

Comprehensive Annual Financial Report



PARK COUNTY, COLORADO

**For Fiscal Year Ended
December 31, 2009**

PARK COUNTY, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Year Ended December 31, 2009

Prepared by the Finance Department
Kathy Boyce, Finance Director

TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTORY SECTION	
Title Page	
Table of Contents	
Letter of Transmittal	1 – 4
County Organizational Chart	5
List of Elected and Appointed Officials	6
Prior Year GFOA Certificate	7
FINANCIAL SECTION	
Independent Auditors' Report	A1 – A2
Management's Discussion and Analysis	B1 – B8
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	C1
Statement of Activities	C2
Fund Financial Statements	
Balance Sheet - Governmental Funds	C3
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds	C4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds to the Statement of Activities	C5
Statement of Net Assets – Proprietary Fund Type	C6
Statement of Revenues, Expenses and Changes in Net Assets – Proprietary Fund Type	C7
Statement of Cash Flows – Proprietary Fund Type	C8
Statement of Fiduciary Net Assets – Fiduciary Fund	C9
Notes to Financial Statements	D1 – D13

TABLE OF CONTENTS
(Continued)

	<u>PAGE</u>
FINANCIAL SECTION (Continued)	
Required Supplementary Information	
General Fund – Budgetary Comparison Schedule	E1
Road and Bridge Fund – Budgetary Comparison Schedule	E2
Human Services Fund – Budgetary Comparison Schedule	E3
Notes to Required Supplementary Information	E4
Combining and Individual Fund Schedules	
Combined Balance Sheet – Non-major Governmental Funds	F1
Combined 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
Sales Tax Trust Fund – Budgetary Comparison Schedule	F6
Library – Budgetary Comparison Schedule	F7
Sheriff’s Seizure and Program Fund – Budgetary Comparison Schedule	F8
E-911 Authority Fund – Budgetary Comparison Schedule	F9
1041 Fee Fund – Budgetary Comparison Schedule	F10
Debt Service Fund – Budgetary Comparison Schedule	F11
Capital Projects Fund – Budgetary Comparison Schedule	F12
Risk Management Internal Service Fund – Budgetary Comparison Schedule	F13
Recreation Fund – Budgetary Comparison Schedule	F14
Statement of Changes in Assets and Liabilities – Agency Fund	F15
STATISTICAL SECTION	
Financial Trends	
Net Assets by Component	G1

TABLE OF CONTENTS

(Continued)

PAGE

STATISTICAL SECTION (Continued)

Changes in Net Assets by Component	G2-G3
Fund Balances - Governmental Funds	G4
Changes in Fund Balances of Governmental Funds	G5-G6
Revenue Capacity	
Assessed and Estimated Actual Value of Taxable Property	G7
Property Tax Levies and Collections	G8
Principal Taxpayers	G9
Property Tax Levies and Collections	G10
Distribution of Property by Property Type Classification	G11
Schedule of Sales Tax Collection	G12
Debt Capacity	
Ratios of Outstanding Debt Type	G13
Computation of Legal Debt Margin	G14
Demographic and Operating Information	
Demographic Information	G15
Employers by Category	G16
Recent History of Foreclosures	G17
Schedule of Indirect Costs, Fringe Benefits and Allocation Base	G18
Miscellaneous Statistics	G19
Employees by Function/Program	G20
Operating Indicators by Function/Program	G21
Capital Assets by Function/Program	G22

TABLE OF CONTENTS
(Continued)

PAGE

COMPLIANCE SECTION (Continued)

Local Highway Finance Report	H1 – H2
Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	H3 – H4
Independent Auditors' Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance With OMB Circular A-133	H5 – H6
Schedule of Findings and Questioned Costs	H7
Schedule of Expenditures of Federal Awards	H8

INTRODUCTORY SECTION



Park County Budget and Finance Department

PO Box 1373
501 Main Street
Fairplay, CO 80440
(719) 836-4214
Fax (719) 836-3273
E-Mail: finance@parkco.us

Kathy Boyce, Director

July 12, 2010

Park County Board of County Commissioners:

The Comprehensive Annual Financial Report of Park County for the fiscal year ended December 31, 2009, is submitted herewith. This report was prepared by the County's Finance Department. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

The Comprehensive Annual Financial Report is presented in three sections: Introduction, Financial and Statistical. The Introduction includes this transmittal letter. The Financial Section includes the auditor's report, the Management's Discussion and Analysis (MD&A), the basic financial statements, required supplementary information and combining and individual fund financial statements. The Statistical Section includes selected financial and demographic information with a multiyear perspective.

This report includes all of the funds of the County. The County provides a full range of services including public safety, highways and streets, culture, library, planning and zoning, environmental health, public health, human services and general administrative services.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the MD&A. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Park County's MD&A can be found immediately following the report of the independent auditors.

Economic Condition and Outlook

Established in 1861, Park County is approximately 45 miles wide from east to west, and 60 miles long, encompassing 2,166 square miles. Park County sits in the center of Colorado in the Rocky Mountains with elevations ranging from 7,000 to 14,000 feet. About 17,000 people reside in Park County with many second homeowners.

Location of property in the County determines the jurisdictions to which tax revenues are dispersed. 2009 Mill levy for Park County was 17.403 bringing in an estimated \$7.2 million in revenue to the County.

In addition to property tax assessments, the County collects a one-percent county sales tax. This tax is paid on all retail goods purchased in Park County, as well as lodging and restaurant purchases.

Approved by the voters in 1997, revenues from the tax are used exclusively for the protection, enhancement and interpretation of water resources, as well as lands associated with water resources. 2009 sales tax collection showed a 14% increase over the previous year for a total collection of \$491,307.

Under Article X, Section 20 (2)(e) of the Colorado Constitution, the TABOR amendment (also known as Amendment I), the County is restricted as to the amount of annual revenues exceed allowances under the amendment, the amounts which exceed the limits must either be refunded to the taxpayers or the County must establish a ballot question asking taxpayers to allow the County to keep and utilize the excess revenue.

Major initiatives

Several major projects were either completed or undertaken in 2009. These included the following:

- Software upgrade to Communications
- Beginning Planning process for new Library and Communications Building
- Timekeeping software for payroll
- Purchase of Paris Mill

2010 Budget Highlights

The 2010 budget as presented was balanced and financially conservative. It continues the County's commitment to providing the best services possible within the constraints of the budget. The budget addresses current and future community needs and service demands with prudent financial management. Specific items in the 2010 Budget include the following:

- Additional funding to Capital fund for Communications Building
- National Heritage Director
- Financial Software replacement for Treasurer's office
- Paris Mill Interior Clean-up
- (5) Stream Restoration Projects
- Cline Ranch Land Purchase

Financial Information

A great amount of consideration is given to the adequacy of internal controls of the County's accounting system. Internal accounting controls are implemented to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. This concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluations of costs and benefits require estimates and judgments by management.

Recognizing the above framework, we believe that the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Control

Primary responsibility for fiscal analysis of budget to actual revenue and expenditure activity and overall program fiscal standing rests with the department operating the program. An expenditure budget is appropriated annually. Amounts are appropriated by resolution for each fund. The fund level serves as the limit at which appropriations may not be exceeded.

The Finance Department also monitors financial activity and advises the other departments and the Board of Commissioners of concerns that come to its attention.

Debt Administration

Outstanding bond at December 31, 2009, totaled \$2,175,000 for the Construction of the Park County Jail. Standard & Poor's rates this revenue bond issue AAA.

Cash Management

Cash receipts are deposited daily. Excess cash is placed in temporary investments permitted by the State of Colorado. The County does not use derivative types of investments for any of its funds. Financial instruments that may be utilized are approved by resolution by the Board of Commissioners. Instruments used in 2009 were money markets, local government investments pools and authorized government securities. Length of investments varies from one day to five years. The amount of investment earnings in 2009 was \$243,019 as compared to \$474,474 in 2008. The average return on investment for the year 2009 was 2% as compared to 2.98% in 2008.

The County's investment policy is to minimize credit and market risk while maintaining a favorable yield on its portfolio. All deposits are either federally insured or collateralized per state statutes. The County's investments in federal securities are held at Pereshing Clearing and Outsourcing Services – New York, NY, under an agency agreement established pursuant to state statute. The majority of investments are classified in the lowest range of credit risk as defined by the Governmental Accounting Standards Board.

Risk Management

The County is insured under the Colorado Counties, Inc. Coverage's in this County Insurance pool include defined liability, property damage, and workers' compensation. Expenses for the amount paid to Colorado Counties are apportioned to General Fund, Human Services and Road and Bridge fund.

The County also provides coverage to employees for health, dental, life and disability insurance. Contributions come from both the County and employees. The County is partially self-insured with a \$100,000 stop loss policy per incident. Employee contributions pay for part of the administration costs and the County contributions go into a separate bank account to pay claims. Revenues and expenses for this activity are recorded in the Risk Management fund.

Long-term Financial Planning

The process of developing a Long-term financial plan began in 2008 with a commissioner priority projects session. At this public meeting the commissioners identified priority capital projects. This opened the opportunity for staff to start looking at different funding mechanisms, make time lines and move forward in the capital planning process.

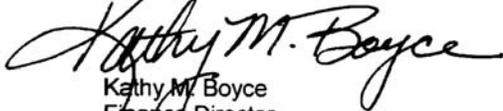
2009 brought additional meetings for capital project priority and started architectural and cost planning on two buildings that had been identified in the planning process.

Other Information

Independent Audit – State Law requires an annual audit of the County's financial statements by independent certified public accountants selected by the Board of Commissioners. This requirement has been complied with and the auditor's opinion has been included in this report.

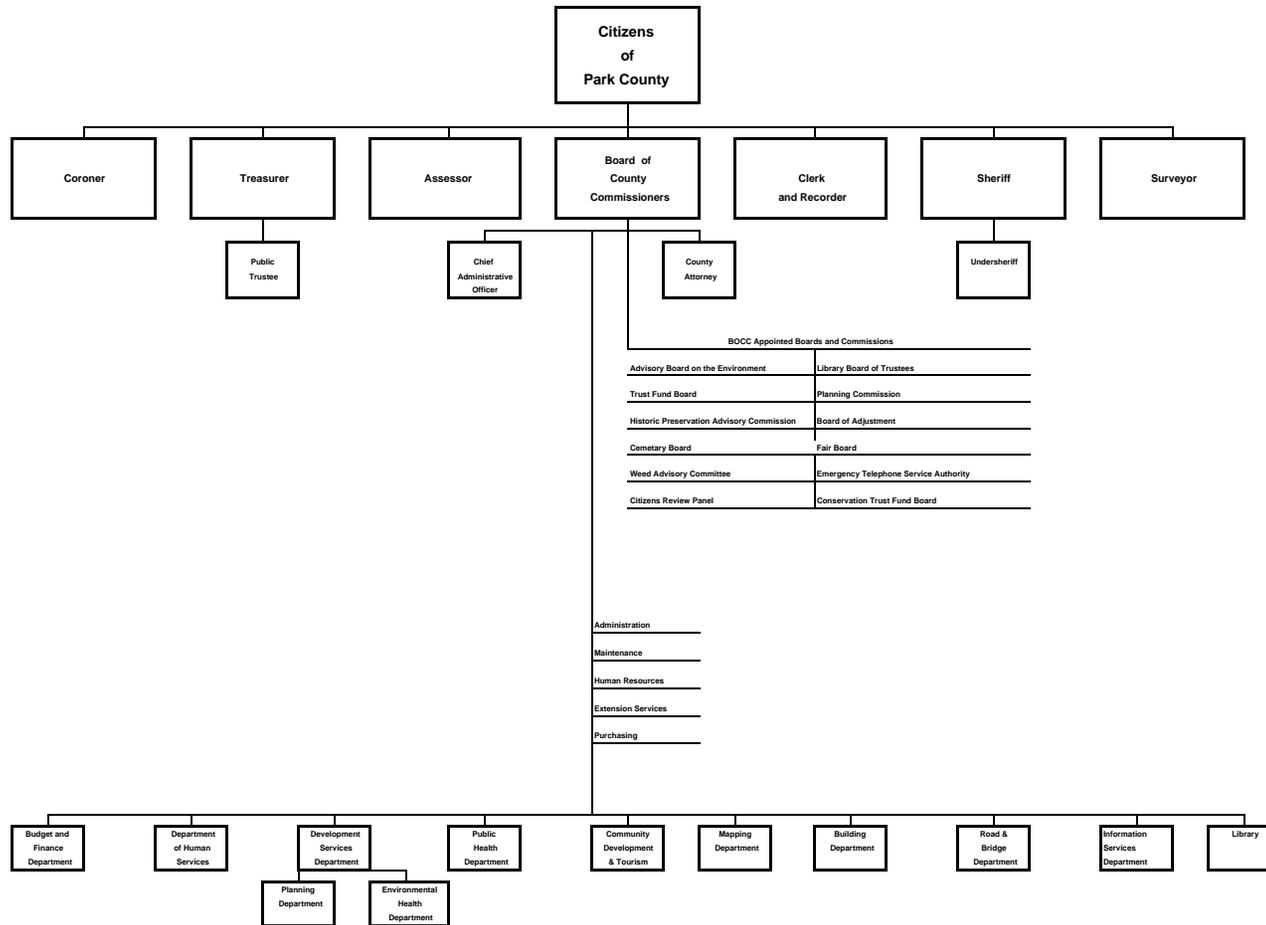
Acknowledgements – The preparation and completion of this report on a timely basis could not have been accomplished without the dedication and efficiency of the Counties Finance department. Special thanks to the independent certified public accounting firm John Cutler & Associates for their assistance and the professional manner in which they performed there audit engagement. I would like to also thank the Board of County Commissioners for their interest and support in planning and conducting the financial operations of the County in a responsible and progressive manner.

Respectfully submitted,



Kathy M. Boyce
Finance Director

Park County Government Organizational Chart



PARK COUNTY, COLORADO

Listing of Elected and Appointed Officials As of December 31, 2009

ELECTED OFFICIALS:

BOARD OF COUNTY COMMISSIONERS

District I	John Tighe
District II	Richard Hodges
District III	Mark Dowaliby

ASSESSOR	David B. Wissel
CLERK - RECORDER	Debra Green
CORONER	Sharon R. Morris
DISTRICT ATTORNEY	Thom LeDoux
SHERIFF	Fred Wegener
SURVEYOR	Jack L. Kirby
TREASURER	Michelle Miller

APPOINTED OFFICIALS:

CHIEF ADMINISTRATIVE OFFICER	Sandy Berryman
CHIEF BUILDING INSPECTOR	Greg Kimsey
COUNTY ATTORNEY	Lee Phillips
DIRECTOR, INFORMATION SERVICES	Sylvia Liles
DIRECTOR, BUDGET AND FINANCE	Kathy Boyce
DIRECTOR, HUMAN SERVICES	Mary Baydarian
DIRECTOR, LIBRARIES	Patricia Chapman
DIRECTOR, DEVELOPMENT SERVICES	Tom Eisenman
DIRECTOR, PUBLIC HEALTH	Robin Phillips
DIRECTOR, ROAD AND BRIDGE	David Kintz, Sr.
DIRECTOR, TOURISM AND COMMUNITY DEVELOPMENT	Gary E. Nichols

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Park County
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A stylized, handwritten signature in black ink, appearing to be "J.R. Emer".

President

A handwritten signature in black ink, appearing to be "Jeffrey R. Emer".

Executive Director

FINANCIAL SECTION



JOHN CUTLER
& ASSOCIATES

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, as of and for the year ended December 31, 2009, which collectively comprise the basic financial statements of the County, as listed in the table of contents. These financial statements are the responsibility of Park County, Colorado's management. 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our 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, 2009, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated July 12, 2010 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis and required supplementary information listed in the table of contents is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

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 fund schedules listed in the table of contents, and the Schedule of Expenditures of Federal Awards as required by the U.S. Office of Management and Budget Circular A-133, Audits of State and Local Governments and Non-Profit Organizations are presented for purposes of additional analysis and are not a required part of the basic financial statements, and has been subject to the auditing procedures applied in the audit of the County's basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

The statistical information is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This information has not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion.

John Lutter & Associates, LLC

July 12, 2010

Park County, Colorado

Management's Discussion and Analysis

December 31, 2009

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, 2009.

FINANCIAL HIGHLIGHTS

- The assets of Park County exceeded its liabilities at the close of the most recent fiscal year by \$23,599,938 (net assets). Of this amount, \$14,367,258 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The government's total net assets increased by \$1,374,073. A large portion of this is due to the General Fund's revenues being higher than anticipated and expenditures being lower than anticipated and additions to capital assets.
- As of the close of the current fiscal year, Park County governmental funds reported combined ending fund balances of \$12,677,594 an increase of \$155,122. Approximately \$11,332,388 is available for spending at the government's discretion (unreserved fund balance).
- At the end of the current year, unreserved fund balance for the General Fund was \$3,524,308 or 31% of total General Fund expenditures.
- Park County's total debt decreased by \$791,780 during the current fiscal year. The key factor in this decrease was the payment of capital leases.

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 Assets presents information on all of the County's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets 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 assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

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

The government-wide financial statements can be found on pages C1 and C2 of this report.

OVERVIEW of the FINANCIAL STATEMENTS (continued)

Fund Financial Statements:

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, fiduciary funds and enterprise funds.

Governmental Funds:

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

General Fund:

Administration of general County operations is accomplished through various departments within the General Fund. At the beginning of 2009, the fund balance was \$3,658,152; and at the end of 2009, the fund balance increased by \$188,290, resulting in a fund balance of \$3,846,442. Following is a listing of the General Fund departments listed by function.

Administrative Operations:

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

Judicial:

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

Public Safety:

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

Health and Hospitals:

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

OVERVIEW of the FINANCIAL STATEMENTS (continued)

Governmental Funds (continued):

General Fund (continued):

Community Auxiliary Services:

- The Park County Fair is held annually during the month of July, under direction of the Park County Commissioners through the Park County Fair Board.
- The County provides office space and funding to South Park Senior Coalition to assist seniors in the County.
- Economic Development provides assistance to retain current businesses and assists in attracting new business into the County. This department also handles tourism requests.
- The Veterans' Office assists veterans living in the County.
- The County provides the communications network and dispatch services for most County entities including fire, local police and ambulance communications.

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, Conservation Trust Fund, Capital Projects Fund, Grant Fund, Library Fund, E-911 Fund, 1041 Fee Fund, Employee Retirement Fund and Sales Tax Trust Fund.

At the beginning of 2009, the County's special revenue funds had aggregate fund balances of \$3,341,870 and ended the year with fund balances totaling \$3,622,213; an increase of \$280,343.

Fiduciary Funds:

Agency Funds:

The County Treasurer holds cash and investments as an agent for other governments, as well as for County funds. Agency funds held by the County Treasurer on behalf of other governments totaled \$756,929 at the end of 2009.

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 D13 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 can be found on pages F1 through F13.
- 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.
- In connection with the receipt and expenditure of Federal-source funds, the County must comply with certain requirements detailed in Circular A-133 Compliance Supplement issued by the U.S. Office of Management and Budget. The auditor's reports on the County's internal controls over such monies and compliance with those requirements are included on pages H1 through H6, together with a summary of all Federal-source expenditures for 2009 on page H7.

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 assets at the end of 2009:

Park County's Net Assets at December 31, 2009

	Governmental Activities		Business-type Activities	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Assets:				
Current and other assets	\$23,497,083	\$22,647,590	\$62,414	\$54,754
Capital assets, net of accumulated depreciation	<u>14,082,168</u>	<u>13,906,712</u>	<u>0</u>	<u>0</u>
Total Assets	<u>37,579,251</u>	<u>36,554,302</u>	<u>62,414</u>	<u>54,754</u>
Liabilities:				
Current liabilities	8,895,567	9,504,338	7,371	91
Long-term debt	<u>5,138,789</u>	<u>4,878,763</u>	<u>0</u>	<u>0</u>
Total Liabilities	<u>14,034,356</u>	<u>14,383,101</u>	<u>7,371</u>	<u>91</u>
Net Assets (restated)				
Invested in capital assets, net of related debt	8,943,379	8,418,177	0	0
Restricted for emergencies	289,301	577,886	0	0
Unrestricted	<u>14,312,215</u>	<u>13,175,138</u>	<u>55,043</u>	<u>54,664</u>
Total Net Assets	<u>\$23,544,895</u>	<u>\$22,171,201</u>	<u>\$55,043</u>	<u>\$54,664</u>

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 37% of its total assets at the end of 2009.

At the end of the 2009 fiscal year, the County's net assets totaled \$23,599,938; an increase of \$1,374,694 over the prior year balance. This increase is attributable to overall expenses being less than anticipated. Restricted net assets totaling \$289,301, or approximately 3% of fiscal spending, has been reserved for emergencies in accordance with the Taxpayer's Bill of Rights ("TABOR") requirements for local governments. \$8,943,379 or 38% of total net assets represents the County's "equity" in capital assets (i.e., cost of capital assets, less accumulated depreciation and debt incurred to acquire those capital assets). 61% of the County's net assets are unrestricted and available to fund future government operations.

FINANCIAL ANALYSIS (continued)

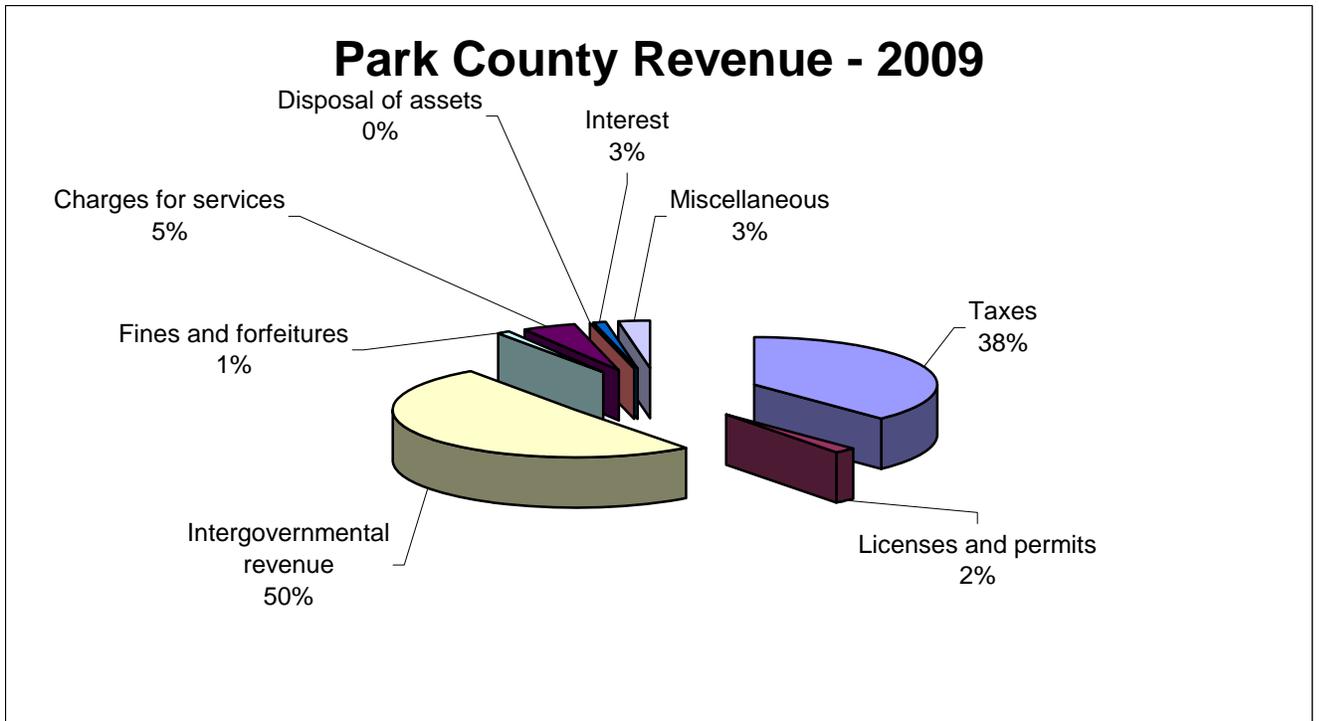
Government-wide Financial Analysis (continued):

The following schedule summarizes the changes in the County's net assets during 2009:

Park County's Change in Net Assets

	Governmental Activities		Business-type Activities	
	2009	2008	2009	2008
Revenues:				
Program revenues:				
Charges for services	\$ 5,065,020	\$ 4,169,507	\$ 40,453	\$ 37,141
Operating grants and contributions	8,317,994	7,761,913	-	-
Capital grants and contributions	129,132	138,405	-	-
General revenues:				
Property taxes	7,219,939	6,867,640	-	-
Other taxes, interest and other revenues	2,289,290	3,651,010	-	-
Total Revenues	23,021,375	22,588,475	40,453	37,141
Expenses				
General government	5,617,639	5,298,813	-	-
Health and welfare	4,319,977	3,580,749	-	-
Public safety	5,845,168	5,873,263	-	-
Culture and recreation	664,826	913,188	40,074	41,864
Judicial	303,087	282,300	-	-
Public works	4,717,830	4,717,971	-	-
Interest on long-term debt	178,154	200,825	-	-
Total Expenses	21,646,681	20,867,109	40,074	41,864
Change in Net Assets	1,374,694	1,721,366	379	(4,723)
Net Assets - January 1	22,171,201	20,449,835	54,664	59,387

The following graph illustrates the County's 2009 revenue sources:

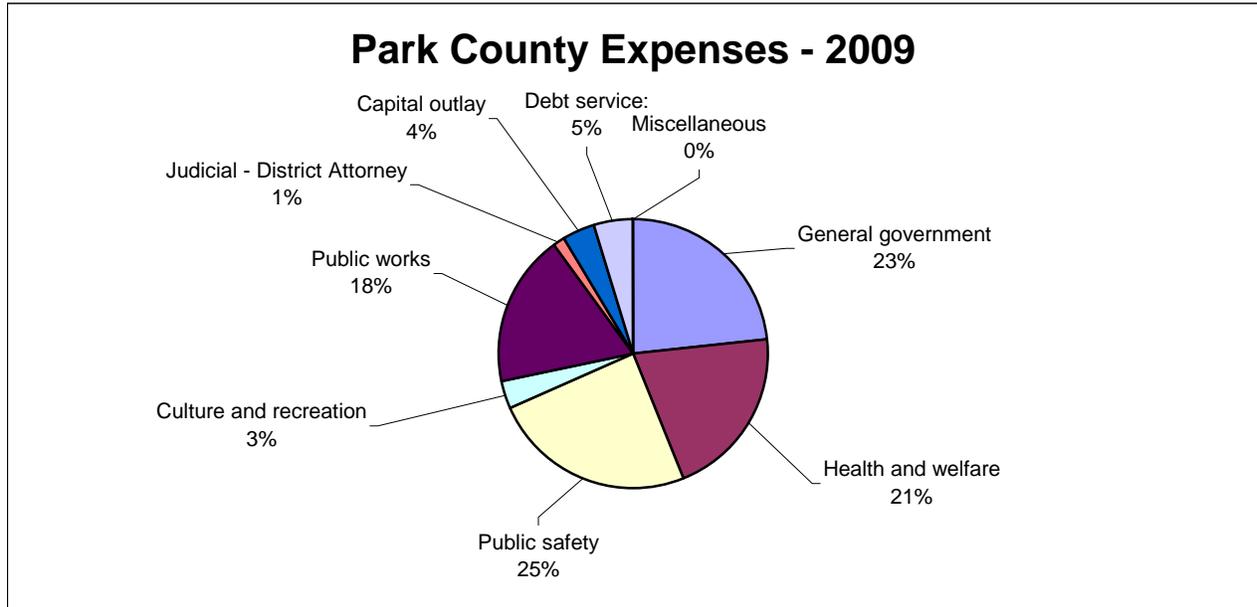


FINANCIAL ANALYSIS (continued)

Government-wide Financial Analysis (continued):

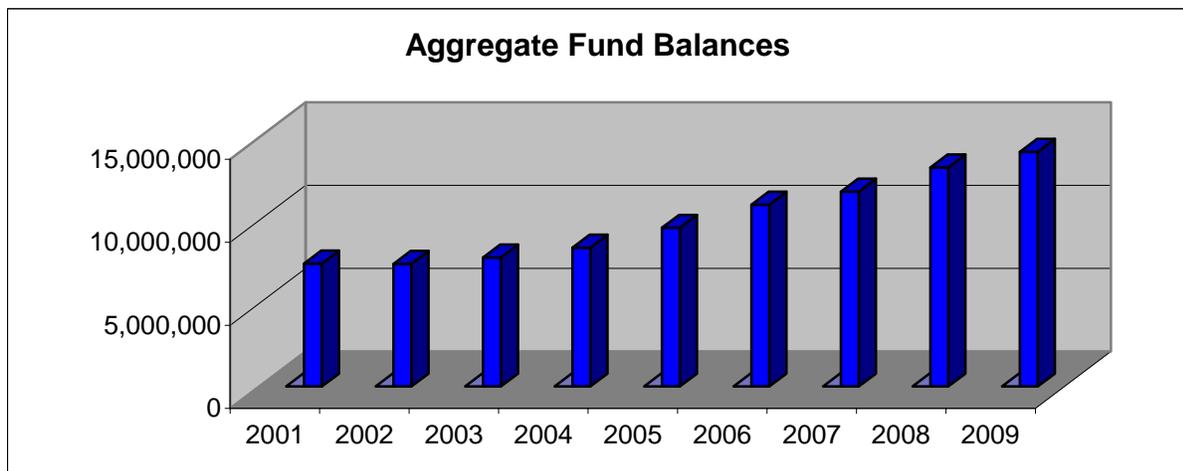
For 2009, the County increased funding to allow for the purchase of supplies, equipment, vehicles, and manpower to various departments of the governmental activities to enhance quality services.

The following graph depicts the County's 2009 expenses:



Fund Financial Analysis:

The graphic below shows the County's actual total fund balances for fiscal years 2001 through 2009.



Aggregate fund balances at year-end showed an increase of \$464,934. General fund balance increased \$188,290 in 2009 due to a lower prisoner count in the jail requiring less expense. Human Services fund balance showed an increase of \$230,773 due to a 92% reimbursement rate from State & federal program funding and a County contribution of 14%. Road & Bridge fund experienced a decrease in fund balance of \$109,251 due to additional funding being used for road projects.

Budget Variances and Amendments:

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

- General Fund departments received budgetary increases totaling \$161,808 to cover general operating expenditures in excess of originally budgeted amount. These increases included a transfer of \$164,000 to the Capital fund to cover architect expenses for a future communications/IT building. Other increases included salary and benefits for two additional jail deputies.

Capital Assets and Debt Administration:

Capital Assets

The County's investment in capital assets for its governmental activities as of December 31, 2009, amounts to \$14,082,168. This is a increase of \$175,456 from the prior year. The main reason for the increase was the capital outlay of \$1,407,829 exceeded the depreciation expense of \$1,232,373. Additional information on the County's capital assets can be found in Note 4 of the Notes to Financial Statements.

Long-Term Debt

As of the end of the current fiscal year, the County's long-term debt had decreased by \$791,780 as the only major activity was the payments on the debt. Additional information on the County's long-term debt can be found in Note 5 of the Notes to Financial Statements.

Next Year's Budget and Rates:

The County's General Fund balance at the end of fiscal year 2009 was \$3,846,442. 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 a minimum of three months or 25% is considered necessary, as the majority of the property tax revenue is not received until April of each year. At the end of 2009, the County's General Fund balance approximated 30% of actual 2009 General Fund expenditures.

At the end of the 2009 fiscal year, unreserved fund balances in the General Fund and Road and Bridge Fund were to \$3,846,442 and \$3,998,039, respectively. Park County has appropriated \$653,204 and \$629,156 respectively, from these funds for spending in the 2010 fiscal year budget.

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 Assets
December 31, 2009

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and investments - Unrestricted	\$ 14,158,567	\$ 62,414	\$ 14,220,981
Cash and investments - Restricted	233,452	-	233,452
Receivables, net:			
Taxes	7,443,072	-	7,443,072
Intergovernmental	40,546	-	40,546
Accounts	1,200,715	-	1,200,715
Inventories, at cost	37,248	-	37,248
Prepaid expenses	73,709	-	73,709
Deferred bond issuance costs, net	116,095	-	116,095
Deferred bond refunding costs, net	193,679	-	193,679
Capital assets, not depreciated	2,346,433	-	2,346,433
Capital assets, depreciated, net of accumulated depreciation	11,735,735	-	11,735,735
Total assets	37,579,251	62,414	37,641,665
Liabilities:			
Accounts/vouchers payable	1,107,623	7,371	1,114,994
Due to other governments	174,649	-	174,649
Accrued interest and expenses	170,223	-	170,223
Deferred property taxes	7,443,072	-	7,443,072
Debt obligations:			
Due within one year	992,276	-	992,276
Due in more than one year	4,146,513	-	4,146,513
Total liabilities	14,034,356	7,371	14,041,727
Net Assets:			
Invested in capital assets, net of related debt	8,943,379	-	8,943,379
Restricted for emergencies	289,301	-	289,301
Unrestricted	14,312,215	55,043	14,367,258
Total Net Assets	\$ 23,544,895	\$ 55,043	\$ 23,599,938

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

Park County, Colorado
Statement of Activities
For the Year Ended December 31, 2009

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental activities:							
General government	\$ 5,617,639	\$ 1,528,304	\$ 5,990	\$ -	\$ (4,083,345)	\$ -	\$ (4,083,345)
Health and welfare	4,319,977	79,895	3,069,308	-	(1,170,774)	-	(1,170,774)
Public safety	5,845,168	3,191,962	725,909	-	(1,927,297)	-	(1,927,297)
Culture and recreation	664,826	262,859	125,881	129,132	(146,954)	-	(146,954)
Public works	4,717,830	-	4,390,906	-	(326,924)	-	(326,924)
Judicial - District Attorney	303,087	2,000	-	-	(301,087)	-	(301,087)
Interest on long-term debt	178,154	-	-	-	(178,154)	-	(178,154)
Total Governmental activities	21,646,681	5,065,020	8,317,994	129,132	(8,134,535)	-	(8,134,535)
Business-type activities:							
Recreation	40,074	40,453	-	-	-	379	379
Total Primary Government	\$ 21,686,755	\$ 5,105,473	\$ 8,317,994	\$ 129,132	(8,134,535)	379	(8,134,156)
General revenues:							
Taxes:							
Property taxes					7,219,939	-	7,219,939
Specific ownership taxes					850,435	-	850,435
Sales taxes					491,307	-	491,307
Severance Tax					85,865	-	85,865
Cigarette Tax					8,862	-	8,862
E911 Surcharge					161,587	-	161,587
Investment earnings					269,087	-	269,087
Miscellaneous					398,721	-	398,721
SPECIAL ITEM: Sale of Assets					22,426	-	22,426
Total general revenues and transfers					9,508,229	-	9,508,229
Change in Net Assets					1,373,694	379	1,374,073
Net Assets - January 1					22,171,201	54,664	22,225,865
Net Assets - December 31					\$ 23,544,895	\$ 55,043	\$ 23,599,938

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

**Park County, Colorado
Balance Sheets
Governmental Funds
December 31, 2009**

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Human Services Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:					
Cash and investments - Unrestricted	\$ 3,970,525	\$ 3,874,820	\$ 1,672,863	\$ 3,852,224	\$ 13,370,432
Cash and investments - Restricted	-	-	-	233,452	233,452
Accounts receivable	405,971	140,120	329,169	323,427	1,198,687
Due from other governments	-	-	40,546	-	40,546
Interest receivable	-	-	-	-	-
Prepaid items	32,833	-	-	6,881	39,714
Inventory	-	37,248	-	-	37,248
Property taxes receivable	6,611,687	252,276	445,469	133,640	7,443,072
Total assets	<u>\$ 11,021,016</u>	<u>\$ 4,304,464</u>	<u>\$ 2,488,047</u>	<u>\$ 4,549,624</u>	<u>\$ 22,363,151</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts/vouchers payable	\$ 562,887	\$ 54,149	\$ 353,424	\$ 137,163	\$ 1,107,623
Due to other governments	-	-	-	174,649	174,649
Deferred property taxes not collectible until subsequent year	-	-	-	-	-
	6,611,687	252,276	445,469	133,640	7,443,072
Total liabilities	<u>7,174,574</u>	<u>306,425</u>	<u>798,893</u>	<u>445,452</u>	<u>8,725,344</u>
Fund balances:					
Reserved for:					
Emergencies	289,301	-	-	-	289,301
Capital projects	-	-	-	960,213	960,213
Debt service	-	-	-	978,943	978,943
Inventory and Prepaid expenses	32,833	37,248	-	6,881	76,962
Unreserved, reported in:					
General Fund	3,524,308	-	-	-	3,524,308
Special revenue funds	-	3,960,791	1,689,154	2,158,135	7,808,080
Total fund balances	<u>3,846,442</u>	<u>3,998,039</u>	<u>1,689,154</u>	<u>4,104,172</u>	<u>13,637,807</u>
Total liabilities and fund balances	<u>\$ 11,021,016</u>	<u>\$ 4,304,464</u>	<u>\$ 2,488,047</u>	<u>\$ 4,549,624</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 14,082,168

Internal service funds are used by management to charge the costs of health insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets. 664,096

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the funds. These include bonds payable (\$2,175,000), Certificates of Participation (\$1,495,000) Capital Leases (\$962,644), Compensated Absences (\$506,145), Bond Issue Costs \$116,095, Deferred Debt Refunding Costs \$193,679, and Accrued Interest (\$10,161). (4,839,176)

Net assets of governmental activities \$ 23,544,895

Park County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2009

	<u>General Fund</u>	<u>Road and Bridge Fund</u>	<u>Human Services Fund</u>	<u>Non-major Funds</u>	<u>Total Governmental Funds</u>
Revenues:					
Taxes	\$ 7,268,750	\$ 212,337	\$ 483,100	\$ 692,221	\$ 8,656,408
E911 Surcharge	-	-	-	161,587	161,587
Licenses and permits	422,890	23,575	-	-	446,465
Intergovernmental revenue	3,276,438	4,390,906	3,069,308	986,912	11,723,564
Fines and forfeitures	267,558	-	-	-	267,558
Charges for services	1,074,559	-	-	-	1,074,559
Disposal of assets	8,643	13,783	-	-	22,426
Interest	255,642	-	-	13,445	269,087
Miscellaneous	150,234	30,519	13,934	204,034	398,721
Total revenues	<u>12,724,714</u>	<u>4,671,120</u>	<u>3,566,342</u>	<u>2,058,199</u>	<u>23,020,375</u>
Expenditures:					
General government	5,139,878	-	-	212,053	5,351,931
Health and welfare	510,070	-	3,305,168	493,481	4,308,719
Public safety	4,856,106	-	-	623,718	5,479,824
Culture and recreation	266,227	-	-	356,867	623,094
Public works	-	4,074,138	-	-	4,074,138
Judicial - District Attorney	303,087	-	-	-	303,087
Capital outlay	422,319	280,000	30,401	644,594	1,377,314
Debt service:					
Principal	-	380,891	-	475,000	855,891
Interest	-	45,342	-	133,801	179,143
Miscellaneous	-	-	-	2,300	2,300
Total expenditures	<u>11,497,687</u>	<u>4,780,371</u>	<u>3,335,569</u>	<u>2,941,814</u>	<u>22,555,441</u>
Excess (deficiency) of revenues over expenditures	<u>1,227,027</u>	<u>(109,251)</u>	<u>230,773</u>	<u>(883,615)</u>	<u>464,934</u>
Other financing sources (uses):					
Transfers in from other funds	-	-	-	1,038,737	1,038,737
Transfers (out) to other funds	(1,038,737)	-	-	-	(1,038,737)
Total other financing sources (uses)	<u>(1,038,737)</u>	<u>-</u>	<u>-</u>	<u>1,038,737</u>	<u>-</u>
Net change in fund balances	188,290	(109,251)	230,773	155,122	464,934
Fund balances - January 1	<u>3,658,152</u>	<u>4,107,290</u>	<u>1,458,381</u>	<u>3,949,050</u>	<u>13,172,873</u>
Fund balances - December 31	<u>\$ 3,846,442</u>	<u>\$ 3,998,039</u>	<u>\$ 1,689,154</u>	<u>\$ 4,104,172</u>	<u>\$ 13,637,807</u>

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

PARK COUNTY, COLORADO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2009

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

Net Changes in Fund Balances - Total Governmental Funds	\$	464,934
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 capital outlay \$1,407,829, exceeded depreciation \$1,232,373 in the current period.		175,456
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. These include payments on bonds of \$285,000, Certificates of Participation \$190,000, Capital Leases \$380,891, and Change in Accrued Compensated Absences of (\$64,111).		791,780
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These include amortization of bond issue costs (\$19,350), amortization of bond refunding costs (\$32,279) and change in accrued interest \$989.		(50,640)
The Internal service fund is used by management to charge the cost of health insurance to individual funds. The net revenue (expense) of the internal service fund is reported with governmental activities.		<u>(7,836)</u>
Change in Net Assets of Governmental Activities	\$	<u><u>1,373,694</u></u>

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

**Park County, Colorado
Statement of Net Assets
Proprietary Funds
December 31, 2009**

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Assets:		
Cash and cash equivalents	\$ 62,414	\$ 788,135
Accounts Receivable	-	2,028
Prepaid expenses	-	33,995
	62,414	824,158
Total assets	62,414	824,158
 Liabilities:		
Accounts payable and accrued liabilities	7,371	160,062
	7,371	160,062
Total liabilities	7,371	160,062
 Net assets:		
Unrestricted	55,043	664,096
	55,043	664,096
Total Net Assets	\$ 55,043	\$ 664,096

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

Park County, Colorado
Statement of Revenues, Expenses and Changes in Net Assets
Proprietary Funds
For the Year Ended December 31, 2009

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Revenues:		
Contributions	\$ -	\$ 2,113,350
Fee Revenue	40,453	-
Total revenues	40,453	2,113,350
Expenses:		
Culture and Recreation	\$ 40,074	-
Claims and related insurance expenses	-	2,123,999
Total expenses	40,074	2,123,999
Operating income (loss)	379	(10,649)
Non-operating revenues:		
Interest	-	2,813
Total non-operating revenues	-	2,813
Change in net assets	379	(7,836)
Net assets - January 1	54,664	671,932
Net assets - December 31	\$ 55,043	\$ 664,096

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, 2009**

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Cash flows from operating activities:		
Cash received from customers	\$ 40,453	\$ 2,111,322
Cash paid for goods and services	(32,793)	(2,237,458)
Net cash provided by operating activities	7,660	(126,136)
Cash flows from investing activities:		
Interest received	-	2,813
Net cash provided by investing activities	-	2,813
Net increase in cash and cash equivalents	7,660	(123,323)
Cash and cash equivalents - January 1	54,754	911,458
Cash and cash equivalents - December 31	\$ 62,414	\$ 788,135
 Reconciliation of operating income (loss) to Net cash provided by operating activities:		
Operating income (loss)	\$ 379	\$ (10,649)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Increase in accounts receivable	-	(2,028)
Increase in prepaid expenses	-	(27,792)
Increase (decrease) in accounts payable and accrued liabilities	7,281	(85,667)
Total adjustments	7,281	(115,487)
Net cash provided by operating activities	\$ 7,660	\$ (126,136)

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

Park County, Colorado

STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUND
December 31, 2009

	<u>Agency Fund</u>
Assets	
Cash and Investments	\$ 930,458
Liabilities	
Due to other governmental agencies	\$ 756,929
Held by Public Trustee	<u>173,529</u>
Total liabilities	<u>\$ 930,458</u>

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

PARK COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

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

In accordance with governmental accounting standards, the County has considered the possibility of inclusion of additional entities in its financial statements.

The definition of the reporting entity is based primarily on financial accountability. The County is financially accountable for organizations that make up its legal entity. It is also financially accountable for legally separate organizations if County officials appoint a voting majority of the organizations governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the County. The County may also be financially accountable for organizations that are fiscally dependent upon it.

Based on the criteria above, the County is not financially accountable for any other entity and therefore does not include additional organizations in its reporting entity.

Government-Wide and Fund Financial Statements

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

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

PARK COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Government-Wide and Fund Financial Statements (Continued)

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

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

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary (enterprise) fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the *option* of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The County has elected not to follow subsequent private-sector guidance.

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

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

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

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

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

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

The *Internal Service Fund* is used to account for the partially self-insured health insurance program for County employees. These services are provided to other County funds and departments on a cost reimbursement basis.

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

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Investments

Cash equivalents include investments with original maturities of three months or less.

Investments are recorded at fair value.

Receivables

Receivables are reported net of an allowance for uncollectible accounts.

Inventories

Inventories consist of supplies for the County's use 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 are allowed to accumulate unused vacation time at the rate of 8 hours per month for zero to five years of service, 12 hours per month for six to fourteen years of service and 16 hours a month for fifteen or more years of service. An employee can carry over a maximum of their annual amount. These maximums are 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 8 hours per month. They may accrue a maximum of 480 hours. As sick leave does not vest, no liability is recorded.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Compensated Absences (Continued)

These compensated absences are recognized as current salary costs when earned in the proprietary fund types and when due in the governmental fund types. A long-term liability has been recorded in the government-wide financial statements for the accrued compensated absences.

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 assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

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

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 to them on a monthly basis. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

Since property tax revenues are collected in arrears during the succeeding year, a receivable and corresponding deferred revenue are recorded at December 31. As the tax is collected in the succeeding year, the deferred revenue is recognized as revenue and the receivable is reduced.

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.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2009

NOTE 3: CASH AND INVESTMENTS

A summary of the primary government cash and investments as of December 31, 2009 follows:

Petty Cash	\$ 3,310
Cash Deposits	7,747,902
Investments	<u>7,633,679</u>
Total	<u>\$ 15,384,891</u>

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

Governmental activities - unrestricted	\$ 14,158,567
Governmental activities – restricted	233,452
Business-type activities	62,414
Agency Fund	<u>930,458</u>
Total	<u>\$ 15,384,891</u>

Deposits

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. At December 31, 2009, 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, 2009, the County had deposits with financial institutions with a carrying amount of \$7,747,902. The bank balances with the financial institutions were \$8,875,545. Of these balances, \$2,231,569 was covered by federal depository insurance and \$6,643,976 was covered by collateral held by authorized escrow agents in the financial institutions name (PDPA).

PARK COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 3: CASH AND INVESTMENTS (Continued)

Investments

As of December 31, 2009, the County has the following investments:

	Fair Value	Investment Maturity (Years)	
		Less than One Year	1-5 Years
Government Agencies	\$ 2,297,626	\$ -	\$ 2,297,626
CSAFE	504,378	504,378	-
Colotrust	4,831,675	4,831,675	-
	<u>\$ 7,633,679</u>	<u>\$ 5,336,053</u>	<u>\$ 2,297,626</u>

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

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 mutual funds have ratings of AAAM and Aaa from Standard and Poor and Moody's respectively. The Government Agency securities have a rating of AAA from Standard and Poor.

The County had invested \$5,336,053 in the Colorado Government Liquid Asset Trust and Colorado Surplus Asset Fund Trust (COLOTRUST and CSAFE); investment vehicles established for local government entities in Colorado to pool surplus funds and are registered with the State Securities Commissioner. The Funds operate similarly to a money market fund and each share is equal in value to \$1.00. Investments consist of U.S. Treasury and U.S. Agency securities and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities.

PARK COUNTY, COLORADO

NOTES TO FINANCIAL STATEMENTS

December 31, 2009

NOTE 3: CASH AND INVESTMENTS (Continued)

A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the entities. Colotrust is rated Aaa and CSAFE is rated AAAM by Standard and Poor.

Restricted Cash

Cash in the amount of \$233,452 is restricted in the Debt Service Fund as a required reserve for the County's 2004 Certificates of Participation.

NOTE 4: CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2009 is summarized below:

	<u>Balances</u> <u>12/31/08</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balances</u> <u>12/31/09</u>
Governmental Activities				
Capital Assets, not depreciated				
Land and Easements	\$ 2,057,617	\$ 288,816	\$ -	\$ 2,346,433
Capital Assets, depreciated				
Roads	746,481	-	-	746,481
Buildings and Improvements	13,241,915	305,063	-	13,546,978
Equipment	3,654,828	523,335	29,000	4,149,163
Vehicles	<u>12,538,167</u>	<u>290,615</u>	<u>96,647</u>	<u>12,732,135</u>
Total Capital Assets, depreciated	<u>30,181,391</u>	<u>1,119,013</u>	<u>125,647</u>	<u>31,174,757</u>
Less Accumulated Depreciation				
Roads	117,368	14,930	-	132,298
Buildings and Improvements	6,814,134	355,158	-	7,169,292
Equipment	970,106	536,902	29,000	1,478,008
Vehicles	<u>10,430,688</u>	<u>325,383</u>	<u>96,647</u>	<u>10,659,424</u>
Total Accumulated Depreciation	<u>18,332,296</u>	<u>1,232,373</u>	<u>125,647</u>	<u>19,439,022</u>
Total Capital Assets, depreciated, net	<u>11,849,095</u>	<u>(113,360)</u>	<u>-</u>	<u>11,735,735</u>
Governmental Activities, Capital Assets, Net	<u>\$ 13,906,712</u>	<u>\$ 175,456</u>	<u>\$ -</u>	<u>\$ 14,082,168</u>

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

Governmental Activities	
General Government	\$ 178,183
Culture and Recreation	41,732
Health and Welfare	11,258
Public Works	643,692
Public Safety	<u>357,508</u>
 Total	 <u>\$ 1,232,373</u>

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2009

NOTE 5: LONG-TERM DEBT

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2009.

	<u>Balance</u> <u>12/31/08</u>	<u>Additions</u>	<u>Payments</u>	<u>Balance</u> <u>12/31/09</u>	<u>Due In</u> <u>One Year</u>
Capital Improvement					
Bonds	\$ 2,460,000	\$ -	\$ 285,000	\$ 2,175,000	\$ 285,000
Certificate of Participation	1,685,000	-	190,000	1,495,000	195,000
Capital Leases	1,343,535	-	380,891	962,644	284,511
Compensated Absences	<u>442,034</u>	<u>64,111</u>	<u>-</u>	<u>506,145</u>	<u>227,765</u>
 Total	 <u>\$ 5,930,569</u>	 <u>\$ 64,111</u>	 <u>\$ 855,891</u>	 <u>\$ 5,138,789</u>	 <u>\$ 992,276</u>

In December of 1996, the County issued \$4,450,000 Jail Facility Capital Improvement Bonds. Bond proceeds were used to acquire and improve the County's jail facilities. Interest accrues at rates ranging from 3.7% to 5.4% per annum and is payable semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2006. All maturities due after 2006 were advance refunded with the 2004 Jail Refunding Capital Improvement Bonds.

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

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

The County has entered into several capital lease agreements to purchase equipment. These leases are paid from revenues of the Road and Bridge Fund. The leases require interest to be paid ranging from 3.55% to 4.75%. These leases mature from 2009 to 2013.

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

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2009

NOTE 5: LONG-TERM DEBT (Continued)

Future Debt Service Requirements

Annual debt service requirements for the outstanding bonds and certificates at December 31, 2009 are as follows:

<u>Year Ended December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 480,000	\$ 121,927	\$ 601,927
2011	495,000	108,726	603,726
2012	510,000	93,876	603,876
2013	530,000	77,682	607,682
2014	545,000	59,820	604,820
2015	<u>1,110,000</u>	<u>40,745</u>	<u>1,150,745</u>

Total Debt Service Requirements	<u>\$3,670,000</u>	<u>\$ 502,776</u>	<u>\$4,172,776</u>
---------------------------------	---------------------------	--------------------------	---------------------------

Debt service requirements for the capital leases are as follows:

Year Ended December 31,

2010	\$ 314,925
2011	314,925
2012	314,925
2013	<u>78,731</u>
Total Payments	1,023,505

Less: Amounts representing interest	<u>(60,861)</u>
-------------------------------------	-----------------

Total	<u>\$962,644</u>
--------------	-------------------------

Vehicles and equipment in the amount of \$4,329,422 purchased under capital leases have been capitalized in the government-wide financial statements.

PARK COUNTY, COLORADO
 NOTES TO FINANCIAL STATEMENTS
 December 31, 2009

NOTE 6: INTERFUND AMOUNTS

Interfund transfers at December 31, 2009, were comprised of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Capital Projects	General	\$ 247,413
Debt Service	General	611,102
Library	General	<u>180,222</u>
Total		<u>\$ 1,038,737</u>

Transfers are made from the General Fund to fund capital projects, assist in making debt service payments, and to fund library operations.

NOTE 7: 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, 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 currently operation 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, 2009

NOTE 7: 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.

Changes in the claims liability amounts in 2009:

	<u>2009</u>	<u>2008</u>
Balance January 1,	\$ 245,729	\$ 163,027
Claims and Changes in Estimates	1,717,542	1,953,557
Claims Paid	<u>2,123,333</u>	<u>1,870,855</u>
Balance December 31,	<u>\$ 160,062</u>	<u>\$ 245,729</u>

NOTE 8: RETIREMENT COMMITMENTS

Employees Pension Plan

The County contributes to a multiple employer defined contribution retirement plan administered by the Colorado Officials and Employees Retirement Association. Every employee who is employed by the County for more than one year is eligible to participate in the Plan. Both the County and the employee contribute 3% of the employee's base salary. Plan provisions are established and may be amended by County Commissioners. The County Commissioners set and change the contribution rates to the plan. During the year ended December 31, 2009, employer and employee contributions were \$221,979, equal to their required contributions.

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.

PARK COUNTY, COLORADO
NOTES TO FINANCIAL STATEMENTS
December 31, 2009

NOTE 9: 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, 2009, significant amounts of grant expenditures have not been audited but the County believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on the overall financial position of the County.

Tabor Amendment

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

In November 1998, voters within the County approved the collection, retention and expenditure of interest and investment earnings, revenue from federal, other local and district governmental entities commencing on January 1, 1999, and subsequent years. The County has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2009, the emergency reserve of \$289,301 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.

REQUIRED SUPPLEMENTARY INFORMATION

Park County, Colorado
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)

	2009			Variance Positive (Negative)	2008 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Property tax	\$ 6,429,061	\$ 6,429,061	\$ 6,418,014	\$ (11,047)	\$ 6,029,862
Specific ownership tax	825,000	825,000	756,009	(68,991)	805,569
Severance Tax	30,000	30,000	85,865	55,865	42,524
Cigarette Tax	9,500	9,500	8,862	(638)	-
Licenses and permits	473,075	473,075	422,890	(50,185)	515,840
Intergovernmental	3,270,733	3,281,595	3,276,438	(5,157)	3,731,028
Fines and forfeitures	204,400	204,400	267,558	63,158	209,381
Charges for services	975,027	1,012,177	1,074,559	62,382	969,107
Sale of assets	-	-	8,643	8,643	(145)
Interest	420,000	420,000	255,642	(164,358)	417,921
Other	204,960	235,048	150,234	(84,814)	269,905
Total revenues	<u>12,841,756</u>	<u>12,919,856</u>	<u>12,724,714</u>	<u>(195,142)</u>	<u>12,990,992</u>
Expenditures:					
General government	5,269,623	5,261,806	5,139,878	121,928	4,889,305
Health and welfare	575,014	583,626	510,070	73,556	468,469
Public safety	5,947,191	5,411,958	4,856,106	555,852	5,187,233
Culture and recreation	311,075	311,075	266,227	44,848	290,900
Judicial - District Attorney	303,087	303,087	303,087	-	282,300
Capital outlay	69,000	227,471	422,319	(194,848)	546,084
Debt service:					
Interest	100	-	-	-	-
Total expenditures	<u>12,475,090</u>	<u>12,099,023</u>	<u>11,497,687</u>	<u>601,336</u>	<u>11,664,291</u>
Excess of revenues over expenditures	<u>366,666</u>	<u>820,833</u>	<u>1,227,027</u>	<u>406,194</u>	<u>1,326,701</u>
Other financing (uses):					
Transfers (out)	(829,824)	(1,367,699)	(1,038,737)	328,962	(1,309,552)
Total other financing (uses)	<u>(829,824)</u>	<u>(1,367,699)</u>	<u>(1,038,737)</u>	<u>328,962</u>	<u>(1,309,552)</u>
Net change in fund balances	(463,158)	(546,866)	188,290	735,156	17,149
Fund balances - January 1	<u>3,658,152</u>	<u>3,658,152</u>	<u>3,658,152</u>	<u>-</u>	<u>3,641,003</u>
Fund balances - December 31	<u>\$ 3,194,994</u>	<u>\$ 3,111,286</u>	<u>\$ 3,846,442</u>	<u>\$ 735,156</u>	<u>\$ 3,658,152</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Road and Bridge Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

2009

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>2008 Actual</u>
Revenues:					
Property tax	\$ 195,342	\$ 195,342	\$ 189,987	\$ (5,355)	\$ 178,993
Specific ownership tax	25,000	25,000	22,350	(2,650)	24,463
Licenses and permits	48,500	48,500	23,575	(24,925)	140,806
Intergovernmental	4,158,100	4,158,100	4,390,906	232,806	4,685,901
Disposal of assets	-	-	13,783	13,783	179,930
Miscellaneous revenues	2,000	2,000	30,519	28,519	33,014
Total revenues	<u>4,428,942</u>	<u>4,428,942</u>	<u>4,671,120</u>	<u>242,178</u>	<u>5,243,107</u>
Expenditures:					
Public works	5,329,910	5,445,210	4,074,138	1,371,072	4,103,674
Capital outlay	-	20,000	280,000	(260,000)	1,497,534
Debt service:					
Principal	380,891	380,891	380,891	-	423,035
Interest	45,342	45,342	45,342	-	55,649
Total expenditures	<u>5,756,143</u>	<u>5,891,443</u>	<u>4,780,371</u>	<u>1,111,072</u>	<u>6,079,892</u>
Excess (deficiency) of revenues over expenditures	<u>(1,327,201)</u>	<u>(1,462,501)</u>	<u>(109,251)</u>	<u>1,353,250</u>	<u>(836,785)</u>
Other financing sources:					
Proceeds from capital leases	-	-	-	-	1,400,000
Transfers In	-	-	-	-	100,000
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,400,000</u>
Net change in fund balances	(1,327,201)	(1,462,501)	(109,251)	1,353,250	663,215
Fund balances - January 1	<u>4,107,290</u>	<u>4,107,290</u>	<u>4,107,290</u>	<u>-</u>	<u>3,444,075</u>
Fund balances - December 31	<u>\$ 2,780,089</u>	<u>\$ 2,644,789</u>	<u>\$ 3,998,039</u>	<u>\$ 1,353,250</u>	<u>\$ 4,107,290</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Human Services Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			2008 Actual
	Original & Final Budget	Actual	Variance Positive (Negative)	
Revenues:				
Property tax	\$ 434,289	\$ 432,197	\$ (2,092)	\$ 406,904
Specific ownership tax	52,000	50,903	(1,097)	54,357
Intergovernmental	3,499,372	3,069,308	(430,064)	2,362,379
Miscellaneous	35,970	13,934	(22,036)	32,600
Total revenues	<u>4,021,631</u>	<u>3,566,342</u>	<u>(455,289)</u>	<u>2,856,240</u>
Expenditures:				
Health and welfare	3,831,959	3,305,168	526,791	2,646,058
Capital Outlay	-	30,401	(30,401)	-
Total expenditures	<u>3,831,959</u>	<u>3,335,569</u>	<u>496,390</u>	<u>2,646,058</u>
Excess (deficiency) of revenues over expenditures	<u>189,672</u>	<u>230,773</u>	<u>41,101</u>	<u>210,182</u>
Other financing (uses):				
Transfers out	-	-	-	(100,000)
Total other financing(uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>
Net change in fund balance	189,672	230,773	41,101	110,182
Fund balances - January 1	<u>1,458,381</u>	<u>1,458,381</u>	<u>-</u>	<u>1,348,199</u>
Fund balances - December 31	<u>\$ 1,648,053</u>	<u>\$ 1,689,154</u>	<u>\$ 41,101</u>	<u>\$ 1,458,381</u>

See the accompanying independent auditors' report.

PARK COUNTY, COLORADO

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2009

NOTE 1: STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets and Budgetary Accounting

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

Prior to the August 2008, the County Assessor sent to the County a certified assessed valuation of all property in the County.

- On or before October 2008, the Finance Director submitted to the County Commissioners a recommended budget which detailed the necessary property taxes needed along with other available resources to meet the County's operating requirements.
- Prior to December 15, 2008, the County computed and certified to the County Commissioners a rate of levy that derived the necessary property taxes as computed in the proposed budget.
- After required publication of "Notice of Proposed Budget" and a public hearing , the County adopted the proposed budget and an appropriating resolution, which legally appropriated expenditures for the coming year.
- After adoption of the budget resolution, the County may make the following changes:
a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.
- Budgets are legally adopted for all funds of the County. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- Budgeted amounts in the financial statements are as originally adopted or as amended by the Board of County Commissioners. All appropriations lapse at year end. Colorado governments may not exceed budgeted appropriations by fund.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**Park County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2009**

	Special Revenue							Debt Service	Capital Projects	Total Non-major Governmental Funds		
	Conservation Trust Fund	Grant Fund	Employee Retirement Fund	Sales Tax Trust Fund	Library Fund	Sheriff's Seizure and Program Fund	E-911 Authority Fund	1041 Fee Fund	Debt Service Fund	Capital Projects Fund	2009	2008
	Assets:											
Cash and investments - Unrestricted	\$ 175,141	\$ 56,459	\$ 166,707	\$ 1,500,940	\$ (9,341)	\$ 45,658	\$ 165,563	\$ 45,393	\$ 745,491	\$ 960,213	\$ 3,852,224	\$ 3,629,787
Cash and investments - Restricted	-	-	-	-	-	-	-	-	233,452	-	233,452	233,452
Accounts receivable	-	118,859	-	168,107	24,581	1,056	10,824	-	-	-	323,427	124,860
Prepaid Expenses	-	-	-	-	-	-	6,881	-	-	-	6,881	4,383
Property taxes receivable	-	-	133,640	-	-	-	-	-	-	-	133,640	180,640
Total assets	<u>\$ 175,141</u>	<u>\$ 175,318</u>	<u>\$ 300,347</u>	<u>\$ 1,669,047</u>	<u>\$ 15,240</u>	<u>\$ 46,714</u>	<u>\$ 183,268</u>	<u>\$ 45,393</u>	<u>\$ 978,943</u>	<u>\$ 960,213</u>	<u>\$ 4,549,624</u>	<u>\$ 4,173,122</u>
Liabilities:												
Accounts payable	\$ 23,902	\$ 669	\$ -	\$ 91,667	\$ 20,510	\$ 415	\$ -	\$ -	\$ -	\$ -	\$ 137,163	\$ 34,444
Accrued expenses	-	-	-	-	-	-	-	-	-	-	-	8,988
Due to Other Governments	-	174,649	-	-	-	-	-	-	-	-	174,649	-
Deferred property taxes not collectible until subsequent year	-	-	133,640	-	-	-	-	-	-	-	133,640	180,640
Total liabilities	<u>23,902</u>	<u>175,318</u>	<u>133,640</u>	<u>91,667</u>	<u>20,510</u>	<u>415</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>445,452</u>	<u>224,072</u>
Fund balances:												
Reserved for debt service	-	-	-	-	-	-	-	-	978,943	-	978,943	973,081
Reserved for capital projects	-	-	-	-	-	-	-	-	-	960,213	960,213	719,168
Reserved for prepaid expenses	-	-	-	-	-	-	-	-	-	-	-	3,953
Unreserved	151,239	-	166,707	1,577,380	(5,270)	46,299	183,268	45,393	-	-	2,165,016	2,252,848
Total fund balances	<u>151,239</u>	<u>-</u>	<u>166,707</u>	<u>1,577,380</u>	<u>(5,270)</u>	<u>46,299</u>	<u>183,268</u>	<u>45,393</u>	<u>978,943</u>	<u>960,213</u>	<u>4,104,172</u>	<u>3,949,050</u>
Total liabilities and fund balances	<u>\$ 175,141</u>	<u>\$ 175,318</u>	<u>\$ 300,347</u>	<u>\$ 1,669,047</u>	<u>\$ 15,240</u>	<u>\$ 46,714</u>	<u>\$ 183,268</u>	<u>\$ 45,393</u>	<u>\$ 978,943</u>	<u>960,213</u>	<u>\$ 4,549,624</u>	<u>\$ 4,173,122</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, 2009

	Special Revenue							Debt Service	Capital Projects	Total Non-major Governmental Funds		
	Conservation Trust Fund	Grant Fund	Employee Retirement Fund	Sales Tax Trust Fund	Library Fund	Sheriff's Seizure and Program Fund	E-911 Authority Fund	1041 Fee Fund	Debt Service Fund	Capital Projects Fund	2009	2008
	Revenues:											
Property tax	\$ -	\$ -	\$ 179,741	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 179,741	\$ 169,564
Specific ownership tax	-	-	21,173	-	-	-	-	-	-	-	21,173	22,653
Sales tax	-	-	-	491,307	-	-	-	-	-	-	491,307	569,374
E911 Surcharge	-	-	-	-	-	-	161,587	-	-	-	161,587	104,978
Intergovernmental	129,132	725,909	-	-	125,881	5,990	-	-	-	-	986,912	490,868
Interest	554	-	-	7,030	-	-	-	-	5,861	-	13,445	70,419
Miscellaneous	-	-	49,375	146,472	-	7,835	-	352	-	-	204,034	70,281
Total revenues	<u>129,686</u>	<u>725,909</u>	<u>250,289</u>	<u>644,809</u>	<u>125,881</u>	<u>13,825</u>	<u>161,587</u>	<u>352</u>	<u>5,861</u>	<u>-</u>	<u>2,058,199</u>	<u>1,498,137</u>
Expenditures:												
General government	-	-	212,053	-	-	-	-	-	-	-	212,053	209,277
Health and welfare	-	101,943	-	391,538	-	-	-	-	-	-	493,481	452,299
Public safety	-	565,133	-	-	-	25,264	33,321	-	-	-	623,718	201,266
Culture and recreation	86,790	58,833	-	-	190,652	-	-	20,592	-	-	356,867	599,807
Capital outlay	-	-	-	288,816	145,396	-	204,014	-	-	6,368	644,594	83,296
Debt service:												
Principal	-	-	-	-	-	-	-	-	475,000	-	475,000	455,000
Interest	-	-	-	-	-	-	-	-	133,801	-	133,801	145,177
Miscellaneous	-	-	-	-	-	-	-	-	2,300	-	2,300	2,300
Total expenditures	<u>86,790</u>	<u>725,909</u>	<u>212,053</u>	<u>680,354</u>	<u>336,048</u>	<u>25,264</u>	<u>237,335</u>	<u>20,592</u>	<u>611,101</u>	<u>6,368</u>	<u>2,941,814</u>	<u>2,148,422</u>
Excess (deficiency) of revenues over expenditures	<u>42,896</u>	<u>-</u>	<u>38,236</u>	<u>(35,545)</u>	<u>(210,167)</u>	<u>(11,439)</u>	<u>(75,748)</u>	<u>(20,240)</u>	<u>(605,240)</u>	<u>(6,368)</u>	<u>(883,615)</u>	<u>(650,285)</u>
Other financing sources (uses):												
Operating transfers in from other funds	-	-	-	-	180,222	-	-	-	611,102	247,413	1,038,737	1,309,552
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>180,222</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>611,102</u>	<u>247,413</u>	<u>1,038,737</u>	<u>1,309,552</u>
Net change in fund balances	42,896	-	38,236	(35,545)	(29,945)	(11,439)	(75,748)	(20,240)	5,862	241,045	155,122	659,267
Fund balances - January 1	108,343	-	128,471	1,612,925	24,675	57,738	259,016	65,633	973,081	719,168	3,949,050	3,289,783
Fund balances - December 31	<u>\$ 151,239</u>	<u>\$ -</u>	<u>\$ 166,707</u>	<u>\$ 1,577,380</u>	<u>\$ (5,270)</u>	<u>\$ 46,299</u>	<u>\$ 183,268</u>	<u>\$ 45,393</u>	<u>\$ 978,943</u>	<u>\$ 960,213</u>	<u>\$ 4,104,172</u>	<u>\$ 3,949,050</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Conservation Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			2008 Actual
	Original and Final Budget	Actual	Variance Positive (Negative)	
Revenues:				
Intergovernmental	\$ 140,000	\$ 129,132	\$ (10,868)	\$ 138,405
Interest	3,000	554	(2,446)	3,472
Total revenues	<u>143,000</u>	<u>129,686</u>	<u>(13,314)</u>	<u>141,877</u>
Expenditures:				
Culture and recreation	250,998	86,790	164,208	152,582
Total expenditures	<u>250,998</u>	<u>86,790</u>	<u>164,208</u>	<u>152,582</u>
Excess (Deficiency) of revenues over expenditures	(107,998)	42,896	150,894	(10,705)
Fund balances - January 1	<u>108,343</u>	<u>108,343</u>	<u>-</u>	<u>119,048</u>
Fund balances - December 31	<u>\$ 345</u>	<u>\$ 151,239</u>	<u>\$ 150,894</u>	<u>\$ 108,343</u>

See the accompanying independent auditors' report.

Park County, Colorado
Grant Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)

	2009		Variance Positive (Negative)	2008 Actual
	Final Budget	Actual		
Revenues:				
Intergovernmental	\$ 1,071,819	\$ 725,909	\$ (345,910)	\$ 344,529
Total revenues	<u>1,071,819</u>	<u>725,909</u>	<u>(345,910)</u>	<u>344,529</u>
Expenditures:				
Health and welfare	101,370	101,943	(573)	79,571
Public safety	717,114	565,133	151,981	118,250
Culture and recreation	365,323	58,833	306,490	146,708
Total expenditures	<u>1,183,807</u>	<u>725,909</u>	<u>457,898</u>	<u>344,529</u>
Excess (deficiency) of revenues over expenditures	(111,988)	-	111,988	-
Fund balances - January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit) - December 31	<u><u>\$ (111,988)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 111,988</u></u>	<u><u>\$ -</u></u>

See the accompanying independent auditors' report.

Park County, Colorado
Employee Retirement Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)

	2009			2008 Actual
	Original and Final Budget	Actual	Variance Positive (Negative)	
Revenues:				
Property taxes	\$ 180,741	\$ 179,741	\$ (1,000)	\$ 169,564
Specific ownership taxes	23,600	21,173	(2,427)	22,653
Miscellaneous revenues	-	49,375	49,375	777
Total revenues	<u>204,341</u>	<u>250,289</u>	<u>45,948</u>	<u>192,994</u>
Expenditures:				
General government	219,800	212,053	7,747	209,277
Total expenditures	<u>219,800</u>	<u>212,053</u>	<u>7,747</u>	<u>209,277</u>
Excess (deficiency) of revenues over expenditures	(15,459)	38,236	53,695	(16,283)
Fund balances - January 1	<u>128,471</u>	<u>128,471</u>	-	<u>144,754</u>
Fund balances - December 31	<u>\$ 113,012</u>	<u>\$ 166,707</u>	<u>\$ 53,695</u>	<u>\$ 128,471</u>

See the accompanying Independent auditors' report.

**Park County, Colorado
Sales Tax Trust Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			2008 Actual
	Final Budget	Actual	Variance Positive (Negative)	
Revenues:				
Sales tax	\$ 550,000	\$ 491,307	\$ (58,693)	\$ 569,374
Miscellaneous	46,667	146,472	99,805	46,666
Interest	38,000	7,030	(30,970)	34,597
Total revenues	<u>634,667</u>	<u>644,809</u>	<u>10,142</u>	<u>650,637</u>
Expenditures:				
Health and welfare	646,700	391,538	255,162	372,728
Capital Outlay	35,000	288,816	(253,816)	-
Total expenditures	<u>681,700</u>	<u>680,354</u>	<u>1,346</u>	<u>372,728</u>
Excess (deficiency) of revenues over expenditures	(47,033)	(35,545)	11,488	277,909
Fund balances - January 1	<u>1,612,925</u>	<u>1,612,925</u>	-	<u>1,335,016</u>
Fund balances - December 31	<u><u>\$ 1,565,892</u></u>	<u><u>\$ 1,577,380</u></u>	<u><u>\$ 11,488</u></u>	<u><u>\$ 1,612,925</u></u>

See the accompanying independent auditors' report.

**Park County, Colorado
Library Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009		Variance Positive (Negative)	2008 Actual
	Final Budget	Actual		
Revenues:				
Grant revenue	\$ 162,000	\$ 120,029	\$ (41,971)	\$ -
Miscellaneous revenue	7,500	5,852	(1,648)	5,734
Total revenues	<u>169,500</u>	<u>125,881</u>	<u>(43,619)</u>	<u>5,734</u>
Expenditures:				
Culture and recreation	193,217	190,652	2,565	285,690
Capital Outlay	172,000	145,396	26,604	-
Total expenditures	<u>365,217</u>	<u>336,048</u>	<u>29,169</u>	<u>285,690</u>
(Deficiency) of revenues over expenditures	<u>(195,717)</u>	<u>(210,167)</u>	<u>(14,450)</u>	<u>(279,956)</u>
Other financing sources:				
Transfers in from other funds	180,222	180,222	-	196,470
Total other financing sources	<u>180,222</u>	<u>180,222</u>	<u>-</u>	<u>196,470</u>
Net change in fund balances	(15,495)	(29,945)	(14,450)	(83,486)
Fund balances - January 1	<u>24,675</u>	<u>24,675</u>	<u>-</u>	<u>108,161</u>
Fund balances - December 31	<u>\$ 9,180</u>	<u>\$ (5,270)</u>	<u>\$ (14,450)</u>	<u>\$ 24,675</u>

See the accompanying independent auditors' report.

Park County, Colorado
Sheriff's Seizure and Program Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)

	2009			2008 Actual
	Original and Final Budget	Actual	Variance Positive (Negative)	
Revenues:				
Intergovernmental	\$ 5,900	\$ 5,990	\$ 90	\$ 7,934
Miscellaneous	800	7,835	7,035	15,820
Total revenues	<u>6,700</u>	<u>13,825</u>	<u>7,125</u>	<u>23,754</u>
Expenditures:				
Public safety	42,218	25,264	16,954	24,734
Total expenditures	<u>42,218</u>	<u>25,264</u>	<u>16,954</u>	<u>24,734</u>
Excess (deficiency) of revenues over expenditures	(35,518)	(11,439)	24,079	(980)
Fund balances - January 1	<u>57,738</u>	<u>57,738</u>	-	<u>58,718</u>
Fund balances - December 31	<u>\$ 22,220</u>	<u>\$ 46,299</u>	<u>\$ 24,079</u>	<u>\$ 57,738</u>

See the accompanying independent auditors' report.

**Park County, Colorado
E-911 Authority Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			Variance Positive (Negative)	2008 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
E911 Surcharge	\$ 100,500	\$ 100,500	\$ 161,587	\$ 61,087	\$ 104,978
Total revenues	<u>100,500</u>	<u>100,500</u>	<u>161,587</u>	<u>61,087</u>	<u>104,978</u>
Expenditures:					
Public safety	84,500	84,500	33,321	51,179	58,282
Capital outlay	16,000	156,000	204,014	(48,014)	66,176
Total expenditures	<u>100,500</u>	<u>240,500</u>	<u>237,335</u>	<u>3,165</u>	<u>124,458</u>
Excess (deficiency) of revenues over expenditures	-	(140,000)	(75,748)	64,252	(19,480)
Fund balances - January 1	<u>259,016</u>	<u>259,016</u>	<u>259,016</u>	-	<u>278,496</u>
Fund balances - December 31	<u>\$ 259,016</u>	<u>\$ 119,016</u>	<u>\$ 183,268</u>	<u>\$ 64,252</u>	<u>\$ 259,016</u>

See the accompanying independent auditors' report.

Park County, Colorado
1041 Fee Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)

	2009			Variance Positive (Negative)	2008 Actual
	Original Budget	Original and Final Budget	Actual		
Revenues:					
Miscellaneous	\$ -	\$ -	\$ 352	\$ 352	\$ 1,284
Total revenues	<u>-</u>	<u>-</u>	<u>352</u>	<u>352</u>	<u>1,284</u>
Expenditures:					
Culture and recreation	63,993	65,632	20,592	45,040	14,827
Total expenditures	<u>63,993</u>	<u>65,632</u>	<u>20,592</u>	<u>45,040</u>	<u>14,827</u>
Excess (deficiency) of revenues over expenditures	(63,993)	(65,632)	(20,240)	45,392	(13,543)
Fund balances - January 1	<u>65,633</u>	<u>65,633</u>	<u>65,633</u>	<u>-</u>	<u>79,176</u>
Fund balances - December 31	<u>\$ 1,640</u>	<u>\$ 1</u>	<u>\$ 45,393</u>	<u>\$ 45,392</u>	<u>\$ 65,633</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Debt Service Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			Variance Positive (Negative)	2008 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Interest	\$ 28,000	\$ 12,000	\$ 5,861	\$ (6,139)	\$ 32,350
Total revenues	<u>28,000</u>	<u>12,000</u>	<u>5,861</u>	<u>(6,139)</u>	<u>32,350</u>
Expenditures:					
Principal	475,000	470,000	475,000	(5,000)	455,000
Interest	133,802	172,869	133,801	39,068	145,177
Other	2,300	2,450	2,300	150	2,300
Total expenditures	<u>611,102</u>	<u>645,319</u>	<u>611,101</u>	<u>34,218</u>	<u>602,477</u>
Excess (Deficiency) of revenues over expenditures	(583,102)	(633,319)	(605,240)	28,079	(570,127)
Other financing sources (uses):					
Transfers in from other funds	611,102	642,869	611,102	(31,767)	602,477
Total other financing sources (uses)	<u>611,102</u>	<u>642,869</u>	<u>611,102</u>	<u>(31,767)</u>	<u>602,477</u>
Net change in fund balances	28,000	9,550	5,862	(3,688)	32,350
Fund balances - January 1	<u>973,081</u>	<u>973,081</u>	<u>973,081</u>	<u>-</u>	<u>940,731</u>
Fund balances - December 31	<u>\$ 1,001,081</u>	<u>\$ 982,631</u>	<u>\$ 978,943</u>	<u>\$ (3,688)</u>	<u>\$ 973,081</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Capital Projects Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			2008 Actual
	Original and Final Budget	Actual	Variance Positive (Negative)	
Revenues:				
Trustee interest	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Capital outlay	170,370	6,368	164,002	17,120
Total expenditures	<u>170,370</u>	<u>6,368</u>	<u>164,002</u>	<u>17,120</u>
Excess (Deficiency) of revenues over expenditures	<u>(170,370)</u>	<u>(6,368)</u>	<u>164,002</u>	<u>(17,120)</u>
Other financing sources:				
Transfers in from other funds	199,000	247,413	48,413	510,605
Total other financing sources	<u>199,000</u>	<u>247,413</u>	<u>48,413</u>	<u>510,605</u>
Net change in fund balances	28,630	241,045	212,415	493,485
Fund balances - January 1	<u>719,168</u>	<u>719,168</u>	<u>-</u>	<u>225,683</u>
Fund balances - December 31	<u>\$ 747,798</u>	<u>\$ 960,213</u>	<u>\$ 212,415</u>	<u>\$ 719,168</u>

See the accompanying independent auditors' report.

Park County, Colorado
Risk Management Internal Service Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)

	2009			Variance Positive (Negative)	2008 Actual
	Original Budget	Final Budget	Actual		
Operating revenues:					
Contributions	\$ 2,190,000	\$ 2,190,000	\$ 2,113,350	\$ (76,650)	\$ 2,186,413
Total operating revenues	<u>2,190,000</u>	<u>2,190,000</u>	<u>2,113,350</u>	<u>(76,650)</u>	<u>2,186,413</u>
Operating expenses:					
Claims and administration	2,302,100	2,502,100	2,123,999	378,101	2,352,061
Total operating expenses	<u>2,302,100</u>	<u>2,502,100</u>	<u>2,123,999</u>	<u>378,101</u>	<u>2,352,061</u>
Operating income (loss)	<u>(112,100)</u>	<u>(312,100)</u>	<u>(10,649)</u>	<u>301,451</u>	<u>(165,648)</u>
Non-operating revenues:					
Interest	11,000	11,000	2,813	(8,187)	13,035
Total non-operating revenues	<u>11,000</u>	<u>11,000</u>	<u>2,813</u>	<u>(8,187)</u>	<u>13,035</u>
Change in net assets	<u>\$ (101,100)</u>	<u>\$ (301,100)</u>	<u>(7,836)</u>	<u>\$ 293,264</u>	<u>(152,613)</u>
Net assets - January 1			<u>671,932</u>		<u>824,545</u>
Net assets - December 31			<u>\$ 664,096</u>		<u>\$ 671,932</u>

See the accompanying independent auditors' report.

**Park County, Colorado
Recreation Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2009
(With Comparative Actual Amounts for 2008)**

	2009			Variance Positive (Negative)	2008 Actual
	Original Budget	Final Budget	Actual		
Revenues:					
Fee revenue	\$ 40,000	\$ 40,000	\$ 40,453	\$ 453	\$ 37,141
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>40,453</u>	<u>453</u>	<u>37,141</u>
Expenditures:					
Culture and recreation	36,600	40,100	40,074	26	41,864
Total expenditures	<u>36,600</u>	<u>40,100</u>	<u>40,074</u>	<u>26</u>	<u>41,864</u>
Excess (Deficiency) of revenues over expenditures	<u>3,400</u>	<u>(100)</u>	<u>379</u>	<u>479</u>	<u>(4,723)</u>
Net change in fund balances	3,400	(100)	379	479	(4,723)
Fund balances - January 1	<u>54,664</u>	<u>54,664</u>	<u>54,664</u>	<u>-</u>	<u>59,387</u>
Fund balances - December 31	<u>\$ 58,064</u>	<u>\$ 54,564</u>	<u>\$ 55,043</u>	<u>\$ 479</u>	<u>\$ 54,664</u>

See the accompanying independent auditors' report.

Park County, Colorado
Agency Fund
Treasurer and Public Trustee
Statement of Changes in Assets and Liabilities
For the Year Ended December 31, 2009

	Balance January 1 2009	Additions	Deletions	Balance December 31 2009
Assets				
Cash and Investments - County Treasurer	\$ 13,993,340	\$ 66,140,992	\$ 65,159,382	14,974,950
Cash and Investments - Public Trustee	147,729	1,703,538	1,677,738	173,529
	<u>14,141,069</u>	<u>67,844,530</u>	<u>66,837,120</u>	<u>15,148,479</u>
Less: Held for County Funds	<u>(13,441,459)</u>			<u>(14,218,021)</u>
Total Assets	<u>\$ 699,610</u>			<u>\$ 930,458</u>
Liabilities:				
Due to other governmental agencies	\$ 551,881	\$ 198,641,522	\$ 198,436,474	\$ 756,929
Due to Public Trustee	147,729	1,703,538	1,677,738	173,529
	<u>147,729</u>	<u>1,703,538</u>	<u>1,677,738</u>	<u>173,529</u>
Total liabilities	<u>\$ 699,610</u>	<u>\$ 194,532,692</u>	<u>\$194,882,630</u>	<u>\$ 930,458</u>

See the accompanying independent auditors' report.

STATISTICAL SECTION

Park County, Colorado
STATISTICAL SECTION

This part of Park County's comprehensive annual report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time G1

Revenue Capacity

These schedules contain information to help the reader access the government's most significant revenue source, property tax G7

Debt Capacity

These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future. G13

Demographic and Operating Information

These schedules offer demographic and economic indicators to help the reader Understand the environment within which the government's financial activities Take place. G15

PARK COUNTY, COLORADO
NET ASSETS BY COMPONENT
Last Three Fiscal Years

	<i>FISCAL YEAR</i>		
	<u>2009</u>	<u>2008</u>	<u>2007</u>
GOVERNMENTAL ACTIVITIES			
Invested in Capital Assets	\$ 8,943,379	\$ 8,418,177	\$ 7,501,297
Restricted	289,301	577,886	577,886
Unrestricted	14,312,215	13,175,138	12,383,469
TOTAL GOVERNMENTAL NET ASSETS	<u>\$ 23,544,895</u>	<u>\$ 22,171,201</u>	<u>\$ 20,462,652</u>
BUSINESS-TYPE ACTIVITIES			
Invested in Capital Assets	\$ -	\$ -	\$ -
Restricted	-	-	-
Unrestricted	55,043	54,664	55,664
TOTAL BUSINESS-TYPE NET ASSETS	<u>\$ 55,043</u>	<u>\$ 54,664</u>	<u>\$ 55,664</u>
TOTAL PRIMARY GOVERNMENT			
Invested in Capital Assets	\$ 8,943,379	\$ 8,418,177	\$ 7,501,297
Restricted	289,301	577,886	577,886
Unrestricted	14,367,258	13,229,802	12,442,856
TOTAL PRIMARY GOVERNMENTAL NET ASSETS	<u>\$ 23,599,938</u>	<u>\$ 22,225,865</u>	<u>\$ 20,522,039</u>

Note: The County first implemented GASB Statement 34 for the year ended December 31, 2004.

PARK COUNTY COLORADO
Changes in Net Assets By Component
Last Three Fiscal Years
(Accrual Basis of Accounting)

Expenses	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities:			
General Government	\$ 5,617,639	\$ 5,298,813	\$ 5,042,281
Health and Welfare	4,319,977	3,580,749	2,839,386
Public Safety	5,845,168	5,873,263	5,718,203
Culture and Recreation	664,826	913,188	723,001
Public Works	4,717,830	4,717,971	4,334,745
Judicial - District Attorney	303,087	282,300	263,781
Interest on long-term debt	178,154	200,826	267,896
Total governmental activities	<u>21,646,681</u>	<u>20,867,110</u>	<u>19,189,293</u>
Business type Activities:			
Recreation	<u>40,074</u>	<u>41,864</u>	<u>45,398</u>
Total business type activities			
Total primary government expenses	<u>\$ 21,686,755</u>	<u>\$20,908,974</u>	<u>\$ 19,234,691</u>
Program Revenues			
Governmental Activities:			
Charges for services			
General Government	\$ 1,528,304	\$ 810,852	\$ 1,688,882
Health and Welfare	79,895	5,879	299,142
Public Safety	3,191,962	2,637,021	2,298,627
Culture and Recreation	262,859	144,943	5,024
Public Works	-	570,812	586,903
Judicial - District Attorney	2,000	-	-
Operating grants and contributions	8,317,994	3,076,012	7,480,543
Capital grants and contributions	129,132	4,824,306	148,738
Total governmental activities	<u>13,512,146</u>	<u>12,069,825</u>	<u>12,507,859</u>
Business type Activities:			
Recreation	<u>40,453</u>	<u>37,141</u>	<u>38,910</u>
Total business type activities	<u>40,453</u>	<u>37,141</u>	<u>38,910</u>
Total primary government program revenues	<u>\$ 13,552,599</u>	<u>\$12,106,966</u>	<u>\$ 12,546,769</u>

Note: The County first implemented GASB Statement 34 for the year ended December 31, 2004.

PARK COUNTY COLORADO
Changes in Net Assets By Component
Last Three Fiscal Years
(Accrual Basis of Accounting)
(Continued)

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Net (Expense) Revenue			
Governmental activities	(8,134,535)	\$ (8,797,284)	\$ (6,681,434)
Business-type activities	<u>379</u>	<u>(4,723)</u>	<u>-6,488</u>
Total primary government	<u>\$ (8,134,156)</u>	<u>\$ (8,802,007)</u>	<u>\$ (6,687,922)</u>
General Revenues and Other Changes			
Taxes			
Property taxes	7,219,939	\$ 6,867,640	\$ 6,408,427
Specific ownership taxes	850,435	852,685	982,479
Sales taxes	491,307	619,743	577,799
Other taxes	85,865	1,086,305	135,634
Tarrif Collections	161,587	-	-
Investment earnings	269,087	461,421	706,652
Miscellaneous	398,721	450,926	720,469
Sales of capital assets	<u>22,426</u>	<u>179,930</u>	<u>-</u>
Total primary government	<u>\$ 9,499,367</u>	<u>\$ 10,518,650</u>	<u>\$ 9,531,460</u>
Changes in Net Assets			
Governmental activities	\$ 1,373,694	\$ 1,721,366	\$ 2,850,026
Business-type activities	<u>379</u>	<u>(4,723)</u>	<u>(6,488)</u>
Total primary government	<u>\$ 1,374,073</u>	<u>\$ 1,716,643</u>	<u>\$ 2,843,538</u>

Note: The County first implemented GASB Statement 34 for the year ended December 31, 2004.

Park County, Colorado
Fund Balances, Governmental Funds
Last Ten Fiscal Years

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
General Fund										
Reserved	\$ 322,134	\$ 587,925	\$ 577,905	\$ 564,765	\$ 553,476	\$ 515,422	\$ 436,655	\$ 448,892	\$ 488,240	\$ 419,360
Unreserved	3,524,308	3,070,227	3,063,097	2,899,489	2,703,057	1,970,338	2,410,565	2,041,067	1,736,710	1,569,433
Total General Fund	\$ 3,846,442	\$ 3,658,152	\$ 3,641,002	\$ 3,464,254	\$ 3,256,533	\$ 2,485,760	\$ 2,847,220	\$ 2,489,959	\$ 2,224,950	\$ 1,988,793
All other governmental funds										
Reserved	\$ 1,023,072	\$ 1,727,326	\$ 1,205,835	\$ 1,080,614	\$ 953,912	\$ 902,757	\$ 706,257	\$ 1,131,264	\$ 744,510	\$ 821,288
Unreserved, reported in:										
Special revenue funds	7,808,080	7,787,395	6,876,222	6,383,441	5,339,543	4,968,613	4,208,389	3,822,536	4,555,993	4,781,893
Capital projects funds	-	-	-	-	-	-	-	-	-	-
Debt service funds	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 8,831,152	\$ 9,514,721	\$ 8,082,057	\$ 7,464,055	\$ 6,293,455	\$ 5,871,370	\$ 4,914,646	\$ 4,953,800	\$ 5,300,503	\$ 5,603,181

PARK COUNTY, COLORADO
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
REVENUES										
Taxes	\$8,656,408	\$8,409,241	\$ 8,104,339	\$ 7,603,838	\$7,312,567	\$6,911,145	\$6,515,703	\$5,777,037	\$5,417,587	\$4,856,797
Licenses and Permits	446,465	656,646	733,392	890,184	849,619	871,767	902,865	1,285,241	857,663	850,237
Intergovernmental revenue	11,723,564	11,270,176	10,479,712	11,645,985	10,947,881	9,694,628	9,675,912	9,362,733	7,296,517	6,106,796
Fines and forfeitures	267,558	209,381	207,286	217,141	167,130	203,782	155,626	137,332	145,577	-
Charges for services	1,074,559	969,107	1,087,469	1,056,246	1,137,501	1,090,408	999,617	676,419	951,458	804,992
Disposal of assets	22,426	179,785	77,883	133,275	70,910	104,084	125,211	104,857	103,941	104,598
Interest	269,087	488,340	706,652	554,644	324,842	221,725	195,076	222,944	364,716	565,582
Miscellaneous	398,721	405,800	642,586	325,813	138,102	208,625	320,637	238,573	383,773	702,571
TOTAL REVENUES	22,858,788	22,588,476	22,039,319	22,427,126	20,948,552	19,306,164	18,890,647	17,805,136	15,521,232	13,991,573
EXPENDITURES										
General Government	5,351,931	5,098,582	4,885,246	4,846,053	4,453,857	4,319,546	3,767,469	3,594,298	3,736,888	3,717,361
Health and Welfare	4,308,719	3,566,826	2,887,080	3,358,983	3,133,859	3,418,414	2,589,794	2,822,520	1,597,808	1,505,313
Public safety	5,479,824	5,388,499	5,403,603	5,831,385	5,335,929	4,177,231	4,064,412	3,744,712	3,234,046	2,716,457
Culture and Recreation	623,094	890,707	717,399	636,695	743,486	698,878	806,655	604,514	549,867	1,042,497
Public works	4,074,138	4,103,674	3,908,702	3,573,763	4,046,238	3,502,774	3,312,141	4,368,940	3,892,483	4,362,851
Judicial - District Attorney	303,087	282,300	270,137	260,781	242,637	236,409	444,209	520,840	484,597	203,733
Capital outlay	1,377,314	2,126,914	627,365	736,583	1,103,660	3,036,265	2,699,660	1,842,514	1,549,531	650,830
Debt issue costs			-	-	-	221,995	-	-	-	-
Debt service:										
Principal	855,891	878,035	1,958,914	1,394,244	1,040,430	1,088,743	2,668,578	1,067,183	1,302,886	690,770
Interest	179,143	200,826	268,822	307,868	341,183	349,587	611,198	501,333	509,115	430,122
Miscellaneous	2,300	2,300	17,300	2,450	2,612	16,214	150	-	-	-
TOTAL EXPENDITURES	22,555,441	22,538,663	20,944,568	20,948,805	20,443,891	21,066,056	20,964,266	19,066,854	16,857,221	15,319,934

PARK COUNTY, COLORADO
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Continued)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Excess of Revenues over (under) Expenditures	464,934	49,813	1,094,751	1,478,321	504,661	(1,759,892)	(1,629,646)	(1,261,718)	(1,335,989)	(1,328,361)
OTHER FINANCING SOURCES (USES)										
Proceeds from capital leases	-	1,400,000	-	-	-	-	423,742	1,291,334	1,369,173	905,380
Proceeds from debt issuance	-	-	-	-	210,780	5,455,000	-	-	-	-
Premiums on debt issuance	-	-	-	-	-	4,605	-	-	-	-
Payments to bond refunding agent	-	-	-	-	-	(3,104,449)	-	-	-	-
Transfers In	1,038,737	1,409,552	881,857	1,198,812	1,185,830	776,048	1,047,667	877,913	1,043,797	1,403,941
Transfers Out	(1,038,737)	(1,409,552)	(1,181,857)	(1,298,812)	(1,208,636)	(776,048)	-	(917,913)	(1,043,797)	(1,403,941)
Total Other Sources (Uses)	-	1,400,000	(300,000)	(100,000)	187,974	2,355,156	1,471,409	1,251,334	1,369,173	905,380
Net change in fund balance	\$ 464,934	\$ 1,449,813	\$ 794,751	\$ 1,378,321	\$ 692,635	\$ 595,264	\$ (158,237)	\$ (10,384)	\$ 33,184	\$ (422,981)
Debt service as a percentage of noncapital expenditures	5.14%	5.58%	12.33%	9.20%	7.69%	8.80%	21.89%	10.02%	13.43%	8.27%

PARK COUNTY, COLORADO
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years
(Unaudited)

Real and Personal Property				
Fiscal Year	Assessed Value	Estimated Actual Value	Ratio of Total Assessed to Total Estimated Actual Value	Assessed Residential Property Tax Value to Market (a)
1998	184,430,660	1,297,898,585	14.2	9.74
1999	239,646,931	1,645,608,498	14.6	9.74
2000	243,266,845	1,696,293,761	14.3	9.15
2001	286,440,340	2,076,217,262	13.8	9.15
2002	292,052,152	2,160,296,960	13.5	7.96
2003	311,281,375	2,473,620,686	12.6	7.96
2004	315,266,811	2,548,018,568	12.4	7.96
2006	353,355,301	2,832,018,926	12.5	7.96
2007	357,367,586	2,911,724,971	12.3	7.96
2008	417,184,635	3,392,900,170	12.3	7.96
2009	468,913,949	3,751,686,961	12.5	7.96

(a) Commercial and industrial property is assessed at 29% of market value.
Source: Park County Assessor's Office

PARK COUNTY, COLORADO
Property Tax Levies
Direct and Overlapping
1988 - 2009
(Unaudited)

<u>Park County</u>								
<u>Fiscal Year</u>	<u>Assessment Year</u>	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>	<u>All Other Special Districts (1)</u>	<u>School Districts (1)</u>	<u>Total</u>	<u>Percent County to Total</u>
1989	1988	11.973	3.062	15.035	12.615	33.814	61.464	24.43%
1990	1989	16.549	2.504	19.053	13.689	41.63	74.372	25.58%
1991	1990	17.897	3.135	21.032	15.312	42.265	78.609	26.72%
1992	1991	20.897	3.168	24.065	15.498	46.261	85.824	28.00%
1993	1992	20.499	3.566	24.065	14.980	46.100	85.279	28.22%
1994	1993	20.897	3.168	24.065	12.574	45.016	81.655	29.42%
1995	1994	20.517	3.548	24.065	13.122	45.805	82.992	28.95%
1996	1995	20.517	3.548	24.065	12.326	43.721	80.230	30.00%
1997	1996	19.163	3.548	22.711	13.039	40.908	76.658	29.57%
1998	1997	16.781	2.509	19.290	10.682	33.475	63.447	30.40%
1999	1998	17.768	2.509	20.277	10.463	39.108	69.848	29.03%
2000	1999	13.955	1.970	15.925	9.183	31.226	56.334	28.27%
2001	2000	15.046	2.029	17.075	10.559	31.448	59.082	28.90%
2002	2001	14.067	1.320	15.387	10.121	29.242	54.750	28.10%
2003	2002	15.338	1.922	17.260	9.880	27.390	54.530	31.65%
2004	2003	15.438	1.938	17.376	8.705	25.780	51.861	33.50%
2005	2004	16.342	2.043	18.385	9.501	25.134	53.020	34.68%
2006	2005	15.168	1.904	17.072	9.340	23.950	50.362	33.90%
2007	2006	15.168	1.904	17.072	10.002	23.951	51.025	33.46%
2008	2007	14.686	1.850	16.536	9.631	21.938	48.105	34.37%
2009	2008	15.461	1.942	17.403	10.570	22.676	50.649	34.36%

(1) Average

PARK COUNTY, COLORADO
Principal Taxpayers
Assessment Year 2008
(Fiscal Year 2009)

Taxpayer	Type of Business	2009 Assessed Value	Percentage of Total Taxable Assessed Value
1) Intermountain Rural Electric Assn	Utility	\$3,874,500	1.23%
2) Colorado Natural Gas, Inc.	Utility	2,683,700	0.85%
3) Qwest Corporation	Utility	2,831,900	0.90%
4) Public Service Co. (Xcel)	Utility	3,435,800	1.09%
5) Pine Ridge Residential LLC	Developer	796,050	0.25%
6) Mick Samuel L	Commercial	949,170	0.30%
7) Centurytel of Eagle	Utility	761,800	0.24%
8) Kopunec Stan	Commercial	875,590	0.28%
9) Hutchinson, Robert L Investments	Commercial	895,480	0.28%
10) Hartsel Springs Ranch of Colorado	Commercial	643,190	0.20%
Total Top Ten Principal Taxpayers		<u>\$17,747,180</u>	<u>4.25%</u>
Total Assessed Valuation		<u>\$417,184,635</u>	<u>100.00%</u>

Source: County Assessor

*does not include Exempt Account Types

Information from the period nine years prior to 12/31/2007 was not available.

PARK COUNTY, COLORADO
Property Tax Levies and Collections
1999-2009
(Unaudited)

Fiscal Year	Total Tax Levy	Current Tax Collected	Percent of Levy Collected	Delinquent Tax Collected	Total Tax Collections	Collections As % of Current Levy
1999	3,739,701	3,720,488	99.49%	N/A	3,720,488	N/A
2000	3,816,377	3,640,415	95.39%	N/A	3,640,415	N/A
2001	4,153,781	4,093,178	98.54%	(9,143)	4,084,035	98.32%
2002	4,407,458	4,372,552	99.21%	17,172	4,389,724	99.60%
2003	5,040,820	5,085,357	100.88%	4,009	5,089,366	100.96%
2004	5,408,826	5,344,974	98.82%	7,264	5,352,237	98.95%
2005	5,796,181	5,763,584	99.44%	4,882	5,768,466	99.52%
2006	6,032,481	5,992,743	99.34%	2,817	5,995,560	99.39%
2007	6,435,475	6,407,985	99.57%	442	6,408,427	99.58%
2008	6,814,571	6,779,631	99.49%	5,694	6,785,325	99.57%
2009	6,443,910	6,419,024	99.61%	(1,010)	6,418,014	99.60%

Source: Park County Treasurer
N/A: Data not available

PARK COUNTY, COLORADO
Distribution of Property
by Property Type Classification*
(Unaudited)

Property Classification	2008 Assessed Valuation	2009 Assessed Valuation	2009 Percent of Tax Roll
Residential Properties	214,443,600	225,452,380	51.37%
Vacant Land	149,852,510	182,041,110	35.90%
Commercial Properties	25,052,535	30,586,556	6.00%
State Assessed Properties	14,959,200	14,944,900	3.58%
Agricultural Properties	5,703,680	16,908,560	1.37%
Natural Resources Properties	3,715,660	4,676,942	0.89%
Producing Mines	32,776	31,916	0.01%
Industrial Land and Improvements	817,140	968,693	0.20%
Personal Property	2,843,868	2,791,899	0.68%
County Total (All Classifications)	\$417,420,969	478,402,956	100.00%

*Data provided by Park County Assessor

PARK COUNTY, COLORADO
Schedule of Sales Tax Collection
2000 Inception Year through 2009
(Unaudited)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	Percent Increase (Decrease) over 2008
January	28,647.67	28,415.45	27,704.34	37,064.38	23,507.10	31,114.01	33,646.61	34,635.74	34,236.55	36,618.87	107%
February	25,917.60	33,422.73	25,259.34	25,221.08	34,354.25	28,968.15	31,177.39	32,789.84	38,538.21	42,639.59	111%
March	32,147.96	29,208.61	31,006.85	29,427.31	31,209.03	37,847.75	35,441.45	39,936.13	37,683.03	32,172.26	85%
April	27,454.32	27,931.75	31,571.97	26,792.89	35,858.79	32,539.29	37,985.96	36,352.81	30,132.89	29,643.03	98%
May	32,329.45	35,745.44	35,640.37	38,440.21	32,214.94	38,154.41	43,565.94	44,547.69	42,070.91	33,368.94	79%
June	44,637.71	56,808.11	45,125.20	48,668.60	56,048.34	55,833.27	63,268.74	64,471.58	57,112.61	32,030.18	56%
July	47,018.36	48,418.90	50,453.66	48,580.68	51,081.91	60,375.26	58,941.05	62,743.70	66,554.59	38,850.09	58%
August	48,690.01	47,142.15	46,317.28	50,908.55	43,708.20	56,531.05	63,128.05	61,159.81	68,965.71	59,198.05	86%
September	48,242.83	53,103.06	44,369.50	47,628.50	58,144.87	58,498.37	63,707.71	67,854.33	67,049.10	52,939.47	79%
October	34,684.45	38,460.90	29,860.53	44,945.02	34,479.79	40,897.21	43,710.03	48,114.95	47,772.07	51,793.18	108%
November	30,316.09	29,801.69	32,397.77	33,151.62	38,821.52	36,682.14	30,377.02	40,099.17	36,618.87	55,387.58	151%
December	42,951.19	42,705.36	35,592.07	34,187.34	39,406.95	40,802.40	48,895.28	45,092.71	42,639.59	37,618.08	88%
Total	443,037.64	471,164.15	435,298.88	465,016.18	478,835.69	518,243.31	553,845.23	577,798.46	569,374.13	502,259.32	88%

PARK COUNTY, COLORADO
Ratios of Outstanding Debt by Type
1999-2009
(Unaudited)

Fiscal Year	Capital Improvement Revenue Bonds	Certificates of Participation	Capital Leases	Total Primary Government	Percentage of Personal Income	Per Capita
1999	4,060,000	-	4,082,009	8,144,008	2.58%	576.44
2000	3,905,000	-	4,429,591	8,336,591	2.34%	567.12
2001	3,745,000	-	4,615,854	8,362,855	2.42%	546.56
2002	3,575,000	-	5,239,822	8,816,824	2.67%	560.23
2003	3,400,000	-	4,203,121	7,603,121	1.73%	471.66
2004	3,495,000	2,270,000	3,384,378	9,149,378	1.83%	531.35
2005	3,285,000	2,230,000	2,804,728	8,319,728	1.63%	481.38
2006	2,995,000	2,050,000	1,880,485	6,925,485	1.33%	404.90
2007	2,730,000	1,870,000	366,571	4,966,571	0.95%	292.74
2008	2,460,000	1,685,000	1,343,535	5,488,535	1.06%	315.78

PARK COUNTY, COLORADO
Computation of Legal Debt Margin
2000-2009
(Unaudited)

	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000
Assessed Value	\$468,913,949	\$417,184,635	\$412,989,018	357,367,586	353,355,301	311,281,375	292,052,152	286,440,340	286,448,791	239,646,931
Debt Limit 1.5% of assessed value	7,033,709	6,257,770	6,194,835	5,360,514	5,300,330	4,669,221	4,380,782	4,296,605	4,296,732	3,594,704
Outstanding Bonded Debt Applied to Limit		-	-	-	-	-	-	-	-	-
Legal Debt Margin	<u>\$7,033,709</u>	<u>\$6,257,770</u>	<u>\$6,194,835</u>	<u>\$5,360,514</u>	<u>\$5,300,330</u>	<u>\$4,669,221</u>	<u>\$4,380,782</u>	<u>\$4,296,605</u>	<u>4,296,732</u>	<u>3,594,704</u>

PARK COUNTY, COLORADO
Demographic Information
(Unaudited)

<u>Year</u>	<u>Population</u>	<u>Per Capita Income</u>	<u>Personal Income</u>	<u>% of Unemployment</u>
1990	7,174	\$16,073	115,307,702	
1991	7,723	16,707	129,028,161	
1992	8,136	17,392	141,501,312	
1993	8,649	19,006	164,382,894	
1994	9,625	19,615	188,794,375	4.2% ***
1995	10,713	19,867	212,835,171	4.1% ***
1996	11,552	20,885	241,263,520	4.5% ***
1997	12,583	21,588	271,641,804	3.3% ***
1998	13,331	20,837	277,778,047	3.8% ***
1999	14,128	22,323	315,379,344	3.0% ***
2000	14,700	24,235	356,254,500	2.5% ***
2001	15,301	22,569	345,328,269	3.5% ***
2002	15,738	20,990	330,340,620	5.3% ***
2003	16,120	27,297 **	440,027,640	5.5% ***
2004	17,219 **	28,981 **	499,023,839	5.4% ***
2005	17,283 **	29,590 **	511,403,970	4.8% ***
2006	17,104 **	30,547 **	522,475,888	4.0% ***
2007	16,966 **	30,814 **	522,790,324	3.6% ***
2008	17,381	29,843 **	518,701,183	4.8% ***
2009	16,953	31,111	527,419,000	7.2% ***

*Source: Colorado Division of Local Governments

** Source: ESRI Business Solutions

***Source: CO Dept of Labor & Employment

PARK COUNTY, COLORADO
Employers by Category
2009

Industry Name	Number of Businesses	Ave. 2009 Wages	Ave. # Employed	% of Labor Force
Government (all)	24	\$35,932	829	8.56%
Construction Trade	147	\$33,800	226	2.33%
Food & Lodging	43	\$15,860	343	3.54%
Retail Trade (all)	48	\$22,412	217	2.24%
Professional & Tech.	72	\$43,472	99	1.02%
Admin. Services	35	\$29,952	85	0.88%
Wholesale Trade	35	\$44,980	42	0.43%
Manufacturing	14	\$34,684	55	0.57%
Health Care/Social	18	\$25,584	115	1.19%
Real Estate	30	\$24,544	35	0.36%
Finance & Insurance	13	\$48,672	40	0.41%
Information Services	12	\$46,384	39	0.40%
Entertain/Recreation	7	\$10,764	37	0.38%

Total Adult Labor Force (2009)	9,369
Number of Employers in Park County (2009):	578
Ave. # Employed in Park County (2009):	2,320
Largest Employer (2009):Administration	440
Ave. Annual Wage paid in County (2009):	\$29,016
Poverty Status (2009): 7.2% of County population	

* Source CO Dept of Labor & Employment and ESRI
Business Solutions

Park County, Colorado
Recent History of Foreclosures
(Unaudited)

<u>Year</u>	<u>Number of Foreclosures</u>	<u>Percent Change</u>
1991	104	
1992	70	-33%
1993	62	-11%
1994	42	-32%
1995	56	33%
1996	54	-4%
1997	49	-9%
1998	92	88%
1999	70	-24%
2000	64	-9%
2001	92	44%
2002	147	60%
2003	139	-5%
2004	155	12%
2005	200	29%
2006	208	4%
2007	205	-1%
2008	266	30%
2009	346	30%

Park County, Colorado
Schedule of Indirect Costs, Fringe Benefits, and Allocation Base
Last Seven Fiscal Years
(Unaudited)

	Fiscal Year							
	2009	2008	2007	2006	2005	2004	2003	2002
Fringe Benefits								
Contribution to Pension	221,979	218,775	215,843	218,792	211,794	203,520	193,275	186,889
Payroll Taxes	593,778	593,430	585,972	592,006	570,117	535,701	504,393	546,401
Group Health Insurance	1,884,900	1,918,708	1,860,656	1,591,914	1,237,654	1,165,768	1,125,244	976,835
Worker's Comp	239,253	175,338	260,884	279,711	286,713	299,224	222,160	187,609
Unemployment	15,206	16,864	17,179	22,946	21,896	13,697	12,850	15,855
Long Term Disability	33,900	21,475	27,104	24,878	21,868	21,994	21,164	17,980
Paid time off earned	24,870	19,626	21,794	22,676	20,806	20,532	19,705	21,526
Annual leave earned (used)	22,475	19,917	22,079	22,332	16,969	17,280	15,364	20,109
sick leave used	8,279	14,908	13,182	15,751	12,913	10,926	9,729	12,156
Total fringe benefits	<u>3,044,640</u>	<u>2,999,041</u>	<u>3,024,694</u>	<u>2,791,005</u>	<u>2,400,728</u>	<u>2,288,642</u>	<u>2,123,884</u>	<u>1,985,359</u>
Allocation base = salaries		8,020,322	7,938,286	7,991,039	7,678,848	7,237,372	6,933,339	6,785,371
Fringe benefit rate		37.39%	38.10%	34.93%	31.26%	31.62%	30.63%	29.26%

Source: County's Financial Reports

PARK COUNTY, COLORADO
Miscellaneous Statistics
December 31, 2009
(Unaudited)

Date of Incorporation	1861
Form of Government	Board of County Commissioner
County Seat	Fairplay, Colorado
Incorporated Towns:	
<i>Alma</i>	
<i>Fairplay</i>	
Land (In Square Miles)	
<i>Federal Land</i>	1,125
<i>State Land</i>	131
<i>Other Government</i>	50
<i>Private Land</i>	860
Population (1)	16,953
Miles of County Maintained Roads: (3)	1,664
Motor Vehicle Registration: (2)	23,801
Total Voter Registration: (2)	9,511
Notes:	
(1) Source ESRI Business Solutions	
(2) Source Park County Clerk and Recorder	
(3) Source Park County Road and Bridge Department	

PARK COUNTY, COLORADO
Full-time Equivalent County Government Employees by Function/Program,

Budgeted Positions as of Year End

<u>Function/Program</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
General Government									
Management Services	3	3	3	3	3	3	3	3	3
Support	15	16	17.5	18	16.5	15.75	12.25	12.5	12.75
Treasurer	5.5	5.5	6	6	6	6	6	6	6
Clerk	10	10	10	10	10	10	10.5	10.5	11
Coroner	0.75	0.75	0.75	0.75	0.5	0.5	0.5	0.5	1
Assessor	12	12	12.5	12.5	12.5	12.5	12.5	12.75	13
Surveyor	0.25	0.25	0.25	0	0	0	0	0	0
Developmental Services	20	20	20	19	17.25	17.5	15.5	16.5	16.5
Other	7	6	7.75	4.25	4.25	4.75	3.25	3.25	2
Police									
Sheriff	35	33	32.75	32.75	32	30	29	29	28
Jail	32	35.5	36	35.5	33	27	27.25	28.5	26.5
Animal Control	3.5	3.5	4	4	4	3.5	3.5	3.5	3.5
Communications	10	11	11	11	11	9	9	9	9
Public Works									
Equipment Operators	46	46	45	44	44	40	40	42	42
Other	21.5	14	15	17	16	19.5	19.5	20	18.5
Library									
	4.5	4.5	5	5	4.5	4.5	4.75	4.5	4.25
Human Services									
	13	12	12	11	11	10.5	10.5	9	9
Public Health									
	7	6	6	5.5	5	5	5.25	5.5	4
Total	246	239	244.5	239.25	230.5	219	212.25	216	210

PARK COUNTY, COLORADO
Operating Indicators by Function/Program

Function/Program	Fiscal Year											
	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998
Police												
Physical Arrests	447	318	428	366	414	353	0	0	0	0	0	0
Animal Control Violations	145	162	202	205	148	147	0	0	0	0	0	0
Traffic Violations	2,499	2,428	2,599	3,166	2,471	2,889	0	0	0	0	0	0
Communications												
Calls; Service	23,954	20,016	16,756	8,655	8,146	8,096	1,403	1,487	828	799	789	738
EMS	996	564	788	728	728	844	613	651	691	646	658	625
Fire	2,075	1,278	1,219	1,174	1,082	1,130	790	836	137	153	131	113
Coroner												
# of Deaths	70	60	38	62	48	59	43	44	61	46	27	39
Human Services												
Food Stamp Issuance	1,327,059	902,272	750,285	723,279	805,697	717,982	476,396	317,957	202,132	100,047	174,191	183,024
TANF	262,274	37,936	80,532	81,247	113,586	131,827	109,025	132,124	138,269	64,218	43,827	51,195
LEAP	296,967	249,613	149,030	202,645	180,066	181,633	127,890	100,441	124,869	86,936	49,423	74,577
Public Health												
WIC	108,395	114,091	105,269	86,369	21,523	92,243	83,648	89,064	16,198	16,637	18,080	5,119
WIC Vaccines	21,666	24,394	29,801	17,264	3,423	8,918	9,716	2,593	9,293	16,078	5,650	0
Clerk												
Motor Vehicle Registration	23,801	23,441	23,431	23,025	29,288	21,493		22,281	23,719	27,467	25,630	25,630
Total Voter Registration	9,511	11,559	12,074	11,521	12,125	12,602		11,501	12,110	12,117	10,500	10,500
Public Works												
Road Maintenance (miles)	1,664	1,664	1,664	1,664	1,664	1,664	1,664	1,623	1,623	1,623	1,680	1,680
Library												
Volumes in Collection	54,234	57,946	55,771	52,218	48,417	50,244	51,754	48,182	41,076	38,885	35,908	32,759
Total volume borrowed	78,764	69,252	67,564	67,355	63,473	67,288	65,778	80,852	57,800	53,550	63,318	67,543
Assessor												
Tax Schedules	41,904	41,883	41,715	41,485	40,578	40,415	40,282	38,359	38,209	38,056	37,904	37,753
Deeds	1,903	2,366	3,285	3,591	3,557	3,330	3,252	3,948	5,914	5,479	5,120	3,432
Treasurer												
Investments	15,122,643	14,110,257	13,760,399	11,740,844	9,924,767	9,910,858	9,235,287	8,882,032	0	0	0	0
Public Trustee												
Foreclosures	346	266	205	208	200	155	139	147	92	64	70	92
Releases	1,778	1,786	2,340	2,680	3,026	3,339	4,694	4,736	4,692	0	0	0
Building												
Permits (Dwellings)	106	159	239	280	291	320	300	346	363	423	347	0
Permits (Other)	618	631	672	711	659	746	660	701	705	870	702	0

Source: County Reports

PARK COUNTY, COLORADO
Capital Asset Statistics by Function/Program

Function/Program	Fiscal Year										
	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>
General Government											
Buildings	33	33	33	33	32	31	27	27	27	27	27
Vehicles	147	153	149	149	144	129	102	105	0	0	0
Information Technology											
#Servers	20	19	17	16	12	9	0	0	0	0	0
#Servers replaced	0	1	4	3	1	0	0	0	0	0	0
PC's	206	205	195	185	178	175	0	0	0	0	0
Vehicles	4	4	4	3	1	0	0	0	0	0	0
Telecommunications											
Radio Towers	7	7	6	6	6	6	0	0	0	0	0
# Phones	177	177	173	0	0	0	0	0	0	0	0
Sheriff											
Stations	1	1	1	1	1	1	1	1	1	1	1
Sub Stations	2	2	2	2	1	1	1	1	1	1	1
Patrol Units	27	25	23	20	19	20	21	21	22	18	
Other Vehicles	26	22	24	24	20	20	22	17	18	18	
Public Works											
Roads Maintained (miles)	1664	1664	1664	1664	1664	1664	1623	1623	1623	1623	1680
Parks and Recreation											
Bike Path (miles)	6	6	6	6	6	6	6	6	6	6	6
Fishing leases (miles)	13	13	10	8	8	6	0	0	0	0	0
Cemetaries											
Acreage	19	19	19	19	19	19	0	0	0	0	0
# Owned	6	6	6	6	6	6	6	5	5	5	4
Inactive	2	2	2	2	2	1	1	0	0	0	0

Source: County's Financial Reports

COMPLIANCE



JOHN CUTLER
& ASSOCIATES

To the Board of County Commissioners
Park County, Colorado

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Park County, Colorado, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 12, 2010. 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.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the County's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management of employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the County's financial statements that is more than inconsequential will not be prevented or detected by the County's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the County's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

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

We noted certain matters that we reported to management of Park County, Colorado in a separate letter dated July 12, 2010.

This report is intended solely for the information and use of the County Commissioners, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

John Luthr & Associates, LLC

July 12, 2010



JOHN CUTLER
& ASSOCIATES

To the Board of County Commissioners
Park County, Colorado

**Report on Compliance With Requirements Applicable to Each Major Program and
on Internal Control Over Compliance in Accordance With OMB Circular A-133**

Compliance

We have audited the compliance of Park County, Colorado with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended December 31, 2009. Park County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Park County, Colorado's management. Our responsibility is to express an opinion on Park County, Colorado's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Park County, Colorado's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Park County, Colorado's compliance with those requirements.

In our opinion, Park County, Colorado complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2009.

Internal Control Over Compliance

The management of Park County, Colorado is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs.

In planning and performing our audit, we considered Park County, Colorado's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A *control deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the County's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of the County Commissioners, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

John Luthr & Associates, LLC

July 12, 2010

PARK COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
Year Ended December 31, 2009

Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: unqualified

Internal control over financial reporting:

- Material weaknesses identified? _____ yes no
- Reportable conditions identified that are not considered to be material weaknesses? _____ yes none reported

Noncompliance material to financial statements noted?

_____ yes no

Federal Awards

Internal control over major programs:

- Material weaknesses identified? _____ yes no
- Reportable conditions identified that are not considered to be material weaknesses? _____ yes none reported

Type of auditor's report issued on compliance for major programs: unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?

_____ yes no

Identification of major program:

10.551 Food Stamp Issuance
10.561 Food Stamp Administration
11.555 Public Safety Interoperable Communications

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? yes _____ no

Findings Related to Financial Statements

The audit of the financial statements did not disclose any significant deficiencies in internal control that would be considered a material weakness, and did not disclose any instances of noncompliance with requirements of certain provisions of laws, regulations, and grants that were material to those financial statements.

Findings and Questioned Costs for Federal Awards

The audit of federal awards did not disclose any significant deficiencies in internal control that would be considered a material weakness, and did not disclose any instances of noncompliance with requirements of certain provisions of laws, regulations, and grants that were material to those federal awards.

Park County, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended December 31, 2009

	Major Program	CDFA #	2009 TOTAL EXPENDITURES
Passed through the State Department of Public Health			
WIC	No	10.557	108,395
WIC Vaccines	No	93.268	21,666
Maternal & Child Health Block Grant	No	93.994	2,560
Emergency Preparedness and Response Division	No	93.069	17,209
Passed Through the State Department of Human Services			
Food Stamp Issuance	Yes	10.551	1,327,059
Food Stamp Administration	No	10.561	58,864
<u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
Passed through the State Department of Human Services			
TANF CO Works	No	93.558	262,274
Title IV-D	No	93.563	84,625
LEAP	No	93.568	296,967
CCDF	No	93.596	74,585
CCDF Discretion	No	93.575	(44,425)
Title IV-B	No	93.645	5,373
Title IV-E	No	93.658	131,974
IV-E Adoption	No	93.659	6,336
Title XX Block Grant	No	93.667	76,635
Title XIX Medicaid	No	93.778	56,584
Child Care and Development Block Grant	No	93713	8,118
<u>U.S DEPARTMENT OF Commerce</u>			
PSIC	Yes	11.555	432,000
<u>U.S DEPARTMENT OF Agriculture</u>			
TEFAP Commodities	No	10.569	20,556
<u>U.S. DEPARTMENT OF JUSTICE</u>			
US Department of Justice - VOCA	No	16.575	29,347
US Department of Justice - VAWA	No		6,361
<u>Federal Emergency Management</u>			
Flood Mitigation Assistance Program	No	97.029	-
Emergency Management Performance Grant	No	97.042	20,650
<u>U.S DEPARTMENT OF Interior</u>			
Historic Preservation Fund	No	15.904	58,000
Total Federal Financial Assistance			\$ 3,061,713

NOTES

1. Basis of Presentation

The Schedule of Expenditures of Federal Awards includes the federal grant activity of Park County and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the purpose financial statements.

2. Sub-recipients

The County does not have significant sub recipients.

3. Determining the Value of Non-cash Awards Expended

Food issuances and commodities: Fair market value of food stamps (food issuances) or commodities, respectively, at the time of receipt, or the assessed value provided by the federal agency.

Immunization incentive funds: Dollar amounts of vaccines used, provided by the federal agency.