

Park County, Colorado



ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2016

Prepared by the Finance Department
Cindy Gharst, Deputy Administrator

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Title Page

Table of Contents

FINANCIAL SECTION

Independent Auditors' Report A1 – A3

Management's Discussion and Analysis B1 – B8

Basic Financial Statements

Government-Wide Financial Statements

Statement of Net Position C1

Statement of Activities C2

Fund Financial Statements

Balance Sheet - Governmental Funds C3

Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position C4

Statement of Revenues, Expenditures and Changes in Fund Balances –
Governmental Funds C5

Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities C6

Statement of Net Position – Proprietary Funds C7

Statement of Revenues, Expenses and Changes in Net Position –
Proprietary Funds C8

Statement of Cash Flows – Proprietary Funds C9

Statement of Fiduciary Net Position – Fiduciary Funds C10

Notes to Financial Statements D1 – D18

REQUIRED SUPPLEMENTARY INFORMATION

General Fund – Budgetary Comparison Schedule E1

Road and Bridge Fund – Budgetary Comparison Schedule E2

Human Services Fund – Budgetary Comparison Schedule E3

Sales Tax Trust Fund – Budgetary Comparison Schedule E4

TABLE OF CONTENTS
(Continued)

PAGE

FINANCIAL SECTION (Continued)

Other supplementary Information

Combining Balance Sheet – Non-major Governmental Funds	F1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-major Governmental Funds	F2
Conservation Trust Fund – Budgetary Comparison Schedule	F3
Grant Fund – Budgetary Comparison Schedule	F4
Employee Retirement Fund – Budgetary Comparison Schedule	F5
Sheriff’s Seizure Program Fund – Budgetary Comparison Schedule	F6
E-911 Authority Fund – Budgetary Comparison Schedule	F7
1041 Fee Fund – Budgetary Comparison Schedule	F8
Capital Projects Fund– Budgetary Comparison Schedule	F9
Debt Service Fund – Budgetary Comparison Schedule	F10
Combining Statement of Net Position – Internal Service Funds	F11
Combining Statement of Revenues, Expenses and Changes in Net Position – Internal Service Funds	F12
Combining Statement of Cash Flows – Internal Service Funds	F13
Risk Management Internal Service Fund – Budgetary Comparison Schedule – Non US GAAP Basis	F14
Fleet Services Internal Service Fund – Budgetary Comparison Schedule – Non US GAAP Basis	F15
Recreation Fund – Budgetary Comparison Schedule – Non US GAAP Basis	F16
Agency Fund Treasurer, Public Trustee and Sheriff’s Office – Statement of Changes in Assets and Liabilities	F17

COMPLIANCE SECTION

Local Highway Finance Report	G1 – G2
------------------------------	---------

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, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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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, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and budgetary comparison information on pages B1 through B8, and E1 through E4, 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 schedules, and the Local Highway Finance Report, are presented for purposes of additional analysis and legal compliance and are not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 12, 2017, 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.

July 12, 2017
Denver, Colorado

Payette & Adams, LLC

Park County, Colorado

Management's Discussion and Analysis

December 31, 2016

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, 2016.

FINANCIAL HIGHLIGHTS

- The government-wide net position of Park County exceeded its liabilities at the close of the most recent fiscal year by \$36,495,449, a decrease \$457,412 compared to the net position in 2015. Of this amount, \$2,100,476 is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- As of the close of the current fiscal year, Park County governmental funds reported combined ending fund balances of \$23,454,153, an increase of \$4,108,699. This significant increase is largely due to unspent funds for building construction in the Capital Projects Fund, offsetting major road projects funded through reserves in the Road & Bridge Fund.
- As of December 31, 2016, fund balance of the County included \$2,844,839 unassigned; \$3,766,340 as assigned, primarily for a 3-month fiscal reserve for operations; \$1,502,484 as committed; and the balance as restricted or non-spendable.
- At the end of the current year, unassigned fund balance for the General Fund was \$2,844,839 or 22% 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 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) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, judicial, public safety, health and human services, auxiliary services, public works, land conservation and culture and recreation. The business-type activities of the County include recreation activities.

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, Human Services Fund, Capital Projects Fund, and Sales Tax Trust 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 end of 2016, the fund balance was \$4,382,174, compared to the beginning balance of \$6,193,004, a decrease of \$1,810,830. 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 County Attorney works under direction of the Commissioners.
- The Development Services, Planning, Code Enforcement and Building Departments coordinate and monitor the change of land use, development and construction 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 Facilities and Maintenance Departments oversee maintenance and cleaning of County buildings.
- Finance 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.
- Recreation Development assists in attracting development opportunities for recreational purposes into the County.
- 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. These departments also handle tourism requests.

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, Sales Tax Trust Fund, and those funds which are detailed on pages F-1 and F-2, such as the Conservation Trust Fund, Grant Fund, Sheriff's Seizure Program Fund, E-911 Authority Fund, 1041 Fee Fund, and Employee Retirement Fund.

At the beginning of 2016, the County's special revenue funds had aggregate fund balances of \$11,497,563 and ended the year with fund balances totaling \$10,730,074 resulting in a decrease of \$767,489.

Debt Service Fund

The County's Debt Service Fund was used to pay the principal and interest to the County's long-term debt. As of December 31, 2015, the debt associated with the debt service fund had been paid off. No activity occurred in this fund during 2016 and the residual fund balance of \$3,681 will be transferred to the General Fund in 2017.

Capital Projects Fund

The County's Capital Projects Fund accounts for the acquisition and construction of its major capital facilities. At the end of 2016, the fund balance grew significantly from \$1,651,219 to \$8,338,224, an increase of \$6,687,005.

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 gain for the year was \$1,573, which resulted in an ending net position of \$12,721.

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. The County Sheriff also holds funds on behalf of inmates. Agency funds held by the County Treasurer on behalf of other governments and the Sheriff's office totaled 511,239 at the end of 2016.

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 D18 of this report.
- The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules of the non-major governmental funds can be found on pages F1 through F10. The combining statements of the internal services funds can be found on pages F11 through F15. The budget presentation of the proprietary fund is shown on pages F16 and the statement of agency transactions can be found on F17.
- 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 as of December 31:

Park County's Net Position at December 31

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current assets	\$ 34,688,961	\$ 29,814,631	\$ 21,174	\$ 15,233	\$ 34,710,135	\$ 29,829,864
Capital assets, net of accumulated depreciation	20,945,344	19,594,431	-	-	20,945,344	19,594,431
Total Assets	55,634,305	49,409,062	21,174	15,233	55,655,479	49,424,295
Deferred Outflow of Resources:	-	-	-	-	-	-
Liabilities:						
Current liabilities	2,691,778	2,643,266	8,453	4,085	2,700,231	2,647,351
Long-term debt	7,929,676	1,631,615	-	-	7,929,676	1,631,615
Total Liabilities	10,621,454	4,274,881	8,453	4,085	10,629,907	4,278,966
Deferred Inflow of Resources:	8,530,123	8,192,468	-	-	8,530,123	8,192,468
Net Position:						
Net investment in capital assets	19,528,179	17,653,655	-	-	19,528,179	17,653,655
Restricted	14,866,794	10,849,024	-	-	14,866,794	10,849,024
Unrestricted	2,087,755	8,439,034	12,721	11,148	2,100,476	8,450,182
Total Net Position	\$ 36,482,728	\$ 36,941,713	\$ 12,721	\$ 11,148	\$ 36,495,449	\$ 36,952,861

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 38% of its total assets at the end of 2016.

At the end of the 2016 fiscal year, the County's net position was \$36,495,449; a decrease of \$457,412 compared to the prior year balance. The restricted component of net position totals \$14,866,794, which is approximately \$4 million higher than the restricted amount for 2015. Restrictions include 3% of fiscal

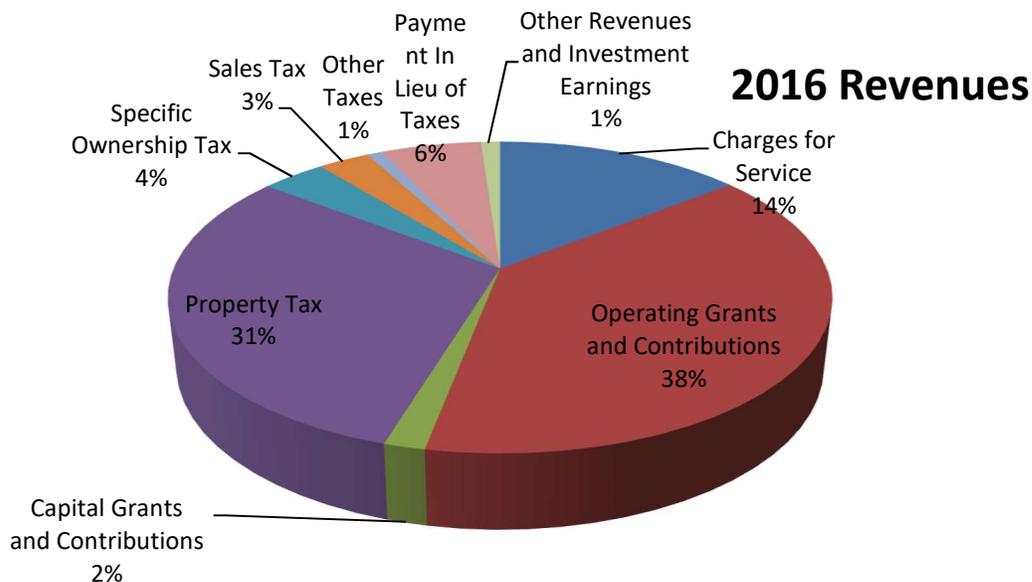
spending, which has been reserved for emergencies regarding the Taxpayer's Bill of Rights ("TABOR") and restrictions related to specific revenue sources in the Special Revenue Funds and Capital Projects Fund. Notably, the large increase in the restricted component was primarily related to the COP transaction in the Capital Projects Fund, with cash restricted for the construction of the new County office building. The County's "equity" in capital assets (i.e., cost of capital assets, less accumulated depreciation and debt incurred to acquire those capital assets) increased to \$19,528,179 or 54% of total net position. The unrestricted portion of net position was reduced from about \$8.4 million in 2015 to approximately \$2.1 million at the end of 2016.

The following schedule summarizes the changes in the County's net position during 2016:

Park County's Change in Net Position						
	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Program revenues:						
Charges for services	\$ 3,781,660	\$ 4,221,410	\$ 53,606	\$ 47,142	\$ 3,835,266	\$ 4,268,552
Operating grants and contributions	10,775,909	10,180,730	-	-	10,775,909	10,180,730
General revenues:						
Property taxes	8,191,963	7,947,093	-	-	8,191,963	7,947,093
Other taxes, interest and other revenue	3,895,463	3,909,149	-	-	3,895,463	3,909,149
Total revenues	<u>26,644,995</u>	<u>26,258,382</u>	<u>53,606</u>	<u>47,142</u>	<u>26,698,601</u>	<u>26,305,524</u>
Expenses:						
General government	7,083,330	6,514,007	-	-	7,083,330	6,514,007
Health and welfare	4,822,993	4,838,753	-	-	4,822,993	4,838,753
Public safety	6,095,245	5,612,979	-	-	6,095,245	5,612,979
Culture and recreation	1,318,869	1,143,011	52,033	44,980	1,370,902	1,187,991
Judicial	6,938,096	337,056	-	-	6,938,096	337,056
Public works	343,899	5,090,892	-	-	343,899	5,090,892
Land conservation	442,257	131,639	-	-	442,257	131,639
Interest on long-term debt	59,291	102,220	-	-	59,291	102,220
Total expenses	<u>27,103,980</u>	<u>23,770,557</u>	<u>52,033</u>	<u>44,980</u>	<u>27,156,013</u>	<u>23,815,537</u>
Extraordinary gain	-	93,167	-	-	-	93,167
Change in Net Position	(458,985)	2,580,992	1,573	2,162	(457,412)	2,583,154
Net Position, January 1	<u>36,941,713</u>	<u>34,360,721</u>	<u>11,148</u>	<u>8,986</u>	<u>36,952,861</u>	<u>34,369,707</u>
Net Position, December 31	<u>\$ 36,482,728</u>	<u>\$ 36,941,713</u>	<u>\$ 12,721</u>	<u>\$ 11,148</u>	<u>\$ 36,495,449</u>	<u>\$ 36,952,861</u>

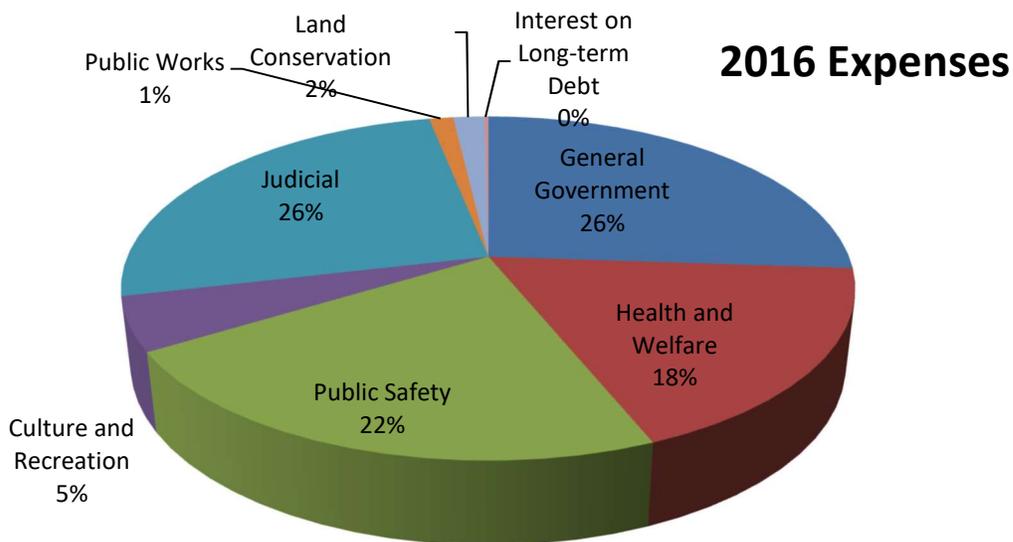
Although in total revenues in 2016 were consistent with the prior year, charges for services were less in 2016 whereas operating grants and contributions and property taxes were higher.

The graph below illustrates the County's 2016 revenue sources:



For 2016, 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. In particular, new and upgraded equipment projects in Public Safety and Road & Bridge as well as major road projects completed account for most of the increase in expenditures compared to 2015.

The following graph depicts the County's 2016 expenses:



Fund Financial Analysis:

Aggregate fund balances at year-end showed an increase of \$4,108,699 as a result of the activity explained below:

- **General Fund:** Generally, revenues in 2016 were fairly consistent with the prior year. The County collected more revenue for taxes, licenses and permits, and fines and forfeitures but less for charges for services compared to 2015. Vacancy savings, primarily, contributed to total revenues exceeding expense by about \$1.2 million. Additionally, the General Fund transferred \$3,034,163 from PILT funds and reserves, to other funds including the Grant, Capital Projects and Fleet Funds. Total activity during 2016 resulted in a decrease to the fund balance of \$1,810,830.
- **Road & Bridge Fund:** Revenues remained consistent in 2016 compared to 2015, with a slight increase in the Highway Users Tax Funds (HUTF). Expenditures for the general maintenance operations of the department also remained fairly consistent. The most significant activity affecting expenditures included the purchase of equipment, from the unspent 2015 JP Morgan Chase lease proceeds, totaling \$1,550,057 and special road projects totaling close to \$1,000,000. Offsetting these large expenditures were funds in the amount of \$566,500 received as financing from Colorado's State Infrastructure Bank for the County's share of a Federal Highways project. As a result of these activities, the beginning fund balance of \$5,696,607 was reduced to \$3,985,279 at the end of 2016.
- **Humans Services Fund:** The activity during 2016 was consistent with the prior year with revenues of approximately \$4.173 million and expenses of approximately \$4.138 million. The increase to the fund balance was \$34,980.
- **Sales Tax Trust Fund:** In 2016, sales tax revenues were \$799,839, an increase of \$102,664 compared to the prior year. A variety of projects were funded for water studies, water quality monitoring, and other water conservation programs during the year totaling approximately

\$215,000. Additionally, funds were distributed to the Town of Fairplay (\$175,000) for land acquisition for the Fairplay Beach Project as well as to the Town of Alma (\$50,000) for land acquisition for the Riverwalk Project. At the year end, the increase to the fund balance was \$383,224.

- Capital Projects Fund: At the end of 2016, the fund balance grew significantly from \$1,651,219 to \$8,338,224, an increase of \$6,687,005. This increase is primarily related to transfers of \$1,530,000 from the General Fund as well as proceeds of \$5,645,179 from the issuance of Certificates of Participation (COP) in December 2016 for the construction of the Consolidated Office Building (Phase II). By the end of the year, the County spent approximately \$152,000 for architectural services in the design phase. Additionally, construction costs incurred in 2016 for the Public Works facility in Jefferson were \$127,246.
- Other Special Revenue Funds:
 - Conservation Trust Fund: The County received approximately \$143,594 from the Department of Local Affairs for the conservation trust fund program. By the year end, approximately \$110,000 was spent. Distributions were made to Park County Livestock Committee, Lake George Community Association, The Town of Alma, South Park Recreation, and Guffey Community Association and for improvements at Park County's community centers. The fund balance at the end of the year was approximately \$331,000.
 - Grant Fund: The activity in the Grant Fund included private, state and/or federal receipts for expense reimbursements for the VALE and VOCA grants in the Sheriff's Office, Court Security projects, for contracts with Public Health programs, and for the Historic Preservation and South Park National Heritage Area activities. Receipts and disbursements from the fund vary depending on the terms of the grant contract; fiscal periods; or other special circumstances of grant funded activities.

A three-phase broadband project continued in 2016 with grant funding awarded by Colorado's Department of Local Affairs, totaling close to \$900,000. The County transferred its 50% match from the General Fund to the Grant Fund as its commitment to the project. By the end of 2016, the majority of the \$313,000 expense was related to Phase I, infrastructure construction in the Platte Canyon area. The completion of the total project was projected for the end of 2017.

The following three one-time grant projects were completed:

- ADA doors installed at County Annex, funded by Help America Vote Act
- Development/construction of playground equipment at Lake George Charter School with Park County as the fiscal sponsor for funding of \$184,000 through GOCO.
- Equipment and software upgrades totaling \$561,000 in the 911 Communications Center. This project was funded by a 50% match from the E911 Authority Fund and CDPHE.
- E-911 Authority Fund: The surcharge revenues collected in 2016 were approximately \$269,000, which offset operational expenses of \$86,448 and the purchase of the new 911 phone system, \$132,419. Additionally, a transfer of \$280,972 was made to the grant fund representing a 50% grant match for funding received from the Colorado Department of Public Health and Environment. These funds were used for upgrading radio equipment and replacing the recording system in the 911 Communications Dispatch Center. At the end of 2016, the fund balance was \$339,553.

Budget Variances and Amendments:

Two budget amendments were presented in September and December 2016. Refer to schedules E-1, E-2, E-3, E-4, F-3 through F-10 and F-14 through F-16 for more budget information.

Capital Assets and Debt Administration:

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2016, equaled \$19,528,179. This is an increase of \$1,874,524 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

During 2016, the County executed a loan agreement with Colorado's State Infrastructure Bank to finance its share of a Federal Highway Project on Tarryall Road in Jefferson, Colorado. As part of the financing plan for construction of the new County office building, Certificates of Participation were issued in December 2016. The County also had two outstanding capital leases (Road & Bridge and Fleet Funds) with JP Morgan Chase in 2016. More 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 2016 was \$4,382,174. 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 2016, the County's General Fund balance approximated 32% of actual 2016 General Fund expenditures. Generally, estimated expenses for the 2017 budget were consistent with 2016. Other than the department's pre-approved salary plans, including incentive or achievement based criteria, no COLAs or County-wide merit increases approved for 2016 were anticipated for 2017.

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, 2016

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments - Unrestricted	\$ 18,113,474	\$ 21,174	\$ 18,134,648
Cash and investments - Restricted	6,091,374	-	6,091,374
Receivables, net:			
Taxes	8,530,123	-	8,530,123
Intergovernmental	52,577	-	52,577
Accounts	1,407,835	-	1,407,835
Other	16,169	-	16,169
Inventories, at cost	429,000	-	429,000
Prepaid expenses	48,409	-	48,409
Capital assets, not depreciated	5,905,207	-	5,905,207
Capital assets, depreciated, net of accumulated depreciation	15,040,137	-	15,040,137
Total assets	55,634,305	21,174	55,655,479
Liabilities:			
Accounts payable	1,868,145	8,453	1,876,598
Accrued expenses	695,260	-	695,260
Due to other governments	128,373	-	128,373
Debt obligations:			
Due within one year	698,466	-	698,466
Due in more than one year	7,231,210	-	7,231,210
Total liabilities	10,621,454	8,453	10,629,907
Deferred Inflow of Resources:			
Unavailable property tax revenue	8,530,123	-	8,530,123
Net Position:			
Net investment in capital assets	19,528,179	-	19,528,179
Restricted			
Emergencies - TABOR	594,000	-	594,000
Motor vehicle licensing equipment	179,045	-	179,045
Debt service	3,681	-	3,681
Public safety	371,341	-	371,341
Public works	3,555,380	-	3,555,380
Capital projects	5,524,874	-	5,524,874
Health and welfare	147,018	-	147,018
Recreation	330,591	-	330,591
Land conservation	4,160,864	-	4,160,864
Unrestricted	2,087,755	12,721	2,100,476
Total Net Position	\$ 36,482,728	\$ 12,721	\$ 36,495,449

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

Park County, Colorado
Statement of Activities
For the Year Ended December 31, 2016

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 7,083,330	\$ 1,227,416	\$ 82,732	\$ 172,291	\$ (5,600,891)	\$ -	\$ (5,600,891)
Health and welfare	4,822,993	119,474	4,081,929	-	(621,590)	-	(621,590)
Public safety	6,095,245	2,348,193	109,346	280,971	(3,356,735)	-	(3,356,735)
Culture and recreation	1,318,869	52,814	675,696	-	(590,359)	-	(590,359)
Public works	6,938,096	33,763	5,372,944	-	(1,531,389)	-	(1,531,389)
Judicial - district attorney	343,899	-	-	-	(343,899)	-	(343,899)
Land conservation	442,257	-	-	-	(442,257)	-	(442,257)
Interest on long-term debt	59,291	-	-	-	(59,291)	-	(59,291)
Total Governmental activities	27,103,980	3,781,660	10,322,647	453,262	(12,546,411)	-	(12,546,411)
Business-type activities:							
Recreation	52,033	53,606	-	-	-	1,573	1,573
Total Primary Government	\$ 27,156,013	\$ 3,835,266	\$ 10,322,647	\$ 453,262	\$ (12,546,411)	\$ 1,573	\$ (12,544,838)
General revenues:							
Taxes:							
Property taxes					8,191,963	-	8,191,963
Specific ownership taxes					998,747	-	998,747
Sales taxes					799,839	-	799,839
Other taxes					234,788	-	234,788
PILT					1,563,388	-	1,563,388
Investment earnings					128,583	-	128,583
Miscellaneous					123,416	-	123,416
Gain on sale of capital assets					46,702	-	46,702
Total general revenues					12,087,426	-	12,087,426
Change in Net Position					(458,985)	1,573	(457,412)
Net Position, January 1,					36,941,713	11,148	36,952,861
Net Position, December 31					\$ 36,482,728	\$ 12,721	\$ 36,495,449

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

**Park County, Colorado
Balance Sheet
Governmental Funds
December 31, 2016**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Human Services Fund</u>	<u>Sales Tax Trust Fund</u>	<u>Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:							
Cash and investments - Unrestricted	\$ 4,212,014	\$ 3,578,141	\$ 995,537	\$ 4,093,959	2,944,821	\$ 1,728,473	\$ 17,552,945
Cash and investments - Restricted	-	566,500	-	-	5,524,874	-	6,091,374
Accounts receivable	284,142	388,333	-	118,845	-	606,915	1,398,235
Property taxes receivable	7,806,680	382,878	297,840	-	-	42,725	8,530,123
Accrued interest	16,169	-	-	-	-	-	16,169
Due from other governments	-	-	52,577	-	-	-	52,577
Due from other funds	972,563	110,580	742	3,237	18,941	144,414	1,250,477
Prepaid items	30,642	899	30	-	-	13,125	44,696
Inventory	-	429,000	-	-	-	-	429,000
Total assets	<u>\$ 13,322,210</u>	<u>\$ 5,456,331</u>	<u>\$ 1,346,726</u>	<u>\$ 4,216,041</u>	<u>\$ 8,488,636</u>	<u>\$ 2,535,652</u>	<u>\$ 35,365,596</u>
Liabilities, Deferred Inflows and Fund Balances							
Liabilities:							
Accounts/vouchers payable	\$ 477,274	\$ 522,429	\$ 28,363	\$ 55,177	63,368	\$ 469,208	\$ 1,615,819
Accrued liabilities	450,508	149,301	42,829	-	-	3,375	646,013
Due to other funds	205,574	416,444	116,395	-	87,044	165,658	991,115
Due to other governments	-	-	-	-	-	128,373	128,373
Total liabilities	<u>1,133,356</u>	<u>1,088,174</u>	<u>187,587</u>	<u>55,177</u>	<u>150,412</u>	<u>766,614</u>	<u>3,381,320</u>
Deferred Inflows of Resources:							
Unavailable revenue - property taxes	7,806,680	382,878	297,840	-	-	42,725	8,530,123
Fund balances:							
Non-Spendable	30,642	429,899	30	-	-	13,125	473,696
Restricted							
Emergencies - TABOR	594,000	-	-	-	-	-	594,000
Motor vehicle licensing equipment	179,045	-	-	-	-	-	179,045
Debt service	-	-	-	-	-	3,681	3,681
Public safety	-	-	-	-	-	371,341	371,341
Road and Bridge	-	3,555,380	-	-	-	-	3,555,380
Capital Projects	-	-	-	-	5,524,874	-	5,524,874
Human Services - Integrated mgmt	-	-	147,018	-	-	-	147,018
Recreation	-	-	-	-	-	330,591	330,591
Land conservation	-	-	-	4,160,864	-	-	4,160,864
Committed	-	-	714,251	-	-	788,233	1,502,484
Assigned	733,648	-	-	-	2,813,350	219,342	3,766,340
Unassigned	2,844,839	-	-	-	-	-	2,844,839
Total fund balances	<u>4,382,174</u>	<u>3,985,279</u>	<u>861,299</u>	<u>4,160,864</u>	<u>8,338,224</u>	<u>1,726,313</u>	<u>23,454,153</u>
Total liabilities, deferred inflows, and fund balances	<u>\$ 13,322,210</u>	<u>\$ 5,456,331</u>	<u>\$ 1,346,726</u>	<u>\$ 4,216,041</u>	<u>\$ 8,488,636</u>	<u>\$ 2,535,652</u>	<u>\$ 35,365,596</u>

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

PARK COUNTY, COLORADO

RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
Year Ended December 31, 2016

Total Governmental Fund Balances	\$ 23,454,153
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:	
Capital Assets used in governmental activities excluding internal service funds that are not financial resources therefore are not reported in the funds.	20,341,391
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
COP's payable	(5,115,000)
Premium on COP's	(530,179)
Notes payable	(566,500)
Leases payable	(1,314,743)
Accrued interest payable	(48,656)
Compensated absences	(300,732)
The Internal service fund is used by management to charge certain costs to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of position.	562,994
Net position of governmental activities	<u>\$ 36,482,728</u>

Park County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General Fund	Road and Bridge Fund	Human Services Fund	Sales Tax Trust Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	\$ 10,103,406	\$ 375,681	\$ 318,454	\$ 799,839	\$ -	\$ 191,345	\$ 11,788,725
Licenses and Permits	614,242	19,351	-	-	-	-	633,593
Intergovernmental Revenue	294,543	5,372,944	3,853,285	-	-	1,255,137	10,775,909
Fines and Forfeitures	111,515	-	-	-	-	-	111,515
Charges for Services	2,733,965	33,764	-	-	-	268,823	3,036,552
Interest	96,204	-	-	25,642	-	2,356	124,202
Miscellaneous	74,529	2,565	1,052	-	2,151	33,519	113,816
Total revenues	<u>14,028,404</u>	<u>5,804,305</u>	<u>4,172,791</u>	<u>825,481</u>	<u>2,151</u>	<u>1,751,180</u>	<u>26,584,312</u>
Expenditures:							
General Government	5,910,285	-	-	-	9,364	218,884	6,138,533
Health and Welfare	635,143	-	4,065,693	-	-	56,077	4,756,913
Public Safety	5,239,340	-	-	-	-	210,952	5,450,292
Culture and Recreation	616,821	-	-	-	-	658,752	1,275,573
Road and Bridge	-	6,077,337	-	-	-	-	6,077,337
Judicial - District Attorney	343,899	-	-	-	-	-	343,899
Land Conservation	-	-	-	442,257	-	-	442,257
Capital Outlay	59,583	1,550,057	72,118	-	279,806	1,044,169	3,005,733
Debt Service:							
Principal	-	422,257	-	-	-	-	422,257
Interest	-	32,482	-	-	-	-	32,482
Debt issuance costs	-	-	-	-	142,016	-	142,016
Total expenditures	<u>12,805,071</u>	<u>8,082,133</u>	<u>4,137,811</u>	<u>442,257</u>	<u>431,186</u>	<u>2,188,834</u>	<u>28,087,292</u>
Excess (deficiency) of revenues over expenditures	<u>1,223,333</u>	<u>(2,277,828)</u>	<u>34,980</u>	<u>383,224</u>	<u>(429,035)</u>	<u>(437,654)</u>	<u>(1,502,980)</u>
Other financing sources (uses):							
Debt Issuance	-	566,500	-	-	5,645,179	-	6,211,679
Transfers in from Other Funds	-	-	-	-	1,530,000	1,244,274	2,774,274
Transfers (out) to Other Funds	(3,034,163)	-	-	-	(59,139)	(280,972)	(3,374,274)
Total other financing sources (uses)	<u>(3,034,163)</u>	<u>566,500</u>	<u>-</u>	<u>-</u>	<u>7,116,040</u>	<u>963,302</u>	<u>5,611,679</u>
Net change in fund balances	<u>(1,810,830)</u>	<u>(1,711,328)</u>	<u>34,980</u>	<u>383,224</u>	<u>6,687,005</u>	<u>525,648</u>	<u>4,108,699</u>
Fund balances - January 1	<u>6,193,004</u>	<u>5,696,607</u>	<u>826,319</u>	<u>3,777,640</u>	<u>1,651,219</u>	<u>1,200,665</u>	<u>19,345,454</u>
Fund balances - December 31	<u>\$ 4,382,174</u>	<u>\$ 3,985,279</u>	<u>\$ 861,299</u>	<u>\$ 4,160,864</u>	<u>\$ 8,338,224</u>	<u>\$ 1,726,313</u>	<u>\$ 23,454,153</u>

PARK COUNTY, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2016

Amounts Reported for Governmental Activities in the Statement of Activities
are Different Because:

Net Changes in Fund Balances - Total Governmental Funds	\$ 4,108,699
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 and gain on disposal of assets exceeded capital outlay in the current period.	
Capital asset additions	3,005,733
Depreciation	(1,516,298)
The issuance of debt in the governmental funds is reported as revenue to those funds but is not reported in the statement of activities. Debt service payments for principal payments are reported as expenditures in the governmental funds but not reported as expenses in the statement of activities.	
COP's proceeds	(5,115,000)
Premium on COP's	(530,179)
Note proceeds	(566,500)
Principal payments made	422,257
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
Change in compensated absences	3,346
Change in accrued interest	(24,295)
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.	(246,748)
Change in Net Position of Governmental Activities	<u>\$ (458,985)</u>

**Park County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2016**

	Business-type Activities - Enterprise Funds Recreation Fund	Governmental Activities Internal Service Funds
Assets:		
Current assets		
Cash and cash equivalents	\$ 21,174	\$ 560,529
Accounts Receivable		9,600
Prepays		3,713
Due from other funds	-	14,596
Total current assets	21,174	588,438
Noncurrent assets		
Capital assets		
Vehicles	-	1,275,781
Accumulated depreciation	-	(671,828)
Total noncurrent assets	-	603,953
Total assets	21,174	1,192,391
Liabilities:		
Current liabilities		
Accounts payable and accrued liabilities	8,453	252,917
Due to other funds	-	273,958
Current portion of lease obligation	-	102,522
Total current liabilities	8,453	629,397
Long term liabilities		
Leases payable	-	-
Total liabilities	8,453	629,397
Net Position:		
Net investment in capital assets	-	498,430
Unrestricted	12,721	64,564
Total net position	\$ 12,721	\$ 562,994

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, 2016

	Business-type Activities - Enterprise Funds	Governmental Activities
	Recreation Fund	Internal Service Funds
Operating revenues:		
Charges for services	\$ 53,606	\$ 2,698,856
Total operating revenues	<u>53,606</u>	<u>2,698,856</u>
Operating expenses:		
General government	-	512,956
Culture and recreation	52,033	-
Claims and administration	-	2,847,981
Depreciation	-	242,836
Total operating expenses	<u>52,033</u>	<u>3,603,773</u>
Operating income (loss)	<u>1,573</u>	<u>(904,917)</u>
Non-operating revenues (expenses):		
Gain on sale of assets	-	46,702
Insurance proceeds	-	9,600
Interest income	-	4,381
Interest expense	-	(2,514)
Total non-operating revenues	<u>-</u>	<u>58,169</u>
Income (loss) before transfers	1,573	(846,748)
Transfers in from other funds	-	600,000
Change in net position	1,573	(246,748)
Net position - January 1	<u>11,148</u>	<u>809,742</u>
Net position - December 31	<u>\$ 12,721</u>	<u>\$ 562,994</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, 2016

	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	\$ 53,606	\$ 2,694,902
Cash paid for goods and services	(47,730)	(3,296,182)
Cash paid to employees	-	(53,695)
Net cash provided (used) for operating activities	<u>5,876</u>	<u>(654,975)</u>
Cash flows from noncapital financing activities		
Transfers in from other funds	-	617,268
Net cash provided by noncapital financing activities	<u>-</u>	<u>617,268</u>
Cash flows from capital and related financing activities		
Purchase of capital assets	-	(121,453)
Sale of assets	-	63,842
Principal paid on capital debt	-	(101,255)
Interest paid on capital debt	-	(3,098)
Net cash used for capital and related financing activities	<u>-</u>	<u>(161,964)</u>
Cash flows from investing activities:		
Interest received	-	4,381
Net cash provided by investing activities	<u>-</u>	<u>4,381</u>
Net increase (decrease) in cash and cash equivalents	5,876	(195,290)
Cash and cash equivalents - January 1	<u>15,298</u>	<u>755,819</u>
Cash and cash equivalents - December 31	<u>\$ 21,174</u>	<u>\$ 560,529</u>
 Reconciliation of operating income (loss) to net cash used for operating activities:		
Operating income (loss)	\$ 1,573	\$ (904,917)
 Adjustments to reconcile operating income (loss) to net cash used for operating activities:		
Depreciation	-	242,836
Increase in prepaids	-	(3,713)
Increase in amounts due from other funds	(65)	(3,954)
Increase in accounts payable and accrued liabilities	4,368	9,096
Increase in amounts due to other funds	-	5,677
Total adjustments	<u>4,303</u>	<u>249,942</u>
Net cash provided (used) for operating activities	<u>\$ 5,876</u>	<u>\$ (654,975)</u>

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

Park County, Colorado
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
December 31, 2016

	<u>Agency Fund</u>
Assets	
Cash and investments	\$ 511,239
Liabilities	
Due to other governmental agencies	\$ 433,846
Held by Public Trustee	54,567
Held by Sheriff's Office	<u>22,826</u>
Total liabilities	<u>\$ 511,239</u>

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

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

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 the nonfiduciary activities of the County. The effect of Interfund activity has for the most part been eliminated in the statement of activities. 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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

Separate financial statements are provided for governmental funds and 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 *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 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 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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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.

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.

The *Sales Tax Trust Fund* collects sales taxes that are restricted for providing funding related to land and water conservation measures for the County.

The *Capital Projects Fund* utilizes debt proceeds and funding from other County funds to construct major facilities for 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 Treasurer, County's Public Trustee and the County's Sheriff inmate funds 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 recognized 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 and capital projects.

Receivables

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

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 periods and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then.

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 periods 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.

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.

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 or discounts related to debt issuances are reported as other financing sources while debt issuance costs are reported as debt service expenditures.

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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classification (Continued)

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 Program Fund*, and the *E-911 Authority 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. The unspent debt proceeds related to the *Capital Projects Fund's* COP's issuance are restricted for the construction of additional County facilities.

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.

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, 2016.

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, 2016. For the General Fund, amounts constrained for the intent to be used for a specific purpose has been delegated to the County Chief Administration 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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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 accepted 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.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Basis of Accounting (Continued)

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.

The County made the following budget amendments for the year ended December 31, 2016.

General Fund	\$ 1,252,446
Debt Service Fund	3,668
Grant Fund	2,904,146
E-911 Authority Fund	283,597
Sheriff's Seizure and Program Fund	16,100
Road and Bridge Fund	2,467,791
Human Services Fund	103,151
Capital Projects Fund	5,500,000
Employee Retirement Fund	30,000
Recreation Fund	6,500
Sales Tax Trust Fund	1,519,060
1041 Fee Fund	3,000
Risk Services Fund	150,000
	\$ 14,239,459

NOTE 2: CASH AND INVESTMENTS

A summary of the primary government cash and investments as of December 31, 2016 follows:

Petty Cash	\$ 4,251
Cash on Hand	62,841
Cash Deposits	3,631,129
Investments	21,039,040
	\$ 24,737,261

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

Governmental activities - unrestricted	\$ 18,113,474
Governmental activities -restricted	6,091,374
Business-type activities	21,174
Agency fund	511,239
	\$ 24,737,261

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

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, 2016, 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, 2016, the County had deposits with financial institutions with a carrying amount of \$3,631,129. The bank balances with the financial institutions were \$3,703,472. Of these balances, \$750,000 was covered by federal depository insurance and \$1,290,683 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA). As of December 31, 2016, \$1,662,789 of unspent lease and loan proceeds held in escrow are uninsured.

Investments

The County categorizes its investment’s fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets and level 2 inputs are significant other observable inputs.

The County has the following recurring fair value measurements as of December 31,2016:

Federal Agency security issues (FNMA, FHLMC and FHLB) of \$6,552,578 are valued using benchmarking and matrix pricing (Level 2 inputs).

Certificates of Deposit of \$447,267 are valued using benchmarking and matrix pricing (Level 2 inputs).

Local government investment pool of \$14,039,195 are valued at net asset value per share as determined by the pool.

As of December 31, 2016 the County has the following investments:

	Fair Value	Investment Maturity (Years)	
		Less than One Year	1-5 Years
U.S. Government bonds	\$ 6,552,578	\$ 650,494	\$ 5,902,084
Certificates of deposit	447,267	-	447,267
Colostrust	14,039,195	14,039,195	-
Total	\$ 21,039,040	\$ 14,689,689	\$ 6,349,351

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 2: CASH AND INVESTMENTS (Continued)

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 invests in funds in the Colorado Government Liquid Asset Trust (COLOTRUST); an investment vehicle established for local government entities in Colorado to pool surplus funds (pool). The State Securities Commissioner administers and enforces all State statutes governing the pool. The pool operates similarly to a money market fund and each share is equal in value to \$1.00. The pool offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of the U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of the U.S. government agencies. A designated custodial bank serves as custodian for the pool's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the pool's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST places no restrictions or limitations on withdrawals. COLOTRUST is rated AAAm by Standards & Poor's and had a weighted average to final maturity of 73 days as of December 31, 2016.

Restricted Cash

Cash in the amount of 5,524,874 represent unspent bond proceeds for the County's 2016 Certificates of Participation. Cash in the amount of \$566,500 of unspent loan proceeds are restricted for the County's share of work done by the Colorado Department of Transportation on a road improvement project in the Road and Bridge Fund. The funds are held by an escrow agent.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 3: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2016 is summarized below:

	Balance 12/31/15	Additions	Deletions	Balance 12/31/16
Governmental Activities				
Capital Assets, not depreciated				
Land and Easements	\$ 5,101,204	\$ -	\$ -	\$ 5,101,204
Construction in Progress	210,612	593,391	-	804,003
	<u>5,311,816</u>	<u>593,391</u>	<u>-</u>	<u>5,905,207</u>
Capital Assets				
Roads	1,006,443	-	-	1,006,443
Building and Improvements	18,320,446	56,001	-	18,376,447
Office and Small Equipment	2,877,696	760,296	-	3,637,992
Road Equipment	9,626,973	1,455,588	-	11,082,561
Vehicles	5,591,745	140,457	(184,306)	5,547,896
Fleet Vehicles	1,185,219	121,453	(30,891)	1,275,781
Total Capital Assets				
Depreciated	<u>38,608,522</u>	<u>2,533,795</u>	<u>(215,197)</u>	<u>40,927,120</u>
Less Accumulated Depreciation				
Roads	184,465	23,595	-	208,060
Buildings and Improvements	8,393,458	474,580	-	8,868,038
Office and Small Equipment	2,406,377	157,254	-	2,563,631
Road Equipment	7,797,532	694,982	-	8,492,514
Vehicles	5,101,331	165,887	(184,306)	5,082,912
Fleet Vehicles	442,744	242,836	(13,752)	671,828
Total Accumulated Depreciation				
Depreciation	<u>24,325,907</u>	<u>1,759,134</u>	<u>(198,058)</u>	<u>25,886,983</u>
Total Capital Assets, Depreciated, net	<u>14,282,615</u>	<u>774,661</u>	<u>(17,139)</u>	<u>15,040,137</u>
Governmental Activities, Capital Assets, Net	<u>\$ 19,594,431</u>	<u>\$ 1,368,052</u>	<u>\$ (17,139)</u>	<u>\$ 20,945,344</u>

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 3: CAPITAL ASSETS (Continued)

2016 depreciation expense was charged to functions/programs of the County as follows:

Governmental Activities	
General Government	\$ 141,816
Public Safety	403,232
Public Works	861,874
Health and Welfare	66,080
Culture and Recreation	43,296
Internal Services - Fleet	242,836
Total	\$ 1,759,134

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, 2016.

	Balance 12/31/15	Additions	Payments	Balance 12/31/16	Due in One Year
Certificates of Participation	\$ -	\$ 5,115,000	\$ -	\$ 5,115,000	\$ -
Unamortized Premium	-	530,179		530,179	26,509
CO SIB Loan	-	566,500	-	566,500	50,565
Capital Leases	1,737,000	-	422,257	1,314,743	430,154
Capital Leases - Fleet	203,776	-	101,254	102,522	102,522
Compensated absences	304,078	398,653	401,999	300,732	88,716
Total	\$ 2,244,854	\$ 6,610,332	\$ 925,510	\$ 7,929,676	\$ 698,466

The County, through the Building Authority, issued \$5,115,000 of certificates of participation in 2016 to provide funds for the expansion of the County's administration facility. The Certificates have a stated interest rate ranging from 2.0% to 5.0% per annum and are payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2036. The certificates of participation are collateralized by a lease agreement between the County and the Building Authority. The agreement allows bond holders access to various County properties if the County defaults on the agreement.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 4: LONG-TERM DEBT (Continued)

Annual debt service requirements for the outstanding COP's at December 31, 2016 are as follows:

Year Ended December 31,	Principal	Interest	Total
2017	\$ -	\$ 220,666	\$ 220,666
2018	165,000	228,275	393,275
2019	170,000	224,975	394,975
2020	175,000	218,175	393,175
2021	185,000	211,175	396,175
2022-2026	1,160,000	931,275	2,091,275
2027-2031	1,440,000	662,900	2,102,900
2032-2036	1,820,000	281,750	2,101,750
Total	\$ 5,115,000	\$ 2,979,191	\$ 8,094,191

The County has entered into a loan agreement with the Colorado Department of Transportation Colorado State Infrastructure Bank (CO SIB) revolving fund in the amount of \$566,500 as the County's share of a road construction project. The terms of the agreement call for annual principal and interest payments in the amount of \$64,728 beginning in January 2017 through January 2026. The note bears interest at the rate of 2.50% to be paid from revenues of the Road and Bridge Fund.

Annual debt service requirements for the outstanding SIB revolving loan fund at December 31, 2016 are as follows:

Year Ended December 31,	Principal	Interest	Total
2017	\$ 50,565	\$ 14,163	\$ 64,728
2018	51,829	12,899	64,728
2019	53,125	11,603	64,728
2020	54,453	10,275	64,728
2021	55,814	8,914	64,728
2022-2026	300,714	22,926	323,640
Total	\$ 566,500	\$ 80,780	\$ 647,280

The County has two capital lease agreements. These leases are paid from revenues of the Road and Bridge Fund and the Fleet Services Fund. The leases require interest to be paid ranging from 1.73% to 2.86%. These leases mature from 2017 to 2019. Vehicles and equipment in the approximate amount of \$2.3 million purchased under capital leases have been capitalized in the government-wide financial statements. Accumulated depreciation of approximately \$436,000 has been recognized on those assets.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 4: LONG-TERM DEBT (Continued)

Future Debt Service Requirements

Annual debt service requirements for the outstanding capital leases at December 31, 2016 are as follows:

Year Ended December 31,

2017	\$	558,601
2018		454,739
2019		454,739
Total Payments		1,468,079
Less: Amounts representing interest		(50,814)
Total	\$	1,417,265

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

NOTE 5: INTERFUND AMOUNTS

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 due to/from at December 31, 2016, were comprised of the following:

	Due From	Due To
General Fund	\$ 972,563	\$ 205,574
Road and Bridge Fund	110,580	416,444
Grant Fund	119,048	154,630
E-911 Fund	2,867	1,085
Conservation Trust Fund	1,190	-
Human Services Fund	742	116,395
Retirement Fund	21,309	9,943
Capital Expenditure Fund	18,941	87,044
Fleet Fund	1,972	273,958
Sales Tax trust Fund	3,237	-
Self Insurance	12,624	-
Total	\$ 1,265,073	\$ 1,265,073

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 5: INTERFUND AMOUNTS (Continued)

Interfund transfers at December 31, 2016, were comprised of the following:

	Transfers from:	
Transfers to:	Transfer In	Transfer Out
General Fund	\$ -	\$ 3,034,163
Grant Fund	1,244,274	-
E-911 Authority		280,972
Capital Projects Fund	1,530,000	59,139
Fleet Fund	600,000	-
	\$ 3,374,274	\$ 3,374,274
Total	\$ 3,374,274	\$ 3,374,274

Transfers were made from the General Fund to fund capital projects, fleet vehicles, provide maintenance and provide for grant match requirements. The E-911 Authority Fund transfer to the Grant Fund was for the acquisition of capital assets.

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:

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.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2016

NOTE 6: RISK MANAGEMENT (Continued)

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 2016:

Balance January 1,	\$ 216,877
Claims and Changes in estimates	2,856,461
Claims paid	<u>(2,847,981)</u>
Balance December 31	<u>\$ 225,357</u>

NOTE 7: RETIREMENT COMMITMENTS

Employee's 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.

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. Unvested employer contributions forfeited at termination revert to the County and are used to reduce current contributions.

Employer contributions are funded by governmental funds. The County's contributions for 2016 were \$251,692 on a base salary of \$8,389,733 which was reduced by forfeitures of \$17,000. Employee contributions amounted to \$251,692. The fair value of the assets held by COERA was \$5,103,079 as of December 31, 2016.

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, 2016, 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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 8: COMMITMENTS AND CONTINGENCIES (Continued)

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, 2016, the emergency reserve of \$594,000 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.

Landfill Closure Costs

The County has been in negotiations with the Colorado Department of Public Health and Environment over the past several years related to the County's landfill which was closed two decades ago as part of the County's implementation of the Title D requirements.

In December 2016, the County informed by the Colorado Department of Health and Environment of a potential issue noted in the October site well sampling related to its previously closed landfill. The County submitted a proposed Work Plan for Off-Site Groundwater Investigation, Closed Fairplay Landfill on May 7, 2017 and updated the plan on June 8, 2017 to the Colorado Department of Health and Environment. That plan was approved by the Colorado Department of Health and Environment on June 15, 2017 with work to begin on July 17, 2017. The County has not yet been provided an estimate of costs related to completion of the approved workplan but it believes the costs related to wells and additional monitoring. It is anticipated that the County could spend between \$75,000 and \$150,000 over the next 3 to 5 years completing the initial investigation.

The County also submitted the Perimeter Explosive Gas Monitoring, Closed Fairplay Landfill on March 19, 2017 and received approval for that plan. The plan calls for installing monitor probes and performing monitoring of possible explosive gas from the closed landfill three times a year. It is the County's estimate that these procedures will cost approximately \$15,000 per year although no formal estimate has been provided by the County's environmental engineer.

Contract Commitments

The County approved various contracts prior to December 31, 2016 related to the construction of buildings and the acquisition of certain equipment in the amount of approximately \$278,000.

The County has also been awarded certain State grants of approximately \$900,000 for the purpose of establishing broadband service for the County. The grant requires the County to match the State's contribution bringing the estimated project costs to approximately \$1.8 million of which costs of approximately \$325,000 has been incurred as of December 31, 2016. The County has committed an additional \$229,000 for the cost of utility pole replacement within the project area; however, the County expects be reimbursed for these costs from other funding sources for the project.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2016

NOTE 9: SUBSEQUENT EVENTS

In January 2017, the County acquired property through the Sales Tax Trust fund to be used as park and open space. The property and attached water rights were acquired at of cost of approximately \$1.4 million. The County was awarded a bid on property in Bailey in the amount of \$351,000 in May of 2017 to be used as a visitor center.

REQUIRED SUPPLEMENTARY INFORMATION

Park County, Colorado
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016			Final Budget Variance Positive (Negative)	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Property tax	\$ 7,408,015	\$ 7,408,015	\$ 7,403,648	\$ (4,367)	\$ 7,153,190
Specific ownership tax	840,000	840,000	901,582	61,582	855,695
Severance tax	207,000	207,000	83,265	(123,735)	207,026
PILT	1,000,000	1,563,388	1,563,388	-	1,519,692
Other taxes	57,000	57,000	151,523	94,523	39,916
Licenses and permits	561,075	561,075	614,242	53,167	592,854
Intergovernmental	247,597	247,597	294,543	46,946	251,391
Fines and forfeitures	111,000	111,000	111,515	515	83,580
Charges for services	2,402,766	2,402,766	2,733,965	331,199	3,197,423
Interest	136,000	136,000	96,204	(39,796)	98,479
Miscellaneous revenues	370,074	370,074	74,529	(295,545)	86,162
Total revenues	<u>13,340,527</u>	<u>13,903,915</u>	<u>14,028,404</u>	<u>124,489</u>	<u>14,085,408</u>
Expenditures:					
General government	6,336,983	6,597,047	5,910,285	686,762	5,451,514
Health and welfare	823,990	823,990	635,143	188,847	558,003
Public safety	5,326,623	5,366,892	5,239,340	127,552	4,905,783
Culture and recreation	478,454	528,454	616,821	(88,367)	473,960
Judicial - District Attorney	343,899	343,899	343,899	-	337,056
Capital outlay	213,000	213,000	59,583	153,417	395,863
Total expenditures	<u>13,522,949</u>	<u>13,873,282</u>	<u>12,805,071</u>	<u>1,068,211</u>	<u>12,122,179</u>
Excess (deficiency) of revenues over expenditures	<u>(182,422)</u>	<u>30,633</u>	<u>1,223,333</u>	<u>1,192,700</u>	<u>1,963,229</u>
Other financing (uses):					
Proceeds from asset disposal	250,000	250,000	-	(250,000)	30
Transfers (out)	(3,109,500)	(4,011,613)	(3,034,163)	977,450	(1,972,556)
Total other financing (uses)	<u>(2,859,500)</u>	<u>(3,761,613)</u>	<u>(3,034,163)</u>	<u>727,450</u>	<u>(1,972,526)</u>
Net change in fund balances	(3,041,922)	(3,730,980)	(1,810,830)	1,920,150	(9,297)
Fund balances - January 1	<u>5,464,659</u>	<u>5,464,659</u>	<u>6,193,004</u>	<u>728,345</u>	<u>6,202,301</u>
Fund balances - December 31	<u>\$ 2,422,737</u>	<u>\$ 1,733,679</u>	<u>\$ 4,382,174</u>	<u>\$ 2,648,495</u>	<u>\$ 6,193,004</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Road and Bridge Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			<u>Final Budget</u>	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Property tax	\$ 341,570	\$ 341,570	\$ 334,046	\$ (7,524)	\$ 352,522
Specific ownership tax	37,402	37,402	41,635	4,233	43,127
Charges for services	17,800	17,800	33,764	15,964	19,561
Licenses and permits	23,000	23,000	19,351	(3,649)	61,768
Intergovernmental	4,872,590	4,872,590	5,372,944	500,354	5,242,914
Miscellaneous revenues	-	-	2,565	2,565	36,102
Total revenues	<u>5,292,362</u>	<u>5,292,362</u>	<u>5,804,305</u>	<u>511,943</u>	<u>5,755,994</u>
Expenditures:					
Road and Bridge	5,303,115	6,622,340	6,077,337	545,003	4,518,754
Capital outlay	617,000	1,765,566	1,550,057	215,509	445,736
Debt service:					
Principal	472,245	472,245	422,257	49,988	512,427
Interest	24,495	24,495	32,482	(7,987)	1,329
Total expenditures	<u>6,416,855</u>	<u>8,884,646</u>	<u>8,082,133</u>	<u>802,513</u>	<u>5,478,246</u>
Excess (deficiency) of revenues over expenditures	<u>(1,124,493)</u>	<u>(3,592,284)</u>	<u>(2,277,828)</u>	<u>1,314,456</u>	<u>277,748</u>
Other financing sources:					
Loan/lease proceeds	902,500	902,500	566,500	(336,000)	1,937,000
Transfers In	79,500	79,500	-	(79,500)	-
Transfers Out	(336,000)	(336,000)	-	336,000	-
Total other financing sources	<u>646,000</u>	<u>646,000</u>	<u>566,500</u>	<u>(79,500)</u>	<u>1,937,000</u>
Net change in fund balances	(478,493)	(2,946,284)	(1,711,328)	1,234,956	2,214,748
Fund balances - January 1	<u>3,532,920</u>	<u>3,532,920</u>	<u>5,696,607</u>	<u>2,163,687</u>	<u>3,481,859</u>
Fund balances - December 31	<u>\$ 3,054,427</u>	<u>\$ 586,636</u>	<u>\$ 3,985,279</u>	<u>\$ 3,398,643</u>	<u>\$ 5,696,607</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Human Services Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			<u>Variance</u>	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Property tax	\$ 284,641	\$ 284,641	\$ 283,766	\$ (875)	\$ 274,292
Specific Ownership Tax	-	-	34,688	34,688	32,809
Intergovernmental	4,320,879	4,403,400	3,853,285	(550,115)	3,960,741
Miscellaneous	-	-	1,052	1,052	-
Total revenues	<u>4,605,520</u>	<u>4,688,041</u>	<u>4,172,791</u>	<u>(515,250)</u>	<u>4,267,842</u>
Expenditures:					
Health and Welfare	4,622,667	4,725,818	4,065,693	660,125	4,168,175
Capital outlay	50,000	50,000	72,118	(22,118)	-
Total expenditures	<u>4,672,667</u>	<u>4,775,818</u>	<u>4,137,811</u>	<u>638,007</u>	<u>4,168,175</u>
Excess (deficiency) of revenues over expenditures	<u>(67,147)</u>	<u>(87,777)</u>	<u>34,980</u>	<u>122,757</u>	<u>99,667</u>
Other financing (uses):					
Transfers out	-	-	-	-	(400,000)
Total other financing (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(400,000)</u>
Net change in fund balance	(67,147)	(87,777)	34,980	122,757	(300,333)
Fund balances - January 1	<u>757,030</u>	<u>757,030</u>	<u>826,319</u>	<u>69,289</u>	<u>1,126,652</u>
Fund balances - December 31	<u>\$ 689,883</u>	<u>\$ 669,253</u>	<u>\$ 861,299</u>	<u>\$ 192,046</u>	<u>\$ 826,319</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Sales Tax Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			<u>Final Budget</u>	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Sales tax	\$ 598,500	\$ 598,500	\$ 799,839	\$ 201,339	\$ 697,175
Interest	5,000	5,000	25,642	20,642	5,890
Total Revenues	<u>603,500</u>	<u>603,500</u>	<u>825,481</u>	<u>221,981</u>	<u>703,065</u>
Expenditures:					
Land conservation	484,150	2,003,210	442,257	1,560,953	131,639
Total expenditures	<u>484,150</u>	<u>2,003,210</u>	<u>442,257</u>	<u>1,560,953</u>	<u>131,639</u>
Excess of revenues (deficiency) over expenditures before extraordinary items	119,350	(1,399,710)	383,224	1,782,934	571,426
Water settlement	-	-	-	-	93,167
Excess of revenues (deficiency) over expenditures after extraordinary items	119,350	(1,399,710)	383,224	1,782,934	664,593
Fund balances - January 1	<u>3,687,398</u>	<u>3,687,398</u>	<u>3,777,640</u>	<u>90,242</u>	<u>3,113,047</u>
Fund balances - December 31	<u><u>\$ 3,806,748</u></u>	<u><u>\$ 2,287,688</u></u>	<u><u>\$ 4,160,864</u></u>	<u><u>\$ 1,873,176</u></u>	<u><u>\$ 3,777,640</u></u>

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

Park County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2016

	Special Revenue					Debt Service	Total Non-major Governmental Funds	
	Conservation Trust Fund	Grant Fund	Employee Retirement Fund	Sheriff's Seizure Program Fund	E-911 Authority Fund	1041 Fee Fund		Debt Service Fund
Assets:								
Cash and investments - Unrestricted	\$ 339,213	\$ 809,709	\$ 207,976	\$ 44,333	\$ 281,293	\$ 42,268	\$ 3,681	\$ 1,728,473
Accounts receivable	-	561,072	-	1,000	44,843	-	-	606,915
Prepays	-	-	-	-	13,125	-	-	13,125
Due from other funds	1,190	119,048	21,309	-	2,867	-	-	144,414
Property taxes receivable	-	-	42,725	-	-	-	-	42,725
Total assets	<u>\$ 340,403</u>	<u>\$ 1,489,829</u>	<u>\$ 272,010</u>	<u>\$ 45,333</u>	<u>\$ 342,128</u>	<u>\$ 42,268</u>	<u>\$ 3,681</u>	<u>\$ 2,535,652</u>
Liabilities:								
Accounts payable	\$ 9,812	\$ 457,486	\$ -	\$ 420	\$ 1,490	\$ -	\$ -	\$ 469,208
Accrued liabilities	-	3,375	-	-	-	-	-	3,375
Due to other funds	-	154,630	9,943	-	1,085	-	-	165,658
Due to other governments	-	128,373	-	-	-	-	-	128,373
Total liabilities	<u>9,812</u>	<u>743,864</u>	<u>9,943</u>	<u>420</u>	<u>2,575</u>	<u>-</u>	<u>-</u>	<u>766,614</u>
Deferred Inflows of Resources								
Deferred property tax revenue	-	-	42,725	-	-	-	-	42,725
Fund balances:								
Non-Spendable	-	-	-	-	13,125	-	-	13,125
Restricted								
Debt service	-	-	-	-	-	-	3,681	3,681
Public safety	-	-	-	44,913	326,428	-	-	371,341
Recreation	330,591	-	-	-	-	-	-	330,591
Committed	-	745,965	-	-	-	42,268	-	788,233
Assigned	-	-	219,342	-	-	-	-	219,342
Total fund balances	<u>330,591</u>	<u>745,965</u>	<u>219,342</u>	<u>44,913</u>	<u>339,553</u>	<u>42,268</u>	<u>3,681</u>	<u>1,726,313</u>
Total liabilities, deferred inflows and fund balances	<u>\$ 340,403</u>	<u>\$ 1,489,829</u>	<u>\$ 272,010</u>	<u>\$ 45,333</u>	<u>\$ 342,128</u>	<u>\$ 42,268</u>	<u>\$ 3,681</u>	<u>\$ 2,535,652</u>

See the accompanying independent auditors' report.

Park County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue					Debt Service	Total Non-major Governmental Funds
	Conservation Trust Fund	Grant Fund	Employee Retirement Fund	Sheriff's Seizure Program Fund	E-911 Authority Fund	1041 Fee Fund	
Revenues:							
Property tax	\$ -	\$ -	\$ 170,503	\$ -	\$ -	\$ -	\$ 170,503
Specific ownership tax	-	-	20,842	-	-	-	20,842
E911 Surcharge	-	-	-	-	268,823	-	268,823
Intergovernmental	143,594	1,106,565	-	4,978	-	-	1,255,137
Interest	1,711	-	632	-	-	13	2,356
Miscellaneous	-	-	-	33,519	-	-	33,519
Total revenues	<u>145,305</u>	<u>1,106,565</u>	<u>191,977</u>	<u>38,497</u>	<u>268,823</u>	<u>-</u>	<u>1,751,180</u>
Expenditures:							
General government	-	-	218,884	-	-	-	218,884
Health and welfare	-	56,077	-	-	-	-	56,077
Public safety	-	90,617	-	33,887	86,448	-	210,952
Culture and recreation	95,911	560,266	-	-	-	2,575	658,752
Capital outlay	13,836	897,914	-	-	132,419	-	1,044,169
Total expenditures	<u>109,747</u>	<u>1,604,874</u>	<u>218,884</u>	<u>33,887</u>	<u>218,867</u>	<u>2,575</u>	<u>2,188,834</u>
Excess (deficiency) of revenues over expenditures	<u>35,558</u>	<u>(498,309)</u>	<u>(26,907)</u>	<u>4,610</u>	<u>49,956</u>	<u>(2,575)</u>	<u>13</u>
Other financing sources (uses):							
Transfers in from other funds	-	1,244,274	-	-	-	-	1,244,274
Transfers to other funds	-	-	-	-	(280,972)	-	(280,972)
Total other financing sources (uses)	<u>-</u>	<u>1,244,274</u>	<u>-</u>	<u>-</u>	<u>(280,972)</u>	<u>-</u>	<u>963,302</u>
Net change in fund balances	35,558	745,965	(26,907)	4,610	(231,016)	(2,575)	13
Fund balances - January 1	<u>295,033</u>	<u>-</u>	<u>246,249</u>	<u>40,303</u>	<u>570,569</u>	<u>44,843</u>	<u>3,668</u>
Fund balances - December 31	<u>\$ 330,591</u>	<u>\$ 745,965</u>	<u>\$ 219,342</u>	<u>\$ 44,913</u>	<u>\$ 339,553</u>	<u>\$ 42,268</u>	<u>\$ 3,681</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			Variance Positive (Negative)	<u>2015</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental	\$ 125,000	\$ 125,000	\$ 143,594	\$ 18,594	\$ 122,326
Interest	250	250	1,711	1,461	350
Miscellaneous	-	-	-	-	51,217
Total revenues	<u>125,250</u>	<u>125,250</u>	<u>145,305</u>	<u>20,055</u>	<u>173,893</u>
Expenditures:					
Culture and recreation	143,000	143,000	95,911	47,089	45,845
Capital outlay	-	-	13,836	(13,836)	11,700
Total expenditures	<u>143,000</u>	<u>143,000</u>	<u>109,747</u>	<u>33,253</u>	<u>57,545</u>
Excess (deficiency) of revenues over expenditures	(17,750)	(17,750)	35,558	53,308	116,348
Fund balances - January 1	<u>270,766</u>	<u>270,766</u>	<u>295,033</u>	<u>24,267</u>	<u>178,685</u>
Fund balances - December 31	<u><u>\$ 253,016</u></u>	<u><u>\$ 253,016</u></u>	<u><u>\$ 330,591</u></u>	<u><u>\$ 77,575</u></u>	<u><u>\$ 295,033</u></u>

See the accompanying independent auditors' report.

**Park County, Colorado
Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	2016			Final Budget Variance Positive (Negative)	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental	\$ 418,800	\$ 2,137,237	\$ 1,106,565	\$(1,030,672)	\$ 599,629
Miscellaneous	2,000	2,000	-	(2,000)	139,091
Total revenues	<u>420,800</u>	<u>2,139,237</u>	<u>1,106,565</u>	<u>(1,032,672)</u>	<u>738,720</u>
Expenditures:					
Health and welfare	48,645	99,032	56,077	42,955	52,066
Public safety	70,155	106,831	90,617	16,214	76,389
Culture and recreation	302,000	735,953	560,266	175,687	587,629
Capital outlay	-	2,383,130	897,914	1,485,216	22,636
Total expenditures	<u>420,800</u>	<u>3,324,946</u>	<u>1,604,874</u>	<u>1,720,072</u>	<u>738,720</u>
Other financing sources					
Transfers in	-	1,185,709	1,244,274	58,565	-
Total financing sources	<u>-</u>	<u>1,185,709</u>	<u>1,244,274</u>	<u>58,565</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	745,965	745,965	-
Fund balances - January 1	-	-	-	-	-
Fund balances - December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 745,965</u>	<u>\$ 745,965</u>	<u>\$ -</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Employee Retirement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			<u>Final Budget Variance Positive (Negative)</u>	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Property taxes	\$ 170,885	\$ 170,885	\$ 170,503	\$ (382)	\$ 167,089
Specific ownership taxes	20,000	20,000	20,842	842	20,066
Interest	200	200	632	432	662
Total revenues	<u>191,085</u>	<u>191,085</u>	<u>191,977</u>	<u>892</u>	<u>187,817</u>
Expenditures:					
General government	191,085	221,085	218,884	2,201	205,958
Total expenditures	<u>191,085</u>	<u>221,085</u>	<u>218,884</u>	<u>2,201</u>	<u>205,958</u>
Excess of revenues (deficiency) over expenditures	-	(30,000)	(26,907)	3,093	(18,141)
Fund balances - January 1	<u>248,690</u>	<u>\$ 248,690</u>	<u>246,249</u>	<u>(2,441)</u>	<u>264,390</u>
Fund balances - December 31	<u>\$ 248,690</u>	<u>\$ 218,690</u>	<u>\$ 219,342</u>	<u>\$ 652</u>	<u>\$ 246,249</u>

See the accompanying Independent auditors' report.

Park County, Colorado
Sheriff's Seizure Program Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	<u>2016</u>			Final Budget Variance Positive (Negative)	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Intergovernmental	\$ -	\$ -	\$ 4,978	\$ 4,978	\$ 3,729
Miscellaneous	-	18,913	33,519	14,606	23,026
Total revenues	<u>-</u>	<u>18,913</u>	<u>38,497</u>	<u>19,584</u>	<u>26,755</u>
Expenditures:					
Public safety	17,000	33,100	33,887	(787)	12,085
Total expenditures	<u>17,000</u>	<u>33,100</u>	<u>33,887</u>	<u>(787)</u>	<u>12,085</u>
Excess (deficiency) of revenues over expenditures	(17,000)	(14,187)	4,610	18,797	14,670
Fund balances - January 1	44,898	44,898	40,303	(4,595)	25,633
Fund balances - December 31	<u>\$ 27,898</u>	<u>\$ 30,711</u>	<u>\$ 44,913</u>	<u>\$ 14,202</u>	<u>\$ 40,303</u>

See the accompanying independent auditors' report.

**Park County, Colorado
E-911 Authority Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			Final Budget Variance Positive (Negative)	<u>2015</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
E911 Surcharge	\$ 250,000	\$ 250,000	\$ 268,823	\$ 18,823	\$ 266,224
Total revenues	<u>250,000</u>	<u>250,000</u>	<u>268,823</u>	<u>18,823</u>	<u>266,224</u>
Expenditures:					
Public safety	172,313	172,313	86,448	85,865	49,992
Capital outlay	130,000	130,000	132,419	(2,419)	-
Debt service:					
Principal	-	-	-	-	121,370
Interest	-	-	-	-	2,646
Total expenditures	<u>302,313</u>	<u>302,313</u>	<u>218,867</u>	<u>83,446</u>	<u>174,008</u>
Other financing sources:					
Transfers out	-	(283,597)	(280,972)	2,625	-
Total other financing sources	<u>-</u>	<u>(283,597)</u>	<u>(280,972)</u>	<u>2,625</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(52,313)	(335,910)	(231,016)	104,894	92,216
Fund balances - January 1	<u>544,650</u>	<u>544,650</u>	<u>570,569</u>	<u>25,919</u>	<u>478,353</u>
Fund balances - December 31	<u>\$ 492,337</u>	<u>\$ 208,740</u>	<u>\$ 339,553</u>	<u>\$ 130,813</u>	<u>\$ 570,569</u>

See the accompanying independent auditors' report.

Park County, Colorado
1041 Fee Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	<u>2016</u>			<u>Variance</u>	<u>2015</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	-	3,000	2,575	425	-
Total expenditures	<u>-</u>	<u>3,000</u>	<u>2,575</u>	<u>425</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(3,000)</u>	<u>(2,575)</u>	<u>425</u>	<u>-</u>
Fund balances - January 1	<u>44,843</u>	<u>44,843</u>	<u>44,843</u>	<u>-</u>	<u>44,843</u>
Fund balances - December 31	<u>\$ 44,843</u>	<u>\$ 41,843</u>	<u>\$ 42,268</u>	<u>\$ 425</u>	<u>\$ 44,843</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)**

	<u>2016</u>			Final Budget Variance Positive (Negative)	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Revenues:					
Miscellaneous	\$ -	\$ -	\$ 2,151	\$ 2,151	\$ 3,836
Total revenues	<u>-</u>	<u>-</u>	<u>2,151</u>	<u>2,151</u>	<u>3,836</u>
Expenditures:					
General government	-	-	9,364	(9,364)	395
Capital outlay	3,101,000	8,601,000	279,806	8,321,194	148,360
Debt service					
Debt issuance costs	-	-	142,016	(142,016)	-
Total expenditures	<u>3,101,000</u>	<u>8,601,000</u>	<u>431,186</u>	<u>8,169,814</u>	<u>148,755</u>
Excess (deficiency) of revenues over expenditures	<u>(3,101,000)</u>	<u>(8,601,000)</u>	<u>(429,035)</u>	<u>8,171,965</u>	<u>(144,919)</u>
Other financing sources (uses):					
Debt proceeds	-	5,500,000	5,645,179	145,179	-
Transfers in from other funds	2,766,000	2,766,000	1,530,000	(1,236,000)	1,591,734
Transfers out to other funds	-	-	(59,139)	(59,139)	-
Total other financing sources	<u>2,766,000</u>	<u>8,266,000</u>	<u>7,116,040</u>	<u>(1,149,960)</u>	<u>1,591,734</u>
Net change in fund balances	(335,000)	(335,000)	6,687,005	7,022,005	1,446,815
Fund balances - January 1	<u>1,796,138</u>	<u>1,796,138</u>	<u>1,651,219</u>	<u>(144,919)</u>	<u>204,404</u>
Fund balances - December 31	<u>\$ 1,461,138</u>	<u>\$ 1,461,138</u>	<u>\$ 8,338,224</u>	<u>\$ 6,877,086</u>	<u>\$ 1,651,219</u>

See the accompanying independent auditors' report.

Park County, Colorado
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016			Final Budget Variance Positive (Negative)	2015
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Interest	\$ -	\$ -	\$ 13	\$ 13	\$ 1,053
Total revenues	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>	<u>1,053</u>
Expenditures:					
Debt service					
Principal	-	-	-	-	1,110,000
Interest	-	-	-	-	40,745
Other	-	-	-	-	3,513
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,154,258</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>13</u>	<u>13</u>	<u>(1,153,205)</u>
Other financing sources (uses):					
Transfers in from other funds					171,437
Transfers to other funds	-	(3,668)	-	3,668	-
Total other financing sources (uses)	<u>-</u>	<u>(3,668)</u>	<u>-</u>	<u>3,668</u>	<u>171,437</u>
Net change in fund balances	-	(3,668)	13	3,681	(981,768)
Fund balances - January 1	<u>3,792</u>	<u>3,792</u>	<u>3,668</u>	<u>(124)</u>	<u>985,436</u>
Fund balances - December 31	<u>\$ 3,792</u>	<u>\$ 124</u>	<u>\$ 3,681</u>	<u>\$ 3,557</u>	<u>\$ 3,668</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2016**

	Risk Management	Fleet Services	Total Internal Service Funds
Assets:			
Current assets			
Cash and cash equivalents	\$ 467,773	\$ 92,756	\$ 560,529
Accounts receivable	-	9,600	9,600
Prepays	-	3,713	3,713
Due from other funds	12,624	1,972	14,596
Total current assets	480,397	108,041	588,438
Noncurrent assets			
Capital assets			
Vehicles	-	1,275,781	1,275,781
Accumulated depreciation	-	(671,828)	(671,828)
Total Noncurrent assets	-	603,953	603,953
Total assets	480,397	711,994	1,192,391
Liabilities:			
Current liabilities			
Accounts payable and accrued liabilities	225,357	27,560	252,917
Due to other funds	-	273,958	273,958
Current portion of lease obligation	-	102,522	102,522
Total current liabilities	225,357	404,040	629,397
Long term liabilities			
Lease obligation	-	-	-
Total Liabilities	225,357	404,040	629,397
Net Position:			
Net investment in capital assets	-	498,430	498,430
Unrestricted	255,040	(190,476)	64,564
Total net position	\$ 255,040	\$ 307,954	\$ 562,994

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, 2016

	<u>Risk Management</u>	<u>Fleet Services</u>	<u>Total Internal Service Funds</u>
Operating revenues:			
Charges for services	\$ 2,678,380	\$ 20,476	\$ 2,698,856
Total operating revenues	<u>2,678,380</u>	<u>20,476</u>	<u>2,698,856</u>
Operating expenses:			
General government	-	512,956	512,956
Claims and administration	2,847,981	-	2,847,981
Depreciation	-	242,836	242,836
Total operating expenses	<u>2,847,981</u>	<u>755,792</u>	<u>3,603,773</u>
Operating income (loss)	<u>(169,601)</u>	<u>(735,316)</u>	<u>(904,917)</u>
Non-operating revenues:			
Gain on sale of assets	-	46,702	46,702
Insurance proceeds	-	9,600	9,600
Interest income	4,381	-	4,381
Interest expense	-	(2,514)	(2,514)
Total non-operating revenues	<u>4,381</u>	<u>53,788</u>	<u>58,169</u>
Income (loss) before transfers	(165,220)	(681,528)	(846,748)
Transfers in from other funds	-	600,000	600,000
Change in net position	(165,220)	(81,528)	(246,748)
Net position - January 1	<u>420,260</u>	<u>389,482</u>	<u>809,742</u>
Net position - December 31	<u>\$ 255,040</u>	<u>\$ 307,954</u>	<u>\$ 562,994</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, 2016

	Risk Management	Fleet Services	Total Internal Service Funds
Cash flows from operating activities:			
Cash received for charges for services	\$ 2,673,060	\$ 21,842	\$ 2,694,902
Cash paid for goods and services	(2,839,501)	(456,681)	(3,296,182)
Cash paid to employees	-	(53,695)	(53,695)
Net cash used for operating activities	(166,441)	(488,534)	(654,975)
Cash flows from noncapital financing activities			
Transfers in from other funds	-	617,268	617,268
Net cash provided by noncapital financing activities	-	617,268	617,268
Cash flows from capital and related financing activities			
Purchase of capital assets	-	(121,453)	(121,453)
Sale of assets	-	63,842	63,842
Principal paid on capital debt	-	(101,255)	(101,255)
Interest paid on capital debt	-	(3,098)	(3,098)
Net cash used for capital and related financing activities	-	(161,964)	(161,964)
Cash flows from investing activities:			
Interest received	4,381	-	4,381
Net cash provided by investing activities	4,381	-	4,381
Net change in cash and cash equivalents	(162,060)	(33,230)	(195,290)
Cash and cash equivalents - January 1	629,833	125,986	755,819
Cash and cash equivalents - December 31	\$ 467,773	\$ 92,756	\$ 560,529
Reconciliation of operating loss to net cash used for operating activities:			
Operating (loss)	\$ (169,601)	\$ (735,316)	\$ (904,917)
Adjustments to reconcile operating loss to net cash used for operating activities:			
Depreciation	-	242,836	242,836
(Increase) in prepaids	-	(3,713)	(3,713)
(Increase) decrease in amounts due from other funds	(5,320)	1,366	(3,954)
Increase (decrease) in accounts payable and accrued liabilities	8,480	616	9,096
Increase in amounts due to other funds	-	5,677	5,677
Total adjustments	3,160	246,782	249,942
Net cash used for operating activities	\$ (166,441)	\$ (488,534)	\$ (654,975)

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, 2016
(With Comparative Actual Amounts for 2015)

	<u>2016</u>			Final Budget Variance Positive (Negative)	<u>2015</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>		<u>Actual</u>
Operating revenues:					
Contributions	\$ 2,756,650	\$ 2,756,650	\$ 2,678,380	\$ (78,270)	\$ 2,560,353
Total operating revenues	<u>2,756,650</u>	<u>2,756,650</u>	<u>2,678,380</u>	<u>(78,270)</u>	<u>2,560,353</u>
Operating expenses:					
Claims and administration	2,763,918	2,913,918	2,847,981	65,937	2,809,493
Total operating expenses	<u>2,763,918</u>	<u>2,913,918</u>	<u>2,847,981</u>	<u>65,937</u>	<u>2,809,493</u>
Operating income (loss)	<u>(7,268)</u>	<u>(157,268)</u>	<u>(169,601)</u>	<u>(12,333)</u>	<u>(249,140)</u>
Non-operating revenues:					
Interest	-	-	4,381	4,381	1,002
Total non-operating revenues	<u>-</u>	<u>-</u>	<u>4,381</u>	<u>4,381</u>	<u>1,002</u>
Change in net assets	<u>\$ (7,268)</u>	<u>\$ (157,268)</u>	<u>(165,220)</u>	<u>\$ (7,952)</u>	<u>(248,138)</u>
Net assets - January 1			<u>420,260</u>		<u>668,398</u>
Net assets - December 31			<u>\$ 255,040</u>		<u>\$ 420,260</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, 2016
(With Comparative Actual Amounts for 2015)

	2016			Final Budget Variance Positive (Negative)	2015
	Original Budget	Final Budget	Actual		Actual
Operating revenues:					
Charges for services	\$ 16	\$ 16	\$ 20,476	\$ 20,460	\$ 20,416
Total operating revenues	<u>16</u>	<u>16</u>	<u>20,476</u>	<u>20,460</u>	<u>20,416</u>
Operating expenses:					
Administrative services	562,963	562,963	512,956	50,007	471,583
Total operating expenses	<u>562,963</u>	<u>562,963</u>	<u>512,956</u>	<u>50,007</u>	<u>471,583</u>
Operating income (loss)	<u>(562,947)</u>	<u>(562,947)</u>	<u>(492,480)</u>	<u>70,467</u>	<u>(451,167)</u>
Non-operating revenues (expenses):					
Insurance proceeds	-	-	9,600	9,600	-
Sale of assets	50,000	50,000	46,702	(3,298)	26,326
Debt service	(101,951)	(101,951)	(101,255)	696	(99,538)
Interest on debt service	(2,414)	(2,414)	(2,514)	(100)	(4,251)
Capital outlay	(194,000)	(194,000)	(121,453)	72,547	(233,905)
Total Non-operating revenues (expenses)	<u>(248,365)</u>	<u>(248,365)</u>	<u>(168,920)</u>	<u>79,445</u>	<u>(311,368)</u>
Income (loss) before transfers	<u>(811,312)</u>	<u>(811,312)</u>	<u>(661,400)</u>	<u>149,912</u>	<u>(762,535)</u>
Transfers in from other funds	600,000	600,000	600,000	-	609,385
Excess of revenues over expenditures before reconciling items	<u>\$ (211,312)</u>	<u>\$ (211,312)</u>	<u>(61,400)</u>	<u>\$ 149,912</u>	<u>(153,150)</u>
Depreciation			(242,836)		(219,900)
Debt service			101,255		99,538
Capital asset additions			121,453		233,905
Change in net position			<u>(81,528)</u>		<u>(39,607)</u>
Net position - January 1			<u>389,482</u>		<u>429,089</u>
Net position - December 31			<u>\$ 307,954</u>		<u>\$ 389,482</u>

Park County, Colorado
Recreation Fund
Budgetary Comparison Schedule - Non US GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016			Final Budget Variance Positive (Negative)	2015
	Original Budget	Original and Final Budget	Actual		Actual
Operating revenues:					
Fee revenue	\$ 47,000	\$ 53,500	\$ 53,606	\$ 106	\$ 47,142
Total operating revenues	<u>47,000</u>	<u>53,500</u>	<u>53,606</u>	<u>106</u>	<u>47,142</u>
Operating expenses					
Culture and recreation	45,950	52,450	52,033	417	44,980
Total operating expenses	<u>45,950</u>	<u>52,450</u>	<u>52,033</u>	<u>417</u>	<u>44,980</u>
Change in net position	1,050	1,050	1,573	523	2,162
Net position - January 1	10,836	10,836	11,148	312	8,986
Net position - December 31	<u>\$ 11,886</u>	<u>\$ 11,886</u>	<u>\$ 12,721</u>	<u>\$ 835</u>	<u>\$ 11,148</u>

See the accompanying independent auditors' report.

Park County, Colorado
Agency Fund
Treasurer, Public Trustee and Sheriff's Office
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2016

	<u>Balance January 1 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance December 31 2016</u>
Assets				
Cash and Investments - County Treasurer	\$ 404,266	\$ 24,838,122	\$ 24,808,541	\$ 433,847
Cash and Investments - Public Trustee	102,468	1,147,764	1,195,666	54,566
Cash and Investments - Sheriff's Office	26,488	216,029	219,691	22,826
Total Assets	<u>\$ 533,222</u>	<u>\$ 26,201,915</u>	<u>\$ 26,223,898</u>	<u>\$ 511,239</u>
Liabilities:				
Due to other governmental agencies	\$ 404,266	\$ 24,838,122	\$ 24,808,541	\$ 433,847
Due to Public Trustee	102,468	1,147,764	1,195,666	54,566
Due to inmates	26,488	216,029	219,691	22,826
Total Liabilities	<u>\$ 533,222</u>	<u>\$ 26,201,915</u>	<u>\$ 26,223,898</u>	<u>\$ 511,239</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 County
		YEAR ENDING : December 2016
This Information From The Records Of (example - City of _ or County of _ County of Park County, Colorado	Prepared By: Phone:	Cindy Gharst (719)-836-4217

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	375,681
4. Miscellaneous local receipts (from page 2)	622,180
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	997,861
B. Private Contributions	
C. Receipts from State government (from page 2)	5,200,569
D. Receipts from Federal Government (from page 2)	172,375
E. Total receipts (A.7 + B + C + D)	6,370,805

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	6,471,975
3. Road and street services:	
a. Traffic control operations	35,108
b. Snow and ice removal	109,288
c. Other	454,739
d. Total (a. through c.)	599,135
4. General administration & miscellaneous	1,011,023
5. Highway law enforcement and safety	
6. Total (1 through 5)	8,082,133
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	8,082,133

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0			0
1. Bonds (Refunding Portion)				
B. Notes (Total)	0	566,500		566,500

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	5,696,607	6,370,805	8,082,133	3,985,279	0

Notes and Comments:

Amended	STATE: Colorado
LOCAL HIGHWAY FINANCE REPORT	YEAR ENDING (mm/yy): December 2016

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	334,046	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	53,115
5. Specific Ownership &/or Other	41,635	g. Other Misc. Receipts	2,565
6. Total (1. through 5.)	41,635	h. Other Loan proceeds	566,500
c. Total (a. + b.)	375,681	i. Total (a. through h.)	622,180
	(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	5,087,156	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	82,841
a. State bond proceeds		b. FEMA	69,084
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	113,413	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) -		f. Other Federal - Mineral Lease	20,450
f. Total (a. through e.)	113,413	g. Total (a. through f.)	172,375
4. Total (1. + 2. + 3.f)	5,200,569	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	0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation			0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: