>-</u>	<u>461,231</u>	<u>461,231</u>
Total assets	<u>1,056,202</u>	<u>866,959</u>	<u>1,923,161</u>
Liabilities:			
Current liabilities			
Accounts payable and accrued liabilities	201,782	27,398	229,180
Current portion of lease obligation	-	96,134	96,134
Total current liabilities	<u>201,782</u>	<u>123,532</u>	<u>325,314</u>
Long term liabilities			
Lease obligation	-	303,866	303,866
Total Liabilities	<u>201,782</u>	<u>427,398</u>	<u>629,180</u>
Net Position:			
Net investment in capital assets	-	461,231	461,231
Unrestricted	854,420	(21,670)	832,750
Total net position	<u>\$ 854,420</u>	<u>\$ 439,561</u>	<u>\$ 1,293,981</u>

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

Park County, Colorado
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2013

	<u>Risk Management</u>	<u>Fleet Services</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ 2,584,837	\$ 13,673	\$ 2,598,510
Total operating revenues	<u>2,584,837</u>	<u>13,673</u>	<u>2,598,510</u>
Operating expenses:			
General Government	-	135,232	135,232
Claims and administration	2,310,257	-	2,310,257
Depreciation	-	70,753	70,753
Total operating expenses	<u>2,310,257</u>	<u>205,985</u>	<u>2,516,242</u>
Operating income (loss)	<u>274,580</u>	<u>(192,312)</u>	<u>82,268</u>
Non-operating revenues:			
Sale of Assets	-	38,818	38,818
Interest	748	9	757
Total non-operating revenues	<u>748</u>	<u>38,827</u>	<u>39,575</u>
Income (loss) before transfers	<u>275,328</u>	<u>(153,485)</u>	<u>121,843</u>
Transfers in from other funds	-	219,500	219,500
Change in net position	275,328	66,015	341,343
Net position - January 1 Restated	<u>579,092</u>	<u>373,546</u>	<u>952,638</u>
Net position - December 31	<u>\$ 854,420</u>	<u>\$ 439,561</u>	<u>\$ 1,293,981</u>

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

Park County, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2013

	Risk Management	Fleet Services	Total Internal Service Funds
Cash flows from operating activities:			
Cash received for charges for services	\$ 2,584,837	\$ 13,673	\$ 2,598,510
Cash paid for goods and services	(2,257,326)	(110,398)	(2,367,724)
Net cash provided (used) for operating activities	<u>327,511</u>	<u>(96,725)</u>	<u>230,786</u>
Cash flows from noncapital financing activities			
Transfers in from other funds	-	219,500	219,500
Net cash provided by noncapital financing activities	<u>-</u>	<u>219,500</u>	<u>219,500</u>
Cash flows from capital and related financing activities			
Purchase of capital assets	-	(369,722)	(369,722)
Sale of assets	-	29,700	29,700
Lease proceeds	-	400,000	400,000
Net cash provided by capital and related financing activities	<u>-</u>	<u>59,978</u>	<u>59,978</u>
Cash flows from investing activities:			
Interest received	748	9	757
Net cash provided by investing activities	<u>748</u>	<u>9</u>	<u>757</u>
Net increase in cash and cash equivalents	328,259	182,762	511,021
Cash and cash equivalents - January 1	<u>727,943</u>	<u>222,966</u>	<u>950,909</u>
Cash and cash equivalents - December 31	<u>\$ 1,056,202</u>	<u>\$ 405,728</u>	<u>\$ 1,461,930</u>
Reconciliation of operating loss to net cash used for operating activities:			
Operating income (loss)	\$ 274,580	\$ (192,312)	\$ 82,268
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation	-	70,753	70,753
Increase in accounts payable and accrued liabilities	52,931	24,834	77,765
Total adjustments	<u>52,931</u>	<u>95,587</u>	<u>148,518</u>
Net cash provided (used) for operating activities	<u>\$ 327,511</u>	<u>\$ (96,725)</u>	<u>\$ 230,786</u>

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

Park County, Colorado
Risk Management Internal Service Fund
Budgetary Comparison Schedule - Non US GAAP Basis
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original</u> <u>Budget</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	<u>Variance</u> <u>Positive</u> <u>(Negative)</u>	<u>Actual</u>
Operating revenues:					
Contributions	\$ 2,824,298	\$ 2,824,298	\$ 2,584,837	\$ (239,461)	\$ 2,607,468
Total operating revenues	<u>2,824,298</u>	<u>2,824,298</u>	<u>2,584,837</u>	<u>(239,461)</u>	<u>2,607,468</u>
Operating expenses:					
Claims and administration	2,702,658	2,702,658	2,310,257	392,401	2,928,957
Total operating expenses	<u>2,702,658</u>	<u>2,702,658</u>	<u>2,310,257</u>	<u>392,401</u>	<u>2,928,957</u>
Operating income (loss)	<u>121,640</u>	<u>121,640</u>	<u>274,580</u>	<u>152,940</u>	<u>(321,489)</u>
Non-operating revenues:					
Interest	1,300	1,300	748	(552)	1,599
Total non-operating revenues	<u>1,300</u>	<u>1,300</u>	<u>748</u>	<u>(552)</u>	<u>1,599</u>
Change in net assets	<u>\$ 122,940</u>	<u>\$ 122,940</u>	275,328	<u>\$ 152,388</u>	(319,890)
Net assets - January 1			<u>579,092</u>		<u>898,982</u>
Net assets - December 31			<u>\$ 854,420</u>		<u>\$ 579,092</u>

See the accompanying independent auditors' report.

Park County, Colorado
Fleet Services Internal Service Fund
Budgetary Comparison Schedule - Non US GAAP Basis
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	2013			Final Budget Variance Positive (Negative)	2012
	Original Budget	Final Budget	Actual		Actual
Operating revenues:					
Charges for services	\$ -	\$ 33,400	\$ 13,673	\$ (19,727)	\$ -
Total operating revenues	<u>-</u>	<u>33,400</u>	<u>13,673</u>	<u>(19,727)</u>	<u>-</u>
Operating expenses:					
Administrative Services	10,000	64,289	135,232	(70,943)	24,785
Total operating expenses	<u>10,000</u>	<u>64,289</u>	<u>135,232</u>	<u>(70,943)</u>	<u>24,785</u>
Operating income (loss)	<u>(10,000)</u>	<u>(30,889)</u>	<u>(121,559)</u>	<u>(90,670)</u>	<u>(24,785)</u>
Non-operating revenues (expenses):					
Lease proceeds	-	-	400,000	400,000	-
Sale of assets	10,000	10,000	38,818	28,818	13,145
Interest	-	-	9	9	-
Capital outlay	(219,500)	(415,711)	(369,722)	45,989	(162,958)
Total Non-operating revenues (expenses)	<u>(209,500)</u>	<u>(405,711)</u>	<u>69,105</u>	<u>474,816</u>	<u>(149,813)</u>
Income (loss) before transfers	<u>(219,500)</u>	<u>(436,600)</u>	<u>(52,454)</u>	<u>384,146</u>	<u>(174,598)</u>
Transfers in from other funds	219,500	219,500	219,500	-	395,000
Excess of revenues over expenditures before reconciling items	<u>\$ -</u>	<u>\$ (217,100)</u>	<u>167,046</u>	<u>\$ 384,146</u>	<u>220,402</u>
Lease proceeds			(400,000)		-
Depreciation			(70,753)		(9,814)
Capital asset additions			369,722		162,958
Change in net position			<u>66,015</u>		<u>373,546</u>
Net position - January 1 Restated			<u>373,546</u>		<u>-</u>
Net position - December 31			<u>\$ 439,561</u>		<u>\$ 373,546</u>

Park County, Colorado
Recreation Fund
Budgetary Comparison Schedule - Non US GAAP Basis
For the Year Ended December 31, 2013
(With Comparative Actual Amounts for 2012)

	<u>2013</u>			<u>Final Budget</u>	<u>2012</u>
	<u>Original Budget</u>	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Operating revenues:					
Fee revenue	\$ 40,000	\$ 40,000	\$ 36,270	\$ (3,730)	\$ 23,132
Total operating revenues	<u>40,000</u>	<u>40,000</u>	<u>36,270</u>	<u>(3,730)</u>	<u>23,132</u>
Operating expenses					
Culture and recreation	43,500	43,500	42,476	1,024	28,390
Total operating expenses	<u>43,500</u>	<u>43,500</u>	<u>42,476</u>	<u>1,024</u>	<u>28,390</u>
Change in net position	(3,500)	(3,500)	(6,206)	(2,706)	(5,258)
Net position - January 1	<u>17,550</u>	<u>17,550</u>	<u>14,562</u>	<u>(2,988)</u>	<u>19,820</u>
Net position - December 31	<u>\$ 14,050</u>	<u>\$ 14,050</u>	<u>\$ 8,356</u>	<u>\$ (5,694)</u>	<u>\$ 14,562</u>

See the accompanying independent auditors' report.

Park County, Colorado
Agency Fund
Treasurer and Public Trustee
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2013

	<u>Balance January 1 2013</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31 2013</u>
Assets				
Cash and Investments - County Treasurer	\$ 617,075	\$ 18,943,087	\$ 18,847,269	\$ 712,893
Cash and Investments - Public Trustee	173,343	773,155	765,367	181,131
Total Assets	<u>\$ 790,418</u>	<u>\$ 19,716,242</u>	<u>\$ 19,612,636</u>	<u>\$ 894,024</u>
Liabilities:				
Due to other governmental agencies	\$ 617,075	\$ 18,943,087	\$ 18,847,269	\$ 712,893
Due to Public Trustee	173,343	773,155	765,367	181,131
Total Liabilities	<u>\$ 790,418</u>	<u>\$ 19,716,242</u>	<u>\$ 19,612,636</u>	<u>\$ 894,024</u>

See the accompanying independent auditors' report.

COMPLIANCE

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Park City
	YEAR ENDING : December 2013
This Information From The Records Of: County of Park	Prepared By: Jody McClurkin, Budget & Finance Director Phone: (719) 836-4214

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)	22,801
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	3,732,318
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	41,688
2. General fund appropriations		b. Snow and ice removal	24,776
3. Other local imposts (from page 2)	262,661	c. Other	0
4. Miscellaneous local receipts (from page 2)	112,918	d. Total (a. through c.)	66,464
5. Transfers from toll facilities		4. General administration & miscellaneous	838,113
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	11,496
a. Bonds - Original Issues		6. Total (1 through 5)	4,671,192
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)	375,579	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	4,834,419	2. Notes:	
D. Receipts from Federal Government (from page 2)	92,622	a. Interest	27,988
E. Total receipts (A.7 + B + C + D)	5,302,620	b. Redemption	580,569
		c. Total (a. + b.)	608,557
		3. Total (1.c + 2.c)	608,557
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	5,279,749

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)	1,404,115		580,569	823,546

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	3,273,111	5,302,620	5,279,749	3,295,982	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	238,757	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	77,645
5. Specific Ownership &/or Other	23,904	g. Other Misc. Receipts	22,214
6. Total (1. through 5.)	23,904	h. Other - Transfer	13,059
c. Total (a. + b.)	262,661	i. Total (a. through h.)	112,918
	(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	4,710,325	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	92,622
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	115,728	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify) Gaming Impact	8,366	f. Other Federal	
f. Total (a. through e.)	124,094	g. Total (a. through f.)	92,622
4. Total (1. + 2. + 3.f)	4,834,419	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		22,801	22,801
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0		0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	22,801	22,801
			(Carry forward to page 1)

Notes and Comments: