

**MONTEZUMA COUNTY, COLORADO**

Accountants' Reports  
and  
Basic Financial Statements

December 31, 2014

# MONTEZUMA COUNTY, COLORADO

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INDEPENDENT AUDITORS' REPORT

To the Board of County Commissioners  
Montezuma County, Colorado  
Cortez, Colorado 81321

**Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Montezuma County, Colorado as of and for the year ended December 31, 2014, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

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

**Auditors' Responsibility**

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

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

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

**Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Montezuma County, Colorado, as of December 31, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.



## Other matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 13 and pages 41 through 46 be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

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

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

The Local Highway Finance Report have not been subjected to auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 16, 2015, on our consideration of the Montezuma County, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Montezuma County, Colorado's internal control over financial reporting and compliance.



Majors and Haley, P.C.  
June 16, 2015

## MONTEZUMA COUNTY, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

#### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the County in 2014 are as follows:

- In total, net position increased \$3,334,781. Net position of governmental activities increased \$3,545,816 which represents a 9.5 percent increase from 2013. Net assets of business type activities decreased \$211,035 or 13.2 percent from 2013.
- General revenues accounted for \$15.67 million in revenue or 45 percent of all revenues. Program specific revenues in the form of charges for services, grants and contributions accounted for \$19.22 million or 55 percent of total revenues of \$34.89 million.
- Governmental activities total assets increased by \$7,175,185. Total liabilities increased by \$2,412,023. Deferred inflows of resources increased by \$1,217,347.
- The County incurred \$30.15 million in expenses related to government activities. \$18.02 million of these expenses were offset by program specific charges for services, grants and contributions. General revenues (primarily mineral leasing and property taxes) of \$15.67 million were adequate to cover the balance of the costs of these programs.
- Among the major funds, the General Fund had \$13.7 million in revenues, including transfers and \$12.02 million in expenditures. It's fund balance increased by \$1,680,242 from \$11.21 million to \$12.89 million.
- Net assets of the Enterprise Fund decreased from \$1,594,467 to \$1,383,432.

## **MONTEZUMA COUNTY, COLORADO**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014**

#### ***OVERVIEW OF THE FINANCIAL STATEMENTS***

This annual report consists of four parts: management's discussion and analysis, the basic financial statements, required supplementary information, and supplementary information. The basic financial statements include two kinds of statements that present different views of the County.

- The first two statements are County-wide financial statements that provide both short-term and long-term information about the County's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the County, reporting the County's operations in more detail than the County-wide statements.
- The governmental funds statements tell how basic services such as public works were financed in the short-term as well as what remains for future spending.
- Proprietary funds statements offer short-term and long-term financial information about the activities the County operates like businesses, such as landfill services.
- Fiduciary funds statements provide information about the financial relationships in which the County acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplemental information that further explains and supports the financial statements with a comparison of the County's budget for the year.

#### ***County-wide Statements***

The County-wide statements report information about the County as a whole using accounting methods similar to those used by private companies. The statement of net position includes all of the County's assets and liabilities. All of

## MONTEZUMA COUNTY, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two County-wide statements report the County's net position and how it has changed. Net position (the difference between the County's assets and liabilities) is one way to measure the County's financial position.

- Over time, increases or decreases in the County's net position is an indicator of whether its financial position is improving or deteriorating.
- To assess the County's overall health, you need to consider additional non-financial factors such as changes in the County's property tax base and the condition of county facilities.

In the County-wide financial statements, the County's activities are divided into two categories:

- **Governmental activities-** Most of the County's basic services are included here, such as general government, public safety, public health, public works, and culture and recreation. These activities are financed mainly through property taxes and grants.
- **Business-type activities-** The County charges fees to help cover the costs of certain services it provides. The County's landfill facility is included here.

#### ***Fund Financial Statements***

The fund financial statements provide more detailed information about the County's funds, focusing on its most significant or "major" funds, not the County as a whole. Funds are accounting devices the County uses to keep track of specific sources of funding and spending on particular programs. Some funds are required to be established by state law. However, the County establishes many other funds to help it manage and control its finances to achieve certain results.

The County uses three types of funds:

- **Governmental funds-** Most of the County's basic services are included in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for



## MONTEZUMA COUNTY, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

spending. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the County's general operations and the services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the County-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.

- **Proprietary funds-** Services for which the County charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the County-wide financial statements. The County's enterprise funds (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information such as cash flow analysis.
- **Fiduciary funds-** The County is the agent, or fiduciary, for assets that belong to others, such as the Agency Fund. The County is responsible for ensuring that the assets reported in this fund are used only for their intended purposes and by those to whom the assets belong. The County excludes these activities from the County-wide financial statements because it cannot use these assets to finance its operations.

### **FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE**

Total assets increased by \$7,098,484. Total liabilities increased by \$2,546,357. Deferred inflows of resources increased by \$1,217,347.

The County's combined net position was larger on December 31, 2014 than it was at December 31, 2013, increasing by 8.5 percent to \$42,468,596. All of the increase came from its governmental activities, the net assets of which increased \$3,545,816 to \$41,085,164. The net position of the County's business type activities decreased \$211,035 to \$1,383,432.

# MONTEZUMA COUNTY, COLORADO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

Table 1 provides a summary of the County's net position for 2014 compared to 2013:

**Table 1**  
**Condensed Statement of Net Position**  
**(In millions)**

	Governmental Activities		Business-type Activities		Total County	
	2014	2013	2014	2013	2014	2013
<b>Assets</b>						
Current assets	\$ 41.649	\$ 35.346	\$ 0.411	\$ 0.387	\$ 42.060	\$ 35.733
Capital assets	13.851	12.979	1.845	1.946	15.696	14.925
<b>Total assets</b>	<b>55.500</b>	<b>48.325</b>	<b>2.256</b>	<b>2.333</b>	<b>57.756</b>	<b>50.658</b>
<b>Liabilities</b>						
Current liabilities	2.837	1.215	0.873	0.738	3.710	1.953
Noncurrent liabilities	1.641	0.852			1.641	0.852
Deferred inflows of resources	9.937	8.719			9.937	8.719
<b>Net Position</b>						
Invested in capital	11.986	12.127	1.383	1.595	13.369	13.722
Nonspendable	0.050	0.050			0.050	0.050
Restricted	0.806	0.802			0.806	0.802
Unrestricted	28.243	24.560			28.243	24.560
<b>Total net position</b>	<b>\$ 41.085</b>	<b>\$ 37.539</b>	<b>\$ 1.383</b>	<b>\$ 1.595</b>	<b>\$ 42.468</b>	<b>\$ 39.134</b>



# MONTEZUMA COUNTY, COLORADO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

Table 2 shows the changes in net position for fiscal year 2014 compared to 2013.

**Table 2**  
**Changes in Net Position**  
**(In millions)**

	Governmental Activities		Business-type Activities		Total County	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues						
Charges for services	\$ 2.922	\$ 2.700	\$ 1.205	\$ 1.326	\$ 4.127	\$ 4.026
Operating grants	15.038	14.075			15.038	14.075
Capital grants	0.058	0.041			0.058	0.041
General revenues						
Property taxes	10.238	10.052			10.238	10.052
Mineral leasing	2.870	2.056			2.870	2.056
Other	2.565	2.447			2.565	2.447
Total revenues	33.691	31.371	1.205	1.326	34.896	32.697
Expenses						
General government	4.470	4.147			4.470	4.147
Public safety	6.752	6.787			6.752	6.787
Public works	5.069	4.595	1.416	1.018	6.485	5.613
Public health and welfare	13.326	12.426			13.326	12.426
Culture and recreation	0.390	0.345			0.390	0.345
Depreciation-unallocated	0.138	0.125			0.138	0.125
Total expenses	30.145	28.425	1.416	1.018	31.561	29.443
Increase (decrease) in net position	\$ 3.546	\$ 2.946	\$ (0.211)	\$ 0.308	\$ 3.335	\$ 3.254

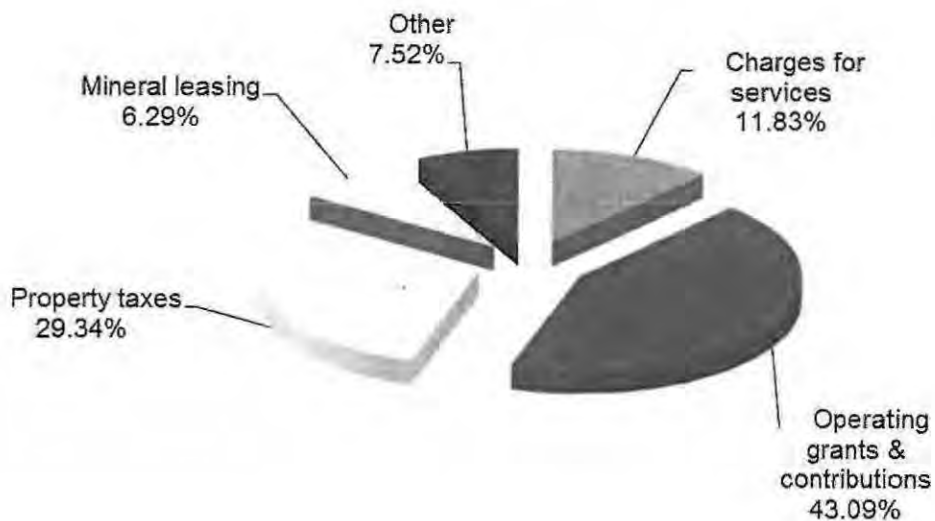
## MONTEZUMA COUNTY, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

Operating grants and property taxes accounted for most of the County's total revenue, with each contributing 43.09 percent and 29.34 percent respectively (See Table 3). Another 11.83 percent came from charges for services and the remainder from mineral leasing, and other sources.

The County's expenses are predominately related to public health and welfare, (42.2 percent), public works (20.5 percent) and public safety (21.4 percent) (See Table 4). The County's general government activities accounted for 14.2 percent of total costs.

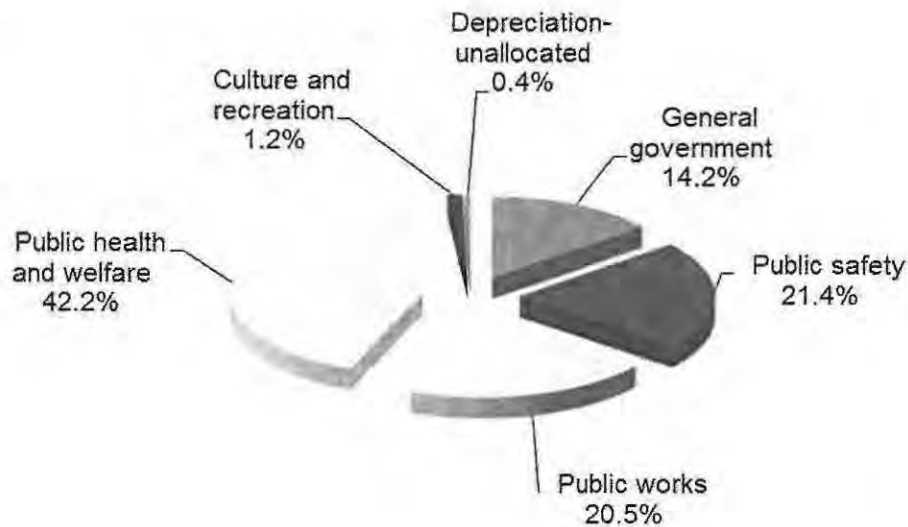
**Table 3**  
***Sources of Revenue for Fiscal Year 2014***



## MONTEZUMA COUNTY, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

**Table 4**  
***Expenses for Fiscal Year 2014***



#### ***Governmental Activities***

The primary sources of operating revenue for the County come from operating grants and general property taxes. The County receives approximately 74 percent of this funding from these sources while the remaining amounts come from charges for services and other general revenues.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those service costs. Table 5 shows, for governmental activities, the total cost of services and net cost of services. That is, it identifies the cost of these services supported by general revenues including general property taxes and sales taxes.

# MONTEZUMA COUNTY, COLORADO

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) For the Year Ended December 31, 2014

**Table 5**  
**Government Activities**  
**(In millions)**

	Total Cost of Services		Net Cost of Services	
	2014	2013	2014	2013
General government	\$ 4.470	\$ 4.147	\$ 3.594	\$ 3.261
Public safety	6.752	6.787	5.565	5.468
Public works	5.069	4.595	1.799	1.738
Public health and welfare	13.326	12.426	1.061	0.942
Culture and recreation	0.390	0.345	(0.030)	0.074
Depreciation-unallocated	0.138	0.125	0.138	0.125
Total	<u>\$ 30.145</u>	<u>\$ 28.425</u>	<u>\$ 12.127</u>	<u>\$ 11.608</u>

- The cost of all governmental activities during the year was \$30.145 million.
- Some of the cost was financed by the users of the County's programs (\$2.922 million)
- Federal and state government subsidized certain programs with grants and contributions (\$15.096 million).
- However, \$15.673 million was financed by state and county taxpayers. This portion of governmental activities was financed with \$10.238 million in property taxes, \$2.870 million in mineral leasing and \$2.565 million in other general revenues.

**MONTEZUMA COUNTY, COLORADO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**(UNAUDITED)**  
**For the Year Ended December 31, 2014**

***Business-type Activities***

Business-type activities are made up of the Landfill Fund. This program had revenues of \$1.205 million and expenses of \$1.416 million. Business-type activities receive no support from tax revenue.

***FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS***

Information about the County's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds have total revenues of \$35.055 million and expenditures of \$31.368 million.

***General Fund Budgetary Highlights***

The County's budget is prepared according to Colorado law and is based on accounting for certain transactions on a basis of cash receipts and disbursements. The most significant budgeted fund is the General Fund.

Over the course of the year, the County revised the annual operating budget by making an increase in appropriations.

- Increases in appropriations were due primarily to increases in expenditures that were not foreseen at the time of the original budget.
- Actual expenditures were \$484,853 under budget, primarily because the County closely monitored expenditures in an effort to remain below budget levels.

***CAPITAL ASSET ADMINISTRATION***

By the end of 2014, the County has invested \$31.152 million in land, buildings, and equipment (including vehicles), of this total \$26.856 million was from governmental activities.

Table 6 shows capital assets for 2014 compared to 2013:

## MONTEZUMA COUNTY, COLORADO

### MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

For the Year Ended December 31, 2014

**Table 6**  
**Capital Assets at December 31**  
**(In millions)**

	Governmental Activities		Business-Type Activities		Total County	
	2014	2013	2014	2013	2014	2013
Land	\$ 1.258	\$ 1.258			\$ 1.258	\$ 1.258
Infrastructure	1.859	1.859			1.859	1.859
Buildings	12.335	12.038			12.335	12.038
Equipment	11.404	10.531	\$ 4.296	\$ 4.232	15.700	14.763
Total	<u>\$ 26.856</u>	<u>\$ 25.686</u>	<u>\$ 4.296</u>	<u>\$ 4.232</u>	<u>\$ 31.152</u>	<u>\$ 29.918</u>

Additional information on the County's capital assets can be found in the Notes to the Financial Statements on page 33 of this report.

### **FACTORS BEARING ON THE COUNTY'S FUTURE**

At the time these financial statements were prepared and audited, the County is not aware of any existing circumstances that could significantly affect its financial health in the future.

### **CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide the County's citizens, taxpayers, and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Montezuma County Administration Office, 109 W Main, Room 302 Cortez, Colorado 81321.



**MONTEZUMA COUNTY, COLORADO**

Statement of Net Position

December 31, 2014

	Governmental Activities	Business-type Activities	Total
<b>Assets</b>			
Cash	\$ 30,563,306	\$ 410,809	\$ 30,974,115
Property taxes receivable	9,936,720		9,936,720
Other receivables	567,784		567,784
Due from state	197,717		197,717
Due from other governments	333,350		333,350
Inventory	50,000		50,000
Capital assets	26,856,194	4,296,206	31,152,400
Accumulated depreciation	(13,004,836)	(2,450,706)	(15,455,542)
Total capital assets, net of depreciation	<u>13,851,358</u>	<u>1,845,500</u>	<u>15,696,858</u>
<b>Total Assets</b>	<u>55,500,235</u>	<u>2,256,309</u>	<u>57,756,544</u>
<b>Liabilities</b>			
Accounts payable	382,750	25,604	408,354
Accrued closure costs		847,273	847,273
Due to other governments	58,206		58,206
Trusts payable	140		140
Payments in arrears	557,352		557,352
Deferred revenue	1,614,829		1,614,829
Long-term liabilities			
Due in one year	224,036		224,036
Due in more than one year	1,641,038		1,641,038
<b>Total Liabilities</b>	<u>4,478,351</u>	<u>872,877</u>	<u>5,351,228</u>
<b>Deferred Inflows of Resources</b>			
Deferred property tax revenue	<u>9,936,720</u>		<u>9,936,720</u>
<b>Net Position</b>			
Net investment in capital assets	11,986,284	1,383,432	13,369,716
Nonspendable			
Inventories	50,000		50,000
Restricted			
Cancer treatments	34,065		34,065
TABOR	772,119		772,119
Unrestricted	28,242,696		28,242,696
<b>Total Net Position</b>	<u>\$ 41,085,164</u>	<u>\$ 1,383,432</u>	<u>\$ 42,468,596</u>

The accompanying notes are an integral part of this statement.

**MONTEZUMA COUNTY, COLORADO**  
Statement of Activities

For the Year Ended December 31, 2014

	Program Revenues			Net (Expenses) Revenue And Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- type Activities
<b>Governmental Activities</b>						
General government	\$ 4,469,632	\$ 864,885	\$ 11,274		\$ (3,593,473)	\$ (3,593,473)
Public safety	6,752,323	947,615	211,358	\$ 28,102	(5,565,248)	(5,565,248)
Public works	5,069,230	707,113	2,562,871		(1,799,246)	(1,799,246)
Public health and welfare	13,325,985	329,214	11,936,071		(1,060,700)	(1,060,700)
Culture and recreation	390,273	72,902	316,792	29,858	29,279	29,279
Depreciation-unallocated	138,097				(138,097)	(138,097)
<b>Total Governmental Activities</b>	<b>30,145,540</b>	<b>2,921,729</b>	<b>15,038,366</b>	<b>57,960</b>	<b>(12,127,485)</b>	<b>(12,127,485)</b>
<b>Business-Type Activities</b>						
County landfill	1,415,786	1,204,751				\$ (211,035)
<b>Total Business-Type Activities</b>	<b>1,415,786</b>	<b>1,204,751</b>				<b>(211,035)</b>
<b>Total County</b>	<b>\$31,561,326</b>	<b>\$ 4,126,480</b>	<b>\$15,038,366</b>	<b>\$ 57,960</b>	<b>(12,127,485)</b>	<b>(211,035)</b>

<b>General Revenues</b>		
Property Tax for general purposes	10,238,031	10,238,031
Specific Ownership Tax for general purposes	876,232	876,232
Delinquent Tax and Interest	29,068	29,068
Sales Tax	235	235
Lodgers Tax	133,694	133,694
Severance Tax	417,234	417,234
Intergovernmental		
Motor Vehicle License Fees	95,171	95,171
Mineral Leasing	2,870,251	2,870,251
Payment in Lieu of Taxes	176,485	176,485
Tobacco Taxes	9,665	9,665
Earnings on investments	108,990	108,990
Reimbursements	84,701	84,701
Royalties	409,448	409,448
Asset sales	116,812	116,812
Miscellaneous	107,284	107,284
<b>Total General Revenues</b>	<b>15,673,301</b>	<b>15,673,301</b>
<b>Changes in Net Position</b>	<b>3,545,816</b>	<b>(211,035)</b>
Net Position Beginning of the Year	37,539,348	1,594,467
<b>Net Position End of the Year</b>	<b>\$ 41,085,164</b>	<b>\$ 1,383,432</b>

The accompanying notes are an integral part of this statement.

**MONTEZUMA COUNTY, COLORADO**

**Balance Sheet  
Governmental Funds**

December 31, 2014

	General Fund	Road and Bridge Fund	Social Services Fund	Capital Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>						
Cash-unrestricted	\$ 13,116,591	\$ 8,790,896	\$ 1,752,157	\$ 4,104,186	\$ 2,799,476	\$ 30,563,306
Property taxes receivable	7,253,754	1,835,541	847,425			9,936,720
Other receivables	10,432		557,352			567,784
Due from state			197,717			197,717
Due from other governments		190,710	25,526		117,114	333,350
Inventory		50,000				50,000
<b>Total Assets</b>	<b>\$ 20,380,777</b>	<b>\$ 10,867,147</b>	<b>\$ 3,380,177</b>	<b>\$ 4,104,186</b>	<b>\$ 2,916,590</b>	<b>\$ 41,648,877</b>
<b>Liabilities</b>						
Accounts payable	\$ 235,046	\$ 126,278			\$ 21,426	\$ 382,750
Trusts payable			\$ 140			140
Payments in arrears			557,352			557,352
Due to other governments			58,206			58,206
Deferred revenue		1,500,000	114,829			1,614,829
<b>Total Liabilities</b>	<b>235,046</b>	<b>1,626,278</b>	<b>730,527</b>	<b>-</b>	<b>21,426</b>	<b>2,613,277</b>
<b>Deferred inflows of resources</b>						
Unearned property tax revenues	7,253,754	1,835,541	847,425			9,936,720
<b>Fund Balances</b>						
Nonspendable						
Inventories		50,000				50,000
Restricted						
TABOR	50,000				722,119	772,119
Cancer treatments					34,065	34,065
Unrestricted						
Assigned for future year's expenditures	12,841,977	7,355,328	1,606,008	\$ 4,104,186	2,138,980	28,046,479
Unassigned			196,217			196,217
<b>Total Fund Balances</b>	<b>12,891,977</b>	<b>7,405,328</b>	<b>1,802,225</b>	<b>4,104,186</b>	<b>2,895,164</b>	<b>29,098,880</b>
<b>Total Liabilities, Deferred inflows of resources and Fund Balances</b>	<b>\$ 20,380,777</b>	<b>\$ 10,867,147</b>	<b>\$ 3,380,177</b>	<b>\$ 4,104,186</b>	<b>\$ 2,916,590</b>	<b>\$ 41,648,877</b>

**Reconciliation of the Governmental Funds Balance Sheet with the Statement of Net Position**

**Total Fund Balance Governmental Funds** \$ 29,098,880

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds.

Capital assets	\$ 26,856,194
Accumulated depreciation	(13,004,836)

Long term liabilities are not due and payable in the current period and therefore, they are not reported in the governmental funds balance sheet.

13,851,358

Due in one year	(224,036)
Due in more than one year	(1,641,038)

(1,865,074)

**Total Net Position Governmental Activities** \$ 41,085,164

The accompanying notes are an integral part of this statement.

**MONTEZUMA COUNTY, COLORADO**  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds

For the Year Ended December 31, 2014

	General Fund	Road and Bridge Fund	Social Services Fund	Capital Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>						
Taxes	\$ 7,853,625	\$ 1,891,109	\$ 935,744		\$ 1,011,354	\$ 11,691,832
Intergovernmental revenues	1,716,733	3,614,792	9,811,306	\$ 1,122,902	1,972,499	18,238,232
Charges for services	230,869	683,218			417,848	1,331,935
Fines and forfeitures	29,514					29,514
Earnings on investments	95,619			8,465	4,888	108,972
Fee accounts	1,536,384					1,536,384
Other	552,233	257,014		54,899	43,456	907,602
<b>Total Revenues</b>	<b>12,014,977</b>	<b>6,446,133</b>	<b>10,747,050</b>	<b>1,186,266</b>	<b>3,450,045</b>	<b>33,844,471</b>
<b>Expenditures</b>						
General government	4,377,542			163,107	114,675	4,655,324
Public safety	6,801,509			29,429	458,155	7,289,093
Public works		5,485,143				5,485,143
Public health and welfare	459,827		10,544,693		2,315,800	13,320,320
Culture and recreation	376,857			21,292		398,149
<b>Total Expenditures</b>	<b>12,015,735</b>	<b>5,485,143</b>	<b>10,544,693</b>	<b>213,828</b>	<b>2,888,630</b>	<b>31,148,029</b>
<b>Excess revenues over (under) expenditures</b>	<b>(758)</b>	<b>960,990</b>	<b>202,357</b>	<b>972,438</b>	<b>561,415</b>	<b>2,696,442</b>
<b>Other Financing Sources (Uses)</b>						
Transfers in	1,121,299	20,803		6,000	77,016	1,225,118
Transfers out	(83,016)				(1,142,102)	(1,225,118)
Proceeds from capital leases	820,361	389,631				1,209,992
Debt service principal	(177,644)	(41,844)				(219,488)
<b>Total Other Financing Sources (Uses)</b>	<b>1,681,000</b>	<b>368,590</b>	<b>-</b>	<b>6,000</b>	<b>(1,065,086)</b>	<b>990,504</b>
<b>Net Change in Fund Balances</b>	<b>1,680,242</b>	<b>1,329,580</b>	<b>202,357</b>	<b>978,438</b>	<b>(503,671)</b>	<b>3,686,946</b>
Fund Balances beginning of the year	11,211,735	6,075,748	1,599,868	3,125,748	3,398,835	25,411,934
<b>Fund Balances end of the year</b>	<b>\$ 12,891,977</b>	<b>\$ 7,405,328</b>	<b>\$ 1,802,225</b>	<b>\$ 4,104,186</b>	<b>\$ 2,895,164</b>	<b>\$ 29,098,880</b>

The accompanying notes are an integral part of this statement.

MONTEZUMA COUNTY, COLORADO

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

For the Year Ended December 31, 2014

**Net Change in Fund Balances Governmental Funds** **\$ 3,686,946**

Amounts reported for governmental activities in the Statement of Activities are different because

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.

Capital asset purchases capitalized	\$ 2,028,479	
Depreciation expense	(1,003,319)	
		1,025,160

Governmental funds report asset sales proceeds as revenue. However, in the Statement of Activities gain or loss on the disposal is computed.

Proceeds from the sale of assets	(269,927)	
Gain on asset sales	116,812	
		(153,115)

Some increases in debt are not reported in the governmental funds but are reflected in the Statement of Activities

Increase in accrued compensated absences	(22,671)	
Proceeds from capital leases	(1,209,992)	
		(1,232,663)

Repayment of debt principal is an expenditure in the governmental funds but the repayment reduces long term liabilities in the Statement of Net Position

Principal payments on capital leases	219,488
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<b>Change in Net Position of Governmental Activities</b>	<b>\$ 3,545,816</b>
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The accompanying notes are an integral part of this statement.

**MONTEZUMA COUNTY, COLORADO**

Statement of Net Position  
Proprietary Fund  
Enterprise Fund

December 31, 2014

	Business-type Activities Landfill Fund
<b>Assets</b>	
<b>Current Assets</b>	
Cash	\$ 410,809
<b>Total Current Assets</b>	<u>410,809</u>
<b>Noncurrent Assets</b>	
Capital Assets	\$ 4,296,206
Accumulated Depreciation	<u>(2,450,706)</u>
<b>Total Noncurrent Assets</b>	1,845,500
<b>Total Assets</b>	<u><u>2,256,309</u></u>
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts payable	25,604
Accrued closure costs	847,273
<b>Total Current Liabilities</b>	<u><u>872,877</u></u>
<b>Net Position</b>	
Net investment in capital assets	\$ <u>1,383,432</u>
<b>Total Net Position</b>	<u><u>\$ 1,383,432</u></u>

The accompanying notes are an integral part of this statement.



**MONTEZUMA COUNTY, COLORADO**

Statement of Revenues, Expenses, and Changes in Net Position  
 Proprietary Fund  
 Enterprise Fund  
For the Year Ended December 31, 2014

	Business-type Activities Landfill Fund	
<b>Operating Revenues</b>		
Landfill fees	\$	1,204,751
<b>Total Operating Revenues</b>		<u>1,204,751</u>
<b>Operating Expenses</b>		
Landfill operations		
Salaries	\$	331,392
Employee benefits		97,689
Other operating expenses		207,354
Professional fees		91,973
Utilities		47,107
Insurance and bonds		45,463
Repairs and maintenance		94,790
Depreciation		163,757
<b>Total Operating Expenses</b>		<u>(1,079,525)</u>
Operating income (loss)		<u>125,226</u>
<b>Non-Operating Revenue (Expense)</b>		
Increase in accrued closure costs	(327,796)	
Interest on interfund loan payments	(8,465)	
<b>Total Non-Operating Revenue</b>		<u>(336,261)</u>
Change in net position		<u>(211,035)</u>
Net position beginning of the year		1,594,467
<b>Net position end of the year</b>	\$	<u><u>1,383,432</u></u>

The accompanying notes are an integral part of this statement.

**MONTEZUMA COUNTY, COLORADO**

Statement of Cash Flows  
Proprietary Fund  
Enterprise Fund

For the Year Ended December 31, 2014

	Business-type Activities Landfill Fund
<b>Cash Flows from Operating Activities</b>	
Cash received from customers	\$ 1,204,751
Cash payments to employees for services	(429,081)
Cash payments to suppliers for goods and services	(631,265)
<b>Net Cash Flows provided (used) by Operating Activities</b>	<u>144,405</u>
<b>Cash Flows from Capital and Related Financing Activities</b>	
Purchase of equipment	\$ (63,527)
Repayment of interfund borrowing	(57,349)
<b>Net Cash Flows provided (used) by Capital and Related Financing Activities</b>	<u>(120,876)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>23,529</u>
Cash and cash equivalents beginning of the year	387,280
<b>Cash and cash equivalents end of the year</b>	<u><u>\$ 410,809</u></u>
<b>Reconciliation of operating income (loss) to Net Cash provided (used) by Operating Activities</b>	
Operating income (loss)	\$ 125,226
Adjustments to reconcile operating income (loss) to net cash provided by operating activities	
Depreciation	\$ 163,757
Increase or (decrease) in Accounts payable	(144,578)
<b>Total adjustments</b>	<u>19,179</u>
<b>Net Cash Flows provided (used) by Operating Activities</b>	<u><u>\$ 144,405</u></u>

The accompanying notes are an integral part of this statement.

**MONTEZUMA COUNTY, COLORADO**

Statement of Fiduciary Net Position

As of December 31, 2014

	Agency Fund
<b>Assets</b>	
Cash	\$ 639,129
<b>Total Assets</b>	<u>639,129</u>
<b>Liabilities</b>	
Due to agency recipient	639,129
<b>Total Liabilities</b>	<u>639,129</u>
<b>Net Position</b>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

# MONTEZUMA COUNTY, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

***Summary of Significant Accounting Policies*** – Montezuma County, Colorado's (the County) financial statements are prepared in accordance with U.S. generally accepted accounting principals (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements of Interpretations).

The following significant accounting policies were applied to the preparation of the accompanying financial statements.

***Reporting Entity*** – Montezuma County, Colorado is a statutory (non-home-rule) county and serves as an administrative unit of the State of Colorado.

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

In applying these criteria, the Montezuma County Hospital District and the Montezuma County Housing Authority have been excluded from the financial statements of the reporting entity. These organizations are financially independent units that select a governing board, designate management staff, set user charges, establish budgets and control all aspects of daily activities.

The Montezuma County Sheriff's Department Forfeiture Account is a blended component unit of the County (primary government). A three-member board is appointed by the County which oversees the activities of the account. This blended component unit is accounted for as a Special Revenue Fund. Pursuant to C.R.S. Section 16-13-506, proceeds from the property ordered forfeited by the courts are placed in an account by the seizing agency and used for non-operating purposes. Expenditures of monies forfeited after July 1, 1992 must be approved by the board created pursuant to C.R.S. Section 16-13-702 (2).

***Fund Accounting*** – The accounts of the County are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources and liabilities and deferred inflows of resource, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

in the means by which spending activities are controlled. The various funds are grouped into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**Governmental Funds** – are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked funds (special revenue funds). The following are the County's major governmental funds.

**General Fund** – is the general operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. Major revenue sources include local property taxes, specific ownership taxes and state and federal grants.

**Special Revenue Funds-**

**Road and Bridge Fund** – accounts for the costs related to county road and bridge construction and maintenance. By state law, a portion of this fund's property tax revenues are allocated to cities and towns for use in their road and street activities. This fund is required by state law.

**Social Services Fund-** accounts for federal and state public welfare programs administered by the County. This fund is also required by state law.

**Capital Projects Funds-**

**Capital Fund-** accounts for revenue and expenditures related to general capital projects of the County.

**Non-major Funds-** The following other governmental funds of the County are Special Revenue Funds. These funds account for revenues derived from earmarked revenue sources. Special revenue funds consist of the Public Health Fund, Conservation Trust Fund, Law Enforcement Authority Fund, Clara Ormiston Fund, Emergency Telephone Service Fund, Sheriff's Forfeiture Fund, Revolving Loan Fund, Lodgers' Tax Fund, Emergency Reserve Fund, and the Contingent Fund. The other non-major fund of the County, the Jail Fund, is a Capital Projects Fund. This fund was used to account for activities related to the financing and construction of the County's new jail facility. The construction and repayment of the related debt were both completed prior to 2014 and the fund will be closed in 2015.

**Proprietary Funds-**

**Enterprise Funds** – focus on the determination of the changes in net position, financial position and cash flows and are classified as either enterprise or internal service. The County's major enterprise fund is:



## MONTEZUMA COUNTY, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

**Landfill Fund-** is used to account for the financial transactions related to the landfill operations of the County.

**Fiduciary Funds** – reporting focuses on net position and changes in net position. The fiduciary fund category is split into trust funds and agency funds. Trust funds are used to account for assets held by the County under a trust agreement for individuals, private organizations, or other governments and are therefore, not available to support the County's own programs. The County does not have any trust funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results or operations. The County has one agency fund.

#### ***Basis of Presentation-***

**County-wide Financial Statements-** The statement of net assets and the statement of activities display information about the County as a whole. These statements include the financial activities of the primary government except for fiduciary funds. The statements distinguish between those activities of the County that are governmental and those that are considered business-type activities.

The county-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include reconciliation with a brief explanation to better identify the relationship between the county-wide financial statements and the statements for governmental funds.

The county-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function or program of the County's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the County.

**Fund Financial Statements-** Fund financial statements report detailed information about the County. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Non-major funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.



**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

All proprietary fund types are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the statement of net position. The statement of revenues, expenses and changes in net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the County finances and meets the cash flow needs of its proprietary activities.

Fiduciary funds are reported using the economic resources measurement focus.

***Basis of Accounting*** – determines when transactions are recorded in the financial records and reported on the financial statements. County-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Proprietary and fiduciary funds also use the accrual basis of accounting.

***Revenues- Exchange and Non-exchange Transactions-*** Revenues resulting from exchange transactions, in which each party gives and receives essentially equal value are recorded on the accrual basis when the exchange takes place. On a modified accrual basis revenues are recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, available means expected to be received within sixty days of fiscal year-end.

Non-exchange transactions, in which the County receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenues from grants, entitlements and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when used is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

## MONTEZUMA COUNTY, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes collected within 60 days after year-end, interest, and certain grants.

**Deferred Revenue-** arises when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when both revenue recognition criteria are met, or when the County has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

**Expenses/Expenditures-** On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the statement of revenues, expenses and changes in fund net position as an expense with a like amount reported as donated commodities revenue.

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**Budgets and Budgetary Accounting** – The County is required by Colorado Statutes to adopt annual budgets for all funds. Each budget is prepared on the same basis (U.S. GAAP basis) as that used for accounting purposes, except for the Landfill Fund, which is prepared essentially on the modified accrual basis of accounting. This basis of accounting is at variance with U.S. GAAP.

The following procedures are followed in establishing the budgetary data reflected in the financial statements:

Prior to October 20, the Budget Officer submits to the County Commissioners a proposed operating budget for the fiscal year commencing the following January 1.

The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted to obtain comments.

Prior to December 31, the budget is legally adopted through passage of adoption and appropriations resolutions.

Formal budgetary integration is employed as a management control device during the year.

Department directors are authorized to transfer budget amounts within the department. However, the County Commissioners must approve any revisions that alter the total expenditures of any department.

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

Appropriations are adopted by resolution for each fund in total and lapse at the end of each year. Over-expenditures are not deemed to exist unless the fund as a total has expenditures in excess of appropriations.

**Cash and Cash Equivalents** – for the purpose of the Statement of Cash Flows of the Enterprise Fund is considered to be all of the highly liquid investments with a maturity of six months or less.

**Short-term Inter-fund Receivables/Payables**- During the course of operations, certain transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as internal balances on the County-wide statement of net position and, classified as due from other funds or due to other funds on the balance sheet.

**Inventories** – in the governmental funds consist of expendable supplies held for consumption, the cost of which is recorded as an expenditure at the time of purchase. Restrictions of fund balance have been established for the inventory balances.

**Capital Assets** – General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the county-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the proprietary funds are reported both in the business-type activities column of the county-wide statements of net assets and in the respective fund financial statements,

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated general fixed assets are valued at their estimated fair value on the date donated. The County maintains a capitalization threshold of five thousand dollars.

All reported capital assets are depreciated. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities <u>Estimated Lives</u>	Business-Type Activities <u>Estimated Lives</u>
Buildings and Improvements	20-50 Years	15-50 Years
Furniture and Equipment	5-15 Years	5-20 Years
Vehicles	8 Years	5 Years



## MONTEZUMA COUNTY, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

**Property Tax Revenue Recognition** – The County bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County. The property taxes are levied and certified in December of the year prior to the year the taxes are collected. Property taxes become an enforceable lien on January 1 of each year. Secured property taxes are due in two equal installments on February 28 and June 15, and are delinquent after February 28 and June 15 respectively. The entire balance can be paid by April 30 without penalty. Property taxes levied are recorded as deferred revenues in the year levied, as they are not due until the following year. An allowance for un-collectible taxes is not provided as the un-collectible amounts were determined to be negligible based upon an analysis of historical trends.

**Compensated absences-** Compensated absences arise from policies concerning vacation and sick leave. County employees accrue unlimited sick leave on the basis of one working day per month. Unused accrued sick leave shall not be paid at the time of termination of the employee's service, except in the event the employee terminated voluntarily in good standing after 5 years of service with the County. Such employees will be paid for actual accumulated sick days up to a maximum of 15 days for 5 to 10 years of service, 25 days for the following 5 years, 45 days for 21 to 30 years and 60 days for over 31 years of service. County employees are entitled to paid vacation after completion of six months of service. All full-time employees begin to accumulate vacation at the time of entry into service. The rate of accumulation is 1 day per month for the first five years of employment, 1.25 days per month for the following five years and 1.5 days per month for eleven years of service and over. Vacation is accumulated throughout each calendar year, but the maximum accumulation is 17 days for the first five years of service, 20 days for the following five years and 23 days for eleven years and over. For the Sheriff's department only, vacation time accrued during a given calendar year must be used in the immediately following year, or be forfeited.

**Accrued Liabilities and General Long-Term Obligations-** All payables, accrued liabilities and long-term obligations are reported in the county-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, payables and accrued liabilities that will be paid from governmental funds are reported on the governmental fund financial statements regardless of whether they will be liquidated with current resources. However, claims and judgments, the non-current portion of capital leases, compensated absences, and special termination benefits that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they will be paid with current, expendable, available financial resources. In general, payment made within sixty days after year-end are considered to have been made with current available financial resources. Bonds and other long-term obligations that will be paid from governmental funds are not recognized as a liability in the fund financial

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

**Governmental Fund Balances-** In the governmental fund financial statements, fund balances are classified as follows:

***Nonspendable-*** Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. This includes inventory maintained in the Road and Bridge Fund.

***Restricted-*** Amounts that can be used only for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors. This includes the County's TABOR reserve.

***Committed-*** Amounts that can be used only for specific purposes determined by a formal action by the Board of County Commissioners.

***Assigned-*** Amounts that are designated by the Board of County Commissioners for a particular purpose but are not spendable until appropriated. This includes assignments for subsequent year's expenditures.

***Unassigned-*** All amounts not included in the other spendable classifications.

***Net Position-*** Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are liabilities imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

***Operating Revenues and Expenses-*** Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are sales related to food service. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activities of the fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

***Inter-fund Transactions-*** Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers.

***Estimates*** – The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

**Cash and Investments** – The County Treasurer maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash".

Cash on the Combined Balance Sheet consisted of:

Cash on hand	\$ 143,104
Deposits and certificates of deposit	14,610,461
Investments at cost	16,859,679
 Total cash and investments	 <u>\$ 31,613,244</u>

**Deposits**- The Colorado Public Deposit Protection Act (PDPA) governs the County's cash deposits. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance on deposits held. Each eligible depository with deposits in excess of the insured levels must pledge a collateral pool of defined eligible assets, to be maintained by another institution or held in trust for all of its local government depositors as a group, with a market value at least equal to 102% of the uninsured deposits. The State Regulatory Commissions for banks and savings and loan associations are required by statute to monitor the naming of eligible depositories and the reporting of uninsured deposits and assets maintained in the collateral pools.

At December 31, the carrying amount of the County's deposits was \$14,610,461 and the bank balance was \$14,621,017. Of the bank balance, \$1,397,278 was covered by federal depository insurance and \$13,223,739 was collateralized with securities held in single financial institution collateral pools as provided by statute. Collateral for uninsured deposits is held by banks in the name of a number of government accounts of which the County is a part.

**Investments**- Colorado statutes define eligible investments for local governments. These include bonds and other interest-bearing obligations of or guaranteed by the United States government or its agencies, bonds which are direct obligations of the State of Colorado or any of its political subdivisions, repurchase agreements, commercial paper, guaranteed investment contracts and local government investment pools.

At December 31, the County had investments in two local government investment pools: the Colorado Government Liquid Asset Trust (COLOTRUST), and the Colorado Surplus Asset Fund Trust (CSAFE). These investment pools are investment vehicles established for local government entities in Colorado to pool surplus funds for investment purposes. The pools are routinely monitored by the Colorado Division of Securities with regard to their operations and investments, which are subject to provisions of C.R.S. Title 24, Article 75, Section 6. The fair value of the investments in the pools is the same as the value of the pool shares. None of



# MONTEZUMA COUNTY, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

these types of investments are categorized because they are not evidenced by securities that exist in physical or book form. COLOTRUST is rated AAA from Standard and Poor's, and CSAFE is rated AAAM from Standard and Poor's.

At December 31, the County had invested in money market funds with Wells Fargo and LPL Financial. These accounts are used to hold money from the sale of government securities until they are reinvested. All funds in these accounts will be reinvested in Federal Government securities and mortgages. The money market accounts are rated AAA from Standard and Poor's. These investments are not categorized because they are not evidenced by securities that exist in physical or book form.

At December 31, the County had the following investments subject to interest rate risk:

Investment Type	Cost	Investment Maturities (in years)			
		Less than 1	1-5	6-10	More than 10
Investment Pools					
COLOTRUST	\$ 13,200,314				
CSAFE	111,539				
	<u>13,311,853</u>				
Wells Fargo Money Market	126,140				
LPL Financial Money Market	20,725				
Federal Government backed securities and mortgages	<u>3,400,961</u>	<u>\$ 1,500,173</u>	<u>\$ 1,900,788</u>	<u></u>	<u></u>
Total	<u>\$ 16,859,679</u>				

The County does not have a formal policy limiting investment maturities that would help manage its exposure to fair value losses from increasing interest rates.

**Retirement Plan** – The County is a member of the Colorado County Officials and Employees Retirement Association. All members of the Association are participants in a defined contribution retirement plan which was adopted and is administered to provide income after retirement in addition to benefits provided by Federal Social Security. All County employees are required to participate after one year of continuous service. Contributions made by the employee are a minimum of five percent and a maximum of ten percent of gross salary, at the employees' discretion. Employees may make additional voluntary contributions not to exceed twenty five percent of compensation.

The County maintains no control over the plan, other than being a member of the Association. Employees vest at ten percent per year and are fully vested after one year of participation.

# MONTEZUMA COUNTY, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

The County has no unfunded liability under the plan. The total 2014 County payroll was \$10,017,545. The covered payroll for retirement plan purposes was \$8,306,595. The 2014 employer and employee contributions to the plan were \$415,330 and \$492,979 respectively. There were no County securities or other transactions included in the plan's assets.

### **Capital Assets** – Capital asset activity for the fiscal year ended December 31, 2014:

	Capital Assets Jan 1, 2014	Additions	Deletions/ Transfers	Capital Assets Dec 31, 2014
Governmental Activities				
Capital assets, not being depreciated:				
Land	\$ 1,257,990			\$ 1,257,990
Total capital assets not being depreciated	<u>1,257,990</u>	<u>-</u>	<u>-</u>	<u>1,257,990</u>
Capital assets, being depreciated:				
Buildings	12,037,763	\$ 296,928		12,334,691
Equipment	10,530,713	1,731,551	\$ (857,956)	11,404,308
Infrastructure	1,859,205			1,859,205
Total capital assets being depreciated	<u>24,427,681</u>	<u>2,028,479</u>	<u>(857,956)</u>	<u>25,598,204</u>
Less accumulated depreciation for:				
Buildings	(3,838,929)	(318,868)		(4,157,797)
Equipment	(7,684,181)	(631,331)	704,841	(7,610,671)
Infrastructure	(1,183,248)	(53,120)		(1,236,368)
Total accumulated depreciation	<u>(12,706,358)</u>	<u>(1,003,319)</u>	<u>704,841</u>	<u>(13,004,836)</u>
Total capital assets, being depreciated, net	<u>11,721,323</u>	<u>1,025,160</u>	<u>(153,115)</u>	<u>12,593,368</u>
Governmental Activities Capital Assets, net	<u>\$ 12,979,313</u>	<u>\$ 1,025,160</u>	<u>\$ (153,115)</u>	<u>\$ 13,851,358</u>
Business Type Activities				
Equipment and facilities	\$ 4,232,679	\$ 63,527		\$ 4,296,206
Less accumulated depreciation	(2,286,949)	(163,757)		(2,450,706)
Business Type Activities Capital Assets net	<u>\$ 1,945,730</u>	<u>\$ (100,230)</u>	<u>-</u>	<u>\$ 1,845,500</u>

Depreciation expense was charged as a direct expense to the following governmental programs:

General government	\$ 35,964
Public safety	339,830
Public works	395,830
Public health and welfare	22,711
Culture and recreation	70,887
Unallocated	138,097
Total depreciation government activities	<u>\$ 1,003,319</u>

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

**Schedule of Social Services Costs Due To/From State of Colorado –**

	<u>Due To (From)</u>
Colorado works	\$ 66,224
Child care	466
Child welfare	53,175
County administration	50,890
Core services	12,120
Child support	8,359
L.E.A.P.	3,593
Adult protective services	5,042
Child welfare discretionary	480
Aid to needy disabled	(8,514)
Home care allowance	(268)
Old age pension	1,863
Food assistance fraud	2,159
Food assistance benefits	(304)
Food assistance job search	415
State incentives	1,293
Federal incentives	237
Tanf collections retained	497
Medicaid collections	(10)
Net Amount Due From State	<u>\$ 197,717</u>

All Electronic Benefit transfers paid by the State of Colorado for Montezuma County are included in the financial statements.

**Operating Leases** –In 2014, the County leased two blades from John Deere Financial with semi-annual payments of \$21,254.

The future minimum payments for these leases are as follows:

<u>Year</u>	<u>Payments</u>
2015	\$ 42,508
2016	42,508
	<u>\$ 85,016</u>

# MONTEZUMA COUNTY, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

### **Long-Term Debt-**

#### ***Leases Payable-***

In 2014, the County entered into a lease agreement for a John Deere backhoe. The lease is payable in ten semi-annual payments of \$9,401 beginning on November 24, 2014. This obligation is serviced by the Road and Bridge Fund and the equipment serves as collateral.

In 2014 the County entered into a lease agreement for two John Deere skidsteer loaders. The lease is payable in ten semi-annual payments of \$12,068 beginning September 2, 2014. This obligation is serviced by the Road and Bridge Fund and the equipment serves as collateral.

In 2014 the County entered into a lease agreement for two John Deere backhoes. The lease is payable in ten semi-annual payments of \$20,375 beginning September 2, 2014. This obligation is serviced by the Road and Bridge Fund and the equipment serves as collateral.

In 2014 the County entered into a lease agreement for 18 vehicles for the Sheriff's department. The lease is payable in five annual payments of \$177,644 beginning February 1, 2014. This obligation is serviced by the General Fund and the vehicles serve as collateral.

***Changes in General Long-Term Debt-*** A summary of changes in general long-term debt follows:

	Balance January 1, 2014	Additions	Deletions	Balance December 31, 2014
Accrued compensation	\$ 851,898	\$ 22,671		\$ 874,569
Lease obligation		86,071	\$ 9,401	76,670
Lease obligation		112,918	12,068	100,850
Lease obligation		190,643	20,375	170,268
Lease obligation		820,361	177,644	642,717
Total	<u>\$ 851,898</u>	<u>\$ 1,232,664</u>	<u>\$ 219,488</u>	<u>\$ 1,865,074</u>

Annual requirements to amortize the lease purchase are as follows:

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

<u>Year Ending December 31,</u>	<u>Lease Purchases</u>
2015	\$ 261,332
2016	261,332
2017	261,332
2018	261,332
2019	41,844
Total	<u>1,087,172</u>
Less Interest	<u>(96,667)</u>
Outstanding principal	<u><u>\$ 990,505</u></u>

**Interfund Operating Transfers-** consist of the following:

	<u>Transfer In</u>	<u>Transfer out</u>
General Fund	\$ 1,121,299	\$ 83,016
Special Revenue Funds		
Public Health Fund	77,016	
Conservation Trust		155,926
Law Enforcement Authority Fund		924,460
Emergency Telephone Fund		53,175
Road and Bridge Fund	20,803	
Capital Projects Funds		
Jail Fund		8,541
Capital Fund	6,000	
	<u><u>\$ 1,225,118</u></u>	<u><u>\$ 1,225,118</u></u>

All transfers were made for the purpose of subsidizing the receiving fund.

**Fund Balance Restrictions and Assignments** – Nonspendable indicates amounts that cannot be spent, either because they are in nonspendable form or because they are legally or contractually required to be maintained intact. Restricted indicates that a portion of the fund balance can only be spent for specific purposes because of state or federal laws, or externally imposed conditions by grantors or creditors. Assigned indicates amounts that are designated for a specific purpose by the Board of County Commissioners but are not spendable until appropriated. The County uses the following restrictions and assignments:



# MONTEZUMA COUNTY, COLORADO

## NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

### Non-spendable

Inventory- indicates that the portion of fund balance represented by inventories is not available for appropriation and expenditure at the balance sheet date. Non-spendable fund balance related to inventory consists of \$50,000 in the Road and Bridge Fund.

### Restricted

TABOR- indicates that a portion of the fund balance has been segregated for expenditures for declared emergencies only. Fund balance restricted for TABOR consists of \$722,119 in the Emergency Reserve Fund and \$50,000 in the General Fund.

Cancer treatments-indicates that the fund balance within the Ormiston Fund is restricted for the payment of cancer treatments costs of qualified county residents.

**Assigned for future expenditures-** indicates anticipated fund balance available for appropriation in the next budget year. Fund balances assigned for future expenditures consist of the following:

General Fund	\$ 12,841,977
Special Revenue Funds	
Road and Bridge Fund	7,355,328
Social Services Fund	1,606,008
Contingent Fund	607,789
Emergency Telephone Service Fund	286,011
Sheriff's Forfeiture Fund	1,643
Conservation Trust Fund	87,204
Law Enforcement Authority Fund	590,711
Revolving Loan Fund	145,040
Lodger's Tax Fund	127,392
Public Health Fund	293,183
Capital Projects Funds	
Capital Fund	4,104,186
Jail Fund	7
Total	<u>\$ 28,046,479</u>

## MONTEZUMA COUNTY, COLORADO

### NOTES TO THE FINANCIAL STATEMENTS

December 31, 2014

**Public Trustee** – The County Treasurer holds the office of the County Public Trustee. Public Trustees are named as trustees for Deeds of Trust and perform all the functions and exercise all the powers conferred upon them by the Deeds of Trust. These functions include releasing Deeds of Trust when indebtedness is paid in full, making sales whenever default occurs, issuing Certificates of Purchase and Certificates of Redemption of Trustee's Deeds. Fees for such services are used to cover related expenses and pay the Trustee an annual salary.

The accounts of the County Public Trustee consist of the following as of and for the year ended December 31, 2014:

Cash at January 1, 2014	\$ 45,692
Revenues	
Interest and fees	23,508
Expenditures	(31,272)
Cash at December 31, 2014	<u>\$ 37,928</u>

**Commitments and Contingent Liabilities** – There appear to be no commitments or contingencies that would pose a threat of significant liability to the County.

**Tax Spending, Revenue and Debt Limitations**- 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 governments.

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

Fiscal year spending and revenue limits are determined based on the prior year's spending adjusted for inflation and local growth. Revenue in excess of the fiscal year spending limit must be refunded unless the voters approve retention of such revenue.

Fiscal year spending is generally defined as expenditures plus reserve increases with certain exceptions. Those exceptions include spending from certain revenue and financial sources such as federal funds, gifts, property sales, fund transfers, damage awards, and fund reserves.

The Amendment requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Local governments are not allowed to

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

The Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the Amendment.

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

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 purchased commercial insurance for such risks. Settled claims resulting from these risks have not exceeded commercial insurance in any of the past three years.

Colorado Immunity Act – Under Colorado statutes, the County has immunity from liability in excess of \$150,000 per individual and \$600,000 per occurrence.

**Municipal Solid Waste Landfill**- The County assumed operation of the landfill in 1991 from the Cortez Sanitation District. The old inactive landfill areas have monitoring wells in place and closure and post-closure costs are not estimated to exceed normal operating costs.

Currently, the landfill is operating on a cell basis. An average "life to closure" has been estimated at 30 to 40 years for the cells. It is estimated that at December 31, 2014 47.6% of the capacity had been used. Engineer estimates have been obtained for anticipated closure and post-closure costs. The County is required to perform certain maintenance and monitoring functions for thirty years after closure. The expense and liability associated with these requirements are reflected in the financial statements of the Landfill Fund.

**MONTEZUMA COUNTY, COLORADO**  
**NOTES TO THE FINANCIAL STATEMENTS**

December 31, 2014

	Estimated Costs	Estimated Capacity Used	Accrued Closure Costs
Closure	\$ 1,069,478	47.60%	\$ 509,072
Post-closure	519,296	47.60%	247,185
Post-closure Carver Landfill	<u>91,017</u>	100%	<u>91,016</u>
Total	<u><u>\$ 1,679,791</u></u>		<u><u>\$ 847,273</u></u>

It is anticipated that the remaining amount will be recognized in the future as the landfill reaches capacity. These figures are estimates. The County has provided the "Financial Assurance for Compliance" required by the Colorado Department of Public Health and Environment.

**Compliance with Laws and Regulations**-The County may be in violation of State Statute. Expenditures exceeded appropriations in the Road and Bridge Fund, Emergency Telephone Fund and the Landfill Fund.

**MONTEZUMA COUNTY, COLORADO**

**Required Supplementary Information**

December 31, 2014

Required supplementary information includes financial information and disclosures that are required by the GASB but are not considered a part of the basic financial statements.

Such information includes:

**Budgetary Comparison Schedules**

General Fund

Road and Bridge Fund

Social Services Fund



# MONTEZUMA COUNTY, COLORADO

## Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual General Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes				
General property taxes	\$ 6,867,481	\$ 6,867,481	\$ 6,840,592	\$ (26,889)
Specific ownership taxes	539,746	539,746	586,134	46,388
Severance taxes	400,000	400,000	417,234	17,234
Tobacco products taxes	6,500	6,500	9,665	3,165
Total taxes	7,813,727	7,813,727	7,853,625	39,898
Intergovernmental revenues				
Payment in lieu of taxes	160,000	160,000	176,485	16,485
Mineral leasing	675,000	675,000	956,750	281,750
Grants				
Other grants	22,600	22,600	49,457	26,857
Sherrif grants	136,601	136,601	239,460	102,859
Senior services grants			294,581	294,581
Total intergovernmental revenues	994,201	994,201	1,716,733	722,532
Charges for services				
General government	104,500	104,500	50,386	(54,114)
Senior nutrition	365,837		107,581	107,581
County fair and fairground user fees	71,000	71,000	72,902	1,902
Total charges for services	541,337	175,500	230,869	55,369
Fines and forfeitures				
Court fines	17,500	17,500	29,514	12,014
Total fines and forfeitures	17,500	17,500	29,514	12,014
Earnings on investments	70,000	70,000	95,619	25,619
Miscellaneous revenues				
Rents and royalties	300,000	300,000	409,448	109,448
Reimbursements	140,000	140,000	84,701	(55,299)
Delinquent tax and interest			12,326	12,326
Other	50,000	50,000	45,758	(4,242)
Total miscellaneous revenues	490,000	490,000	552,233	62,233
Fee accounts				
Sheriff fees	731,975	731,975	721,886	(10,089)
Clerk fees	500,000	500,000	543,618	43,618
Treasurers fees	200,000	200,000	243,084	43,084
Public trustee fees	37,907	37,907	27,796	(10,111)
Total fee accounts	1,469,882	1,469,882	1,536,384	66,502
<b>Total revenues</b>	11,396,647	11,030,810	12,014,977	984,167

(continued)

# MONTEZUMA COUNTY, COLORADO

## Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual General Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Expenditures</b>				
General government				
Board of county commissioners	\$ 280,135	\$ 280,135	\$ 262,195	\$ 17,940
Planning department	151,105	160,905	134,698	26,207
Clerk	616,292	616,292	553,673	62,619
Treasurer	278,769	278,769	277,596	1,173
Public trustee	17,907	17,907	14,625	3,282
Assessor	624,980	624,980	555,509	69,471
Attorney	191,970	191,970	187,186	4,784
Grounds and buildings	747,272	747,272	637,611	109,661
Administration	339,430	339,430	274,784	64,646
Elections	132,500	132,500	66,346	66,154
Extention services	108,828	108,828	108,549	279
Veteran's office	70,622	78,822	72,807	6,015
Purchasing	75,000	75,000	51,308	23,692
Computer services and mapping	449,532	487,064	458,355	28,709
Community services	71,408	71,408	72,976	(1,568)
Miscellaneous	1,086,631	1,086,631	649,324	437,307
Total general government	5,242,381	5,297,913	4,377,542	920,371
Public safety				
Sheriff administration	3,136,172	3,315,580	3,673,440	(357,860)
Coroner	69,490	69,490	86,279	(16,789)
District attorney	793,955	793,955	793,964	(9)
Jail	2,250,416	2,306,602	2,172,363	134,239
Emergency management	76,971	76,971	75,463	1,508
Total public safety	6,327,004	6,562,598	6,801,509	(238,911)
Health and welfare				
Senior citizens	402,280	422,036	387,323	34,713
Animal and pest control	70,500	70,500	72,504	(2,004)
Total health and welfare	472,780	492,536	459,827	32,709

(continued)

# MONTEZUMA COUNTY, COLORADO

## Schedule of Revenues, Expenditures and Changes in Fund Balances- Budget and Actual General Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
Expenditures (continued)				
Culture and recreation				
County fair	\$ 35,500	\$ 40,500	\$ 36,904	\$ 3,596
Fairgrounds	287,643	287,643	339,953	(52,310)
Total culture and recreation	323,143	328,143	376,857	(48,714)
<b>Total expenditures</b>	<b>12,365,308</b>	<b>12,681,190</b>	<b>12,015,735</b>	<b>665,455</b>
Excess (deficit) of revenues over (under) expenditures	(968,661)	(1,650,380)	(758)	1,649,622
<b>Other financing sources (uses)</b>				
Operating transfers in	946,858	1,145,358	1,121,299	(24,059)
Operating transfers (out)	(38,118)	(80,058)	(83,016)	(2,958)
Proceeds from capital leases			820,361	820,361
Debt service principal			(177,644)	(177,644)
<b>Total other financing sources (uses)</b>	<b>908,740</b>	<b>1,065,300</b>	<b>1,681,000</b>	<b>615,700</b>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(59,921)</b>	<b>(585,080)</b>	<b>1,680,242</b>	<b>2,265,322</b>
Fund balance, beginning	9,747,231	11,211,735	11,211,735	-
<b>Fund balance, ending</b>	<b>\$ 9,687,310</b>	<b>\$ 10,626,655</b>	<b>\$ 12,891,977</b>	<b>\$ 2,265,322</b>

**MONTEZUMA COUNTY, COLORADO**

Schedule of Revenues, Expenditures and Changes in  
Fund Balance- Budget and Actual  
Road and Bridge Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes				
General property taxes	\$ 1,601,089	\$ 1,601,089	\$ 1,727,113	\$ 126,024
Specific ownership taxes	136,707	136,707	148,173	11,466
Delinquent taxes and interest			15,823	15,823
Total taxes	1,737,796	1,737,796	1,891,109	153,313
Intergovernmental revenues				
Federal shared revenues				
Forest Service	60,000	60,000	52,173	(7,827)
Mineral leasing	675,000	675,000	956,750	281,750
State shared revenues				
Highway user's tax	2,404,019	2,404,019	2,510,698	106,679
Additional motor vehicle registration fee	90,000	90,000	95,171	5,171
Total intergovernmental revenues	3,229,019	3,229,019	3,614,792	385,773
Miscellaneous revenues				
Permits and charges for services			198,578	198,578
Impact fees	90,000	90,000	165,655	75,655
Dust abatement	170,000	170,000	318,985	148,985
Other			257,014	257,014
Total miscellaneous revenues	260,000	260,000	940,232	680,232
<b>Total revenues</b>	<b>5,226,815</b>	<b>5,226,815</b>	<b>6,446,133</b>	<b>1,219,318</b>
<b>Expenditures</b>				
Current operating				
Public Works				
Administration	111,770	111,770	109,870	1,900
Maintenance of condition	3,870,966	4,152,630	4,189,427	(36,797)
Snow and ice removal	199,244	214,527	219,582	(5,055)
System preservation	756,863	814,916	834,116	(19,200)
Payments to cities	136,788	136,788	132,148	4,640
Total public works	5,075,631	5,430,631	5,485,143	(54,512)
<b>Total expenditures</b>	<b>5,075,631</b>	<b>5,430,631</b>	<b>5,485,143</b>	<b>(54,512)</b>
Excess (deficit) of revenues over (under) expenditures	151,184	(203,816)	960,990	1,164,806
Other financing sources (uses)				
Transfers in	24,567	24,567	20,803	(3,764)
Proceeds from capital leases			389,631	389,631
Debt service principal			(41,844)	(41,844)
Total other financing sources (uses)	24,567	24,567	368,590	344,023
<b>Excess (deficit) of other financing sources over (under)   expenditures and other financing uses</b>	<b>175,751</b>	<b>(179,249)</b>	<b>1,329,580</b>	<b>1,508,829</b>
Fund balance, beginning	5,224,715	6,075,748	6,075,748	-
<b>Fund balance, ending</b>	<b>\$ 5,400,466</b>	<b>\$ 5,896,499</b>	<b>\$ 7,405,328</b>	<b>\$ 1,508,829</b>

**MONTEZUMA COUNTY, COLORADO**

Schedule of Revenue, Expenditures and Changes in  
Fund Balance - Budget and Actual  
Social Services Fund  
For the year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
<b>Taxes</b>				
General Property Taxes	\$ 863,550	\$ 863,550	\$ 861,663	\$ (1,887)
Specific Ownership Taxes	67,750	67,750	74,081	6,331
<b>Total taxes</b>	<u>931,300</u>	<u>931,300</u>	<u>935,744</u>	<u>4,444</u>
<b>Intergovernmental revenues</b>				
<b>Programs settled by CFMS</b>				
Colorado Works	764,819	764,819	596,475	(168,344)
Child Care	453,096	453,096	227,534	(225,562)
Child Welfare	1,652,368	1,644,868	1,491,174	(153,694)
Administration	747,719	747,719	566,137	(181,582)
Core Services	311,399	311,399	275,118	(36,281)
Child Support	191,146	191,146	142,102	(49,044)
LEAP	569,923	757,423	745,359	(12,064)
Adult Protective Services	60,836	60,836	62,107	1,271
Aid to Needy Disabled	120,000	120,000	55,410	(64,590)
Home Care Allowance	70,824	70,824	43,594	(27,230)
Old Age Pension	345,000	345,000	359,030	14,030
Food Assistance Fraud	30,409	30,409	26,711	(3,698)
Food Assistance	6,667,163	6,487,163	5,051,594	(1,435,569)
Food Assistance Job Search	5,781	5,781	2,111	(3,670)
Child Welfare Discretionary Grants			5,572	5,572
Tanf Collections EBT	(2,981)	(2,981)	(1,796)	1,195
State and Federal Incentives	18,426	18,426	30,821	12,395
TANF Collections IVD Retained	(32,304)	(32,304)	(47,167)	(14,863)
Medicaid Collections	(699)	(699)	(597)	102
<b>Total Programs settled by CFMS</b>	<u>11,972,915</u>	<u>11,972,915</u>	<u>9,631,289</u>	<u>(2,341,626)</u>
<b>Other</b>				
Medicaid Transport	150,673	150,673	81,039	(69,634)
IV-E Incentives			809	809
Integrated Care Management	114,005	114,005	93,549	(20,456)
Other	40,000	40,000	4,620	(35,380)
<b>Total Other</b>	<u>304,678</u>	<u>304,678</u>	<u>180,017</u>	<u>(124,661)</u>
<b>Total Intergovernmental revenues</b>	<u>12,277,593</u>	<u>12,277,593</u>	<u>9,811,306</u>	<u>(2,466,287)</u>
<b>Total Revenues</b>	<u>13,208,893</u>	<u>13,208,893</u>	<u>10,747,050</u>	<u>(2,461,843)</u>
<b>Expenditures</b>				
<b>Health and Welfare</b>				
<b>Programs settled by CFMS</b>				
Colorado Works	969,515	969,515	677,501	292,014
Child Care	533,846	533,846	290,094	243,752
Child Welfare	2,013,235	2,005,735	1,831,677	174,058
Administration	934,649	934,649	669,495	265,154
Core Services	331,008	331,008	294,247	36,761
Child Support	289,615	289,615	265,273	24,342
LEAP	569,923	757,423	745,359	12,064
Adult Protective Services	76,045	76,045	77,633	(1,588)
Aid to Needy Disabled	150,000	150,000	69,263	80,737
Home Care Allowance	74,551	74,551	45,888	28,663
Old Age Pension	345,000	345,000	359,030	(14,030)
Food Assistance Fraud	70,989	70,989	33,389	37,600
Food Assistance	6,667,163	6,487,163	5,051,594	1,435,569
Food Assistance Job Search	7,226	7,226	3,388	3,838
Child Welfare Discretionary Grants			5,572	(5,572)
Tanf Collections EBT	(3,887)	(3,887)	(2,245)	(1,642)
Tanf Collections IVD Retained	(41,724)	(41,724)	(58,959)	17,235
Medicaid Collections	(699)	(699)	(597)	(102)
<b>Total Programs settled by CFMS</b>	<u>12,986,455</u>	<u>12,986,455</u>	<u>10,357,602</u>	<u>2,628,853</u>
<b>Other</b>				
Medicaid Transport	150,673	150,673	80,607	70,066
IV-E Money			809	(809)
Integrated Care Management	114,005	114,005	93,549	20,456
Other	156,822	156,822	12,126	144,696
<b>Total Other</b>	<u>421,500</u>	<u>421,500</u>	<u>187,091</u>	<u>234,409</u>
<b>Total expenditures</b>	<u>13,407,955</u>	<u>13,407,955</u>	<u>10,544,693</u>	<u>2,863,262</u>
<b>Excess revenues over (under) expenditures</b>	<u>(199,062)</u>	<u>(199,062)</u>	<u>202,357</u>	<u>401,419</u>
<b>Fund balance, beginning</b>	1,212,137	1,212,137	1,599,868	387,731
<b>Fund balance, ending</b>	<u>\$ 1,013,075</u>	<u>\$ 1,013,075</u>	<u>\$ 1,802,225</u>	<u>\$ 789,150</u>



**MONTEZUMA COUNTY, COLORADO**

**Other Supplementary Information**

December 31, 2014

Other supplementary information includes financial statements and schedules not required by the GASB, or a part of the basic financial statements, but are presented for purposes of additional analysis.

These statements and schedules include:

Combining Statements- Nonmajor governmental funds

Budgetary Comparison Schedules- Nonmajor governmental funds

Budgetary Comparison Schedule-Capital Fund

Budgetary Comparison Schedule-Enterprise Fund

**MONTEZUMA COUNTY, COLORADO**  
Nonmajor Governmental Funds

December 31, 2014

**Special Revenue Funds**

Special revenue funds are used to account for taxes and other designated revenues of the County which are used for a specified purpose as required by law or administrative action.

**Public Health Fund**

This fund is required by state statute to account for the County's public health operations.

**Conservation Trust Fund**

This fund accounts for the County's share of lottery proceeds from the state to pay for local conservation efforts.

**Clara Ormiston Fund**

This fund accounts for money received from the Clara Ormiston Trust to help residents of the county with health care costs for the treatment of cancer.

**Emergency Telephone Service Fund**

This fund accounts for an emergency telephone service system in Montezuma County.

**Sheriff's Department Forfeiture Fund**

This fund was established pursuant to Section 16-13-506 C.R.S. to account for proceeds from property ordered by the court to be forfeited and used for nonoperating purposes.

**Revolving Loan Fund**

The Housing and Community Development Act of 1974 has established a Community Development Block Grant program to support economic development projects that create or retain jobs and which contribute to sound overall community development at the local level. The Revolving Loan Fund accounts for the revenue and expenditures relative to these federal monies.

**Lodgers' Tax Fund**

This fund accounts for the lodgers' tax revenue collected by merchants to be used for the promotion of Montezuma County.

**Emergency Reserve Fund**

This fund accounts for a portion of the County fund balance that was set aside to meet the emergency reserve required by TABOR. This fund had no activity during the current year.

**Contingent Fund**

This fund is required by state law. This fund accounts for expenditures not reasonably foreseen at the time the budget is adopted. This fund had no activity during the year.

**Law Enforcement Authority**

This fund was created in 2008 to account for the voter approved levy of property taxes to provide increased funding for public safety operations of the County.

**Capital Projects Fund**

**Jail Fund**

This fund was used to account for activities related to the financing and construction of the County's new jail facility. The construction and repayment of the related debt were both completed prior to 2014 and the fund will be closed in 2015.

**MONTEZUMA COUNTY**  
Combining Balance Sheet  
Non Major Governmental Funds

December 31, 2014

Special Revenue Funds												
	Public Health Fund	Conservation Trust Fund	Clara Ormiston Fund	Emergency Telephone Fund	Sheriff's Forfeiture Fund	Revolving Loan Fund	Lodgers Tax Fund	Emergency Reserve Fund	Contingent Fund	Law Enforcement Authority Fund	Jail Fund	Total
<b>Assets</b>												
Cash	\$ 230,892	\$ 53,557	\$ 34,085	\$ 286,261	\$ 1,643	\$ 145,040	\$ 127,392	\$ 722,119	\$ 607,789	\$ 590,711	\$ 7	\$ 2,799,476
Due from other governments	83,467	33,647										117,114
<b>Total Assets</b>	<b>\$ 314,359</b>	<b>\$ 87,204</b>	<b>\$ 34,085</b>	<b>\$ 286,261</b>	<b>\$ 1,643</b>	<b>\$ 145,040</b>	<b>\$ 127,392</b>	<b>\$ 722,119</b>	<b>\$ 607,789</b>	<b>\$ 590,711</b>	<b>\$ 7</b>	<b>\$ 2,916,590</b>
<b>Liabilities</b>												
Accounts payable	\$ 21,176			\$ 250								\$ 21,426
<b>Total Liabilities</b>	<b>21,176</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,426</b>
<b>Fund Balance</b>												
Restricted												
Cancer treatments			\$ 34,085									34,085
TABOR								\$ 722,119				722,119
Unrestricted												
Assigned for future year's expenditures	293,183	\$ 87,204		286,011	\$ 1,643	\$ 145,040	\$ 127,392		\$ 607,789	\$ 590,711	\$ 7	2,138,980
<b>Total Fund Balance</b>	<b>293,183</b>	<b>87,204</b>	<b>34,085</b>	<b>286,011</b>	<b>1,643</b>	<b>145,040</b>	<b>127,392</b>	<b>722,119</b>	<b>607,789</b>	<b>590,711</b>	<b>7</b>	<b>2,895,164</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 314,359</b>	<b>\$ 87,204</b>	<b>\$ 34,085</b>	<b>\$ 286,261</b>	<b>\$ 1,643</b>	<b>\$ 145,040</b>	<b>\$ 127,392</b>	<b>\$ 722,119</b>	<b>\$ 607,789</b>	<b>\$ 590,711</b>	<b>\$ 7</b>	<b>\$ 2,916,590</b>

**MONTEZUMA COUNTY**  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
Non Major Governmental Funds

For the Year Ended December 31, 2014

	Special Revenue Funds										
	Public Health Fund	Conservation Trust Fund	Clara Ormiston Fund	Emergency Telephone Fund	Sheriff's Forfeiture Fund	Revolving Loan Fund	Lodgers Tax Fund	Emergency Reserve Fund	Contingent Fund	Law Enforcement Authority Fund	Jail Fund
											Total
<b>Revenues</b>											
Taxes							\$ 133,694			\$ 877,425	\$ 235
Intergovernmental	\$ 1,830,184	\$ 142,315									\$ 1,011,354
Charges for services	221,633			\$ 196,215							1,972,499
Earnings on investments		187	\$ 3,894			\$ 807					417,848
Other	26,866				\$ 1,321					15,250	19
											43,456
<b>Total Revenues</b>	<b>2,078,683</b>	<b>142,502</b>	<b>3,894</b>	<b>196,215</b>	<b>1,321</b>	<b>807</b>	<b>133,694</b>	<b>-</b>	<b>-</b>	<b>892,675</b>	<b>254</b>
											<b>3,450,045</b>
<b>Expenditures</b>											
General government							114,675				114,675
Public safety				458,155							458,155
Public Health	2,315,800										2,315,800
<b>Total expenditures</b>	<b>2,315,800</b>	<b>-</b>	<b>-</b>	<b>458,155</b>	<b>-</b>	<b>-</b>	<b>114,675</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,888,630</b>
Excess revenues over (under) expenditures	(237,117)	142,502	3,894	(261,940)	1,321	807	19,019	-	-	892,675	561,161
<b>Other financing sources (uses)</b>											
Operating transfers in (out)	77,016	(155,926)		(53,175)						(924,460)	(8,541)
											(1,065,086)
<b>Total other financing sources (uses)</b>	<b>77,016</b>	<b>(155,926)</b>	<b>-</b>	<b>(53,175)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(924,460)</b>	<b>(8,541)</b>
											<b>(1,065,086)</b>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<b>(160,101)</b>	<b>(13,424)</b>	<b>3,894</b>	<b>(315,115)</b>	<b>1,321</b>	<b>807</b>	<b>19,019</b>	<b>-</b>	<b>-</b>	<b>(31,785)</b>	<b>(8,287)</b>
											<b>(503,671)</b>
Fund Balances beginning of the year	453,284	100,628	30,171	601,126	322	144,233	108,373	\$ 722,119	607,789	622,496	8,294
											3,398,835
<b>Fund Balances end of the year</b>	<b>\$ 293,183</b>	<b>\$ 87,204</b>	<b>\$ 34,065</b>	<b>\$ 286,011</b>	<b>\$ 1,643</b>	<b>\$ 145,040</b>	<b>\$ 127,392</b>	<b>\$ 722,119</b>	<b>\$ 607,789</b>	<b>\$ 590,711</b>	<b>\$ 7</b>
											<b>\$ 2,895,164</b>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Public Health Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental revenues				
Operating grants	\$ 2,073,508	\$ 2,076,254	\$ 1,830,184	\$ (246,070)
Charges of services	278,996	278,996	221,633	(57,363)
Other			26,866	26,866
<b>Total Revenues</b>	<u>2,352,504</u>	<u>2,355,250</u>	<u>2,078,683</u>	<u>(276,567)</u>
<b>Expenditures</b>				
Public health	2,389,651	2,392,397	2,315,800	76,597
<b>Total Expenditures</b>	<u>2,389,651</u>	<u>2,392,397</u>	<u>2,315,800</u>	<u>76,597</u>
Excess revenues over (under) expenditures	(37,147)	(37,147)	(237,117)	(199,970)
<b>Other financing sources (uses)</b>				
Operating transfers in	38,118	38,118	77,016	38,898
<b>Total other financing sources (uses)</b>	<u>38,118</u>	<u>38,118</u>	<u>77,016</u>	<u>38,898</u>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>971</u>	<u>971</u>	<u>(160,101)</u>	<u>(161,072)</u>
Fund Balances beginning of the year	500,000	500,000	453,284	(46,716)
<b>Fund Balances end of the year</b>	<u>\$ 500,971</u>	<u>\$ 500,971</u>	<u>\$ 293,183</u>	<u>\$ (207,788)</u>



**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Conservation Trust Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Intergovernmental				
Lottery funds	\$ 118,000	\$ 125,000	\$ 142,315	\$ 17,315
Total intergovernmental revenues	118,000	125,000	142,315	17,315
Miscellaneous				
Earnings on investments			187	187
Total miscellaneous revenues	-	-	187	187
<b>Total Revenues</b>	118,000	125,000	142,502	17,502
<b>Other financing sources (uses)</b>				
Operating transfers out	(91,332)	(155,932)	(155,926)	6
<b>Total other financing sources (uses)</b>	(91,332)	(155,932)	(155,926)	6
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	26,668	(30,932)	(13,424)	17,508
Fund Balances beginning of the year	89,450	100,628	100,628	-
<b>Fund Balances end of the year</b>	<b>\$ 116,118</b>	<b>\$ 69,696</b>	<b>\$ 87,204</b>	<b>\$ 17,508</b>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Clara Ormiston Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Earnings on investments	\$ 3,500	\$ 3,500	\$ 3,894	\$ 394
<b>Total Revenues</b>	<u>3,500</u>	<u>3,500</u>	<u>3,894</u>	<u>394</u>
<b>Other financing sources (uses)</b>				
Operating transfers out	(10,000)	(10,000)		10,000
<b>Total other financing sources (uses)</b>	<u>(10,000)</u>	<u>(10,000)</u>	<u>-</u>	<u>10,000</u>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>(6,500)</u>	<u>(6,500)</u>	<u>3,894</u>	<u>10,394</u>
Fund Balances beginning of the year	30,640	30,171	30,171	-
<b>Fund Balances end of the year</b>	<u>\$ 24,140</u>	<u>\$ 23,671</u>	<u>\$ 34,065</u>	<u>\$ 10,394</u>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Emergency Telephone Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 199,652	\$ 199,652	\$ 196,215	\$ (3,437)
<b>Total Revenues</b>	<u>199,652</u>	<u>199,652</u>	<u>196,215</u>	<u>(3,437)</u>
<b>Expenditures</b>				
Public safety	175,000	175,000	458,155	(283,155)
<b>Total Expenditures</b>	<u>175,000</u>	<u>175,000</u>	<u>458,155</u>	<u>(283,155)</u>
Excess revenues over (under) expenditures	<u>24,652</u>	<u>24,652</u>	<u>(261,940)</u>	<u>(286,592)</u>
<b>Other financing sources (uses)</b>				
Operating transfers out	(24,567)	(307,567)	(53,175)	254,392
<b>Total other financing sources (uses)</b>	<u>(24,567)</u>	<u>(307,567)</u>	<u>(53,175)</u>	<u>254,392</u>
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	<u>85</u>	<u>(282,915)</u>	<u>(315,115)</u>	<u>(32,200)</u>
Fund Balances beginning of the year	597,408	601,126	601,126	-
<b>Fund Balances end of the year</b>	<u>\$ 597,493</u>	<u>\$ 318,211</u>	<u>\$ 286,011</u>	<u>\$ (32,200)</u>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Sheriff's Forfeiture Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Other		\$ 1,302	\$ 1,321	\$ 19
<b>Total Revenues</b>	-	1,302	1,321	19
<b>Expenditures</b>				
Public safety				-
<b>Total expenditures</b>	-	-	-	-
<b>Excess revenues over (under) expenditures</b>	-	1,302	1,321	19
Fund Balances beginning of the year	\$ 322	322	322	-
<b>Fund Balances end of the year</b>	<b>\$ 322</b>	<b>\$ 1,624</b>	<b>\$ 1,643</b>	<b>\$ 19</b>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Revolving Loan Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Earnings on investments	\$ 800	\$ 800	\$ 807	\$ 7
<b>Total Revenues</b>	800	800	807	7
<b>Expenditures</b>				-
<b>Excess revenues over (under) expenditures</b>	800	800	807	7
Fund Balances beginning of the year	143,426	144,233	144,233	-
<b>Fund Balances end of the year</b>	<u>\$ 144,226</u>	<u>\$ 145,033</u>	<u>\$ 145,040</u>	<u>\$ 7</u>



**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Lodgers Tax Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Lodgers tax	\$ 97,828	\$ 97,828	\$ 133,694	\$ 35,866
<b>Total Revenues</b>	<u>97,828</u>	<u>97,828</u>	<u>133,694</u>	<u>35,866</u>
<b>Expenditures</b>				
General government	102,000	114,675	114,675	-
<b>Total Expenditures</b>	<u>102,000</u>	<u>114,675</u>	<u>114,675</u>	<u>-</u>
<b>Excess revenues over (under) expenditures</b>	<u>(4,172)</u>	<u>(16,847)</u>	<u>19,019</u>	<u>35,866</u>
Fund Balances beginning of the year	79,409	108,373	108,373	-
<b>Fund Balances end of the year</b>	<u>\$ 75,237</u>	<u>\$ 91,526</u>	<u>\$ 127,392</u>	<u>\$ 35,866</u>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Emergency Reserve Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Earnings on investments				
<b>Total Revenues</b>	-	-	-	-
<b>Expenditures</b>				
General government				-
<b>Total Expenditures</b>			-	-
Excess revenues over (under) expenditures			-	-
<b>Other financing sources (uses)</b>				
Operating transfers out				-
<b>Total other financing sources (uses)</b>	-	-	-	-
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	-	-	-	-
Fund Balances beginning of the year	\$ 722,119	\$ 722,119	\$ 722,119	-
<b>Fund Balances end of the year</b>	<b>\$ 722,119</b>	<b>\$ 722,119</b>	<b>\$ 722,119</b>	<b>\$ -</b>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Contingent Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Reimbursements				
<b>Total Revenues</b>	-	-	-	-
<b>Expenditures</b>				
General government				-
<b>Total Expenditures</b>	-	-	-	-
<b>Excess revenues over (under) expenditures</b>	-	-	-	-
Fund Balances beginning of the year	\$ 607,789	\$ 607,789	\$ 607,789	-
<b>Fund Balances end of the year</b>	<u>\$ 607,789</u>	<u>\$ 607,789</u>	<u>\$ 607,789</u>	<u>\$ -</u>

**MONTEZUMA COUNTY**  
Schedule of Revenues, Expenditures, and Changes in  
Fund Balance-Budget and Actual  
Law Enforcement Authority Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		Actual	Variance Favorable (Unfavorable)
	Original	Final		
<b>Revenues</b>				
Taxes				
Property taxes	\$ 811,680	\$ 811,680	\$ 808,663	\$ (3,017)
Specific ownership taxes	58,823	58,823	67,844	9,021
Delinquent tax and interest			918	918
Total taxes	870,503	870,503	877,425	6,922
Other			15,250	15,250
<b>Total Revenues</b>	870,503	870,503	892,675	22,172
<b>Other financing sources (uses)</b>				
Operating transfers out	(821,951)	(925,000)	(924,460)	540
<b>Total other financing sources (uses)</b>	(821,951)	(925,000)	(924,460)	540
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	48,552	(54,497)	(31,785)	22,712
Fund Balances beginning of the year	534,220	622,496	622,496	-
<b>Fund Balances end of the year</b>	<b>\$ 582,772</b>	<b>\$ 567,999</b>	<b>\$ 590,711</b>	<b>\$ 22,712</b>

**MONTEZUMA COUNTY, COLORADO**

Schedule of Revenues, Expenditures and Changes in  
Fund Balance- Budget and Actual  
Jail Fund

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Taxes				
Sales tax		\$ 300	\$ 235	\$ (65)
Total taxes	-	300	235	(65)
Miscellaneous revenues				
Earnings on investments			19	19
Total miscellaneous revenues	-	-	19	19
<b>Total Revenues</b>	-	300	254	(46)
<b>Expenditures</b>				
Public safety				
Other				-
<b>Total expenditures</b>	-	-	-	-
Excess (deficit) of revenues over (under) expenditures	-	300	254	(46)
Other financing sources (uses)				
Transfers (out)	\$ (1,200)	(8,700)	(8,541)	159
<b>Excess (deficit) of other financing sources over (under)     expenditures and other financing uses</b>	(1,200)	(8,400)	(8,287)	113
Fund balance, beginning	1,200	8,294	8,294	-
<b>Fund balance, ending</b>	\$ -	\$ (106)	\$ 7	\$ 113



**MONTEZUMA COUNTY, COLORADO**

Schedule of Revenues, Expenditures and Changes in  
Fund Balance- Budget and Actual  
Capital Fund

For the Year Ended December 31, 2014

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues</b>				
Intergovernmental revenues				
Mineral leasing	\$ 699,073	\$ 699,073	\$ 956,750	\$ 257,677
Grants			166,152	166,152
Total intergovernmental revenues	699,073	699,073	1,122,902	423,829
Miscellaneous revenues				
Earnings on investments			8,465	8,465
Other			54,899	54,899
Total miscellaneous revenues	-	-	63,364	63,364
<b>Total Revenues</b>	699,073	699,073	1,186,266	487,193
<b>Expenditures</b>				
General government	165,000	164,600	163,107	1,493
Public safety	435,000	446,674	29,429	417,245
Culture and recreation	127,000	127,000	21,292	105,708
<b>Total expenditures</b>	727,000	738,274	213,828	524,446
<b>Excess (deficit) of revenues over (under) expenditures</b>	(27,927)	(39,201)	972,438	1,011,639
Other financing sources (uses)				
Transfers in			6,000	6,000
<b>Excess (deficit) of revenues and other financing sources over (under) expenditures and other financing uses</b>	(27,927)	(39,201)	978,438	1,017,639
Fund balance, beginning	\$ 3,156,813	3,156,813	3,125,748	(31,065)
<b>Fund balance, ending</b>	<u>\$ 3,128,886</u>	<u>\$ 3,117,612</u>	<u>\$ 4,104,186</u>	<u>\$ 986,574</u>

**MONTEZUMA COUNTY, COLORADO**

Statement of Revenues, Expenditures, and Changes in Net Position - Budget and Actual  
Proprietary Fund  
Enterprise Fund  
Landfill Fund

For the Year Ended December 31, 2014

	Budgeted Amounts		(Non GAAP Basis)	Variance
	Original	Final	Actual Amounts	Favorable (Unfavorable)
<b>Operating Revenues</b>				
Landfill fees	\$ 1,214,945	\$ 1,214,945	\$ 1,204,751	\$ (10,194)
Total local sources	1,214,945	1,214,945	1,204,751	(10,194)
<b>Operating Expenses</b>				
Landfill operations				
Salaries	333,070	333,070	331,392	1,678
Employee benefits	104,725	104,725	97,689	7,036
Other operating expenses	252,315	252,315	207,354	44,961
Professional fees	135,095	135,095	91,973	43,122
Utilities	61,595	61,595	47,107	14,488
Insurance and bonds	54,355	54,355	45,463	8,892
Repairs and maintenance	88,865	88,865	94,790	(5,925)
Capital outlay	247,500	247,500	63,527	183,973
<b>Total Operating Expenses</b>	1,277,520	1,277,520	979,295	298,225
Operating income (loss)	(62,575)	(62,575)	225,456	288,031
<b>Non-Operating Revenue (Expense)</b>				
(Increase) Decrease in accrued closure costs		-	(327,796)	(327,796)
Asset sales	30,000	30,000		(30,000)
Interest on interfund loan payment		-	(8,465)	(8,465)
Interfund loan payment	(57,500)	(57,500)	(48,884)	8,616
<b>Total Non-Operating Revenue</b>	(27,500)	(27,500)	(385,145)	(357,645)
Change in net position non GAAP basis	(90,075)	(90,075)	(159,689)	(69,614)
Add capital outlay			63,527	63,527
Add loan payment			48,884	48,884
Less depreciation expense			(163,757)	(163,757)
Change in net position	(90,075)	(90,075)	(211,035)	(120,960)
Net position beginning of the year	1,315,172	1,594,467	1,594,467	-
<b>Net position end of the year</b>	\$ 1,225,097	\$ 1,504,392	\$ 1,383,432	\$ (120,960)

## INFORMATION REQUIRED BY OVERSIGHT AUTHORITIES

Majors and Haley, P.C.  
Certified Public Accountants

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(970) 565-9521  
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Chris L. Majors, CPA, MT

Lori Hastly Haley, CPA

INDEPENDENT AUDITORS' 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

To the Board of County Commissioners  
Montezuma County, Colorado  
Cortez, Colorado 81321

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Montezuma County, Colorado as of and for the year ended December 31, 2014 and the related notes to the financial statements, which collectively comprise the Montezuma County, Colorado's basic financial statements and have issued our report thereon dated June 16, 2015.

**Internal Control Over Financial Reporting**

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

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

severe than a material weakness, yet important enough to merit attention by those charges with governance.

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

### **Compliance and Other Matters**

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

### **Purpose of this Report**

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



Majors and Haley, P.C.  
June 16, 2015



Majors and Haley, P.C.  
Certified Public Accountants

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Lori Hasty Haley, CPA

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE  
TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN  
ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of County Commissioners  
Montezuma County, Colorado  
Cortez, Colorado 81321

**Report on Compliance for Each Major Federal Program**

We have audited the Montezuma County, Colorado's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Montezuma County, Colorado's major federal programs for the year ended December 31, 2014. The Montezuma County, Colorado's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

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

***Auditors' Responsibility***

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

### ***Opinion on Each Major Federal Program***

In our opinion, the Montezuma County, Colorado complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2014.

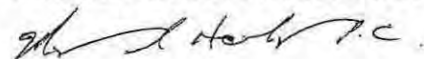
### **Report on Internal Control Over Compliance**

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

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

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

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



Majors and Haley, P.C.  
June 16, 2015

**MONTEZUMA COUNTY, COLORADO**

**SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE**  
**For The Year Ended December 31, 2014**

<u>Federal Grantor/ Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Disbursements/ Expenditures</u>
U.S. Department of Agriculture		
Passed through the Colorado Department of Human Services		
Supplemental Nutrition Assistance Program	10.551	5,061,005
SNAP Administration	10.561	201,662
		<u>5,262,667</u>
Passed through the Colorado Department of Public Health and Environment		
Special Supplemental Food-WIC	10.557	496,886
Special Supplemental Food-WIC	10.558	4,920
		<u>501,806</u>
U.S. Department of Health and Human Services		
Passed through the Colorado Department of Public Health and Environment		
Pandemic Flu	93.069	57,810
CHAPS Grant	93.991	5,000
EPR Grant	93.741	51,189
Maternal and Child Health Services	93.994	13,759
Childhood Immunization Grant	93.268	11,522
		<u>139,280</u>
Passed through the Colorado Department of Human Services		
Title XIX Medicaid	93.778	239,344
Colorado Works	93.558	595,353
IV-B Child Care	93.645	22,464
Title IV-E Foster Care	93.658	293,093
Title XX Block Grant	93.667	117,986
Title IV-D Administration	93.563	116,404
Low Income Home Energy Assistance (LEAP)	93.568	698,060
Child Care Development Fund	93.596	67,627
Child Care Development Fund-Discretion	93.575	79,155
Substance Abuse and Mental Health	93.243	
Title IV-E Adoption	93.659	62,444
Other	93.XXX	(41)
		<u>2,291,889</u>
Passed through the Colorado Department of Health Care Policy and Finance		
Single Entry Point Grant	93.778	151,550
Passed through Housing Solutions of the Southwest		
Community Services Block Grant	93.569	38,082
U.S. Department of Justice		
Passed through the Colorado Department of Criminal Justice		
SORNA Grant	16.580	28,102
Other Federal Assistance		
Forest Service	10.666	52,173
Total		<u>\$ 8,465,549</u>

## **MONTEZUMA COUNTY, COLORADO**

### **NOTES TO THE SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE For the Year Ended December 31, 2014**

#### **BASIS OF PRESENTATION**

The accompanying Schedule of Federal Financial Assistance includes the federal grant activity of Montezuma County, Colorado and is presented on the 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 basic financial statements.

#### **FOOD DISTRIBUTION**

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

#### **SUBRECIPIENTS**

Montezuma County had no sub-recipients of federal funds for the year ended December 31, 2014.

## **MONTEZUMA COUNTY, COLORADO**

### **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** **For the Year Ended December 31, 2014**

#### **SUMMARY OF AUDIT RESULTS**

1. The auditors' report expresses an unqualified opinion on the (general purpose) financial statements of Montezuma County, Colorado.
2. No instances of noncompliance material to the (general purpose) financial statements of Montezuma County, Colorado were disclosed during the audit.
3. The auditors' report on compliance for the major federal award programs for Montezuma County, Colorado expressed an unqualified opinion on all major programs.
4. No instances of audit findings relating to major programs were disclosed during the audit.
5. The programs tested as major programs included:
  - Supplemental Nutrition Assistance Program Cluster
  - CFDA Number 10.551 and 10.561
  - Special Supplemental Food-WIC
  - CFDA Number 10.557
6. The threshold for distinguishing Type A and B programs was \$300,000.
7. Montezuma County, Colorado was determined to be a low-risk auditee.

#### **FINDINGS RELATED TO THE FINANCIAL STATEMENTS**

There were no reportable findings related to the financial statements.

#### **FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no reportable findings or questioned costs related to federal awards.



**MONTEZUMA COUNTY, COLORADO**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**  
**For the Year Ended December 31, 2014**

There were no findings or questioned costs relative to federal awards in the prior year.

**MONTEZUMA COUNTY, COLORADO**  
**SCHEDULE OF CORRECTIVE ACTION PLAN**  
**For the Year Ended December 31, 2014**

There were no audit findings to be included in the current audit report; therefore, a corrective action plan is not necessary.

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

<b>LOCAL HIGHWAY FINANCE REPORT</b>				City or County: County YEAR ENDING : December 2014	
This Information From The Records Of (example - City of _ or County of _ Montezuma County, Colorado				Prepared By: Phone: Majors and Haley PC 970-565-9521	
<b>I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE</b>					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway- User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
<b>II. RECEIPTS FOR ROAD AND STREET PURPOSES</b>			<b>III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES</b>		
ITEM	AMOUNT	ITEM	AMOUNT		
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>			
1. Local highway-user taxes		1. Capital outlay (from page 2)	834,116		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	4,189,427		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations			
2. General fund appropriations	20,803	b. Snow and ice removal	219,582		
3. Other local imposts (from page 2)	2,056,764	c. Other	132,148		
4. Miscellaneous local receipts (from page 2)	1,164,208	d. Total (a. through c.)	351,730		
5. Transfers from toll facilities		4. General administration & miscellaneous	109,870		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety			
a. Bonds - Original Issues		6. Total (1 through 5)	5,485,143		
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest			
7. Total (1 through 6)	3,241,775	b. Redemption			
<b>B. Private Contributions</b>		c. Total (a. + b.)	0		
<b>C. Receipts from State government</b> (from page 2)	2,605,869	2. Notes:			
<b>D. Receipts from Federal Government</b> (from page 2)	1,008,923	a. Interest			
<b>E. Total receipts (A.7 + B + C + D)</b>	6,856,567	b. Redemption	41,844		
		c. Total (a. + b.)	41,844		
		3. Total (1.c + 2.c)	41,844		
		<b>C. Payments to State for highways</b>			
		<b>D. Payments to toll facilities</b>			
		<b>E. Total disbursements (A.6 + B.3 + C + D)</b>	5,526,987		
<b>IV. LOCAL HIGHWAY DEBT STATUS</b> (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
<b>A. Bonds (Total)</b>				0	
1. Bonds (Refunding Portion)					
<b>B. Notes (Total)</b>		389,631	41,844	347,787	
<b>V. LOCAL ROAD AND STREET FUND BALANCE</b>					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	6,075,748	6,856,567	5,526,987	7,405,328	0
<b>Notes and Comments:</b>					

# LOCAL HIGHWAY FINANCE REPORT

STATE:

Colorado

YEAR ENDING (mm/yy):

December 2014

## II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assessments	1,742,936	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	165,655	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	517,563
5. Specific Ownership &/or Other	148,173	g. Other Misc. Receipts	257,014
6. Total (1. through 5.)	313,828	h. Other Proceeds from capital leases	389,631
c. Total (a. + b.)	2,056,764	i. Total (a. through h.)	1,164,208
(Carry forward to page 1)		(Carry forward to page 1)	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes	2,510,698	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	52,173
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	95,171	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other		f. Other Federal Mineral Leasing	956,750
f. Total (a. through e.)	95,171	g. Total (a. through f.)	1,008,923
4. Total (1. + 2. + 3.f)	2,605,869	3. Total (1. + 2.g)	
		(Carry forward to page 1)	

## III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		834,116	834,116
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	834,116	834,116
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	834,116	834,116
			(Carry forward to page 1)

Notes and Comments: