

**MINERAL COUNTY, COLORADO**

**FINANCIAL STATEMENTS**

**December 31, 2016**



**RECEIVED**

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**Wall,  
Smith,  
Bateman** Inc.

Certified Public Accountants

**MINERAL COUNTY, COLORADO**  
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**December 31, 2016**

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# INDEPENDENT AUDITORS' REPORT



Wall,  
Smith,  
Bateman Inc.

To the Board of County Commissioners  
Mineral County, Colorado  
Creede, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Mineral County, Colorado (the County), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

## Management's Responsibility for the Financial Statements

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

## Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## 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 Mineral County, Colorado as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Certified Public Accountants**

## Other Matters

### *Required Supplementary Information*

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the major fund budgetary comparison information on pages 30-31 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining fund financial schedules and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

*Wall, Smith, Bateman Inc.*

Wall, Smith, Bateman Inc.  
Alamosa, Colorado

July 10, 2017

**MINERAL COUNTY, COLORADO**  
**BASIC FINANCIAL STATEMENTS**

**MINERAL COUNTY, COLORADO**  
**STATEMENT OF NET POSITION**  
**December 31, 2016**

	Primary Government		TOTAL
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Investments	\$ 4,766,737	\$ 136,072	\$ 4,902,809
Accounts Receivable	19,805	21,846	41,651
Due from Other Governments	53,863	-	53,863
Property Taxes Receivable	1,080,547	-	1,080,547
Internal Balances	79,320	(79,320)	-
Inventories	278,303	11,175	289,478
<b>Total Current Assets</b>	<b>6,278,575</b>	<b>89,773</b>	<b>6,368,348</b>
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Land	737,399	77,300	814,699
Construction in Progress	329,100	-	329,100
Land Improvements	764,461	-	764,461
Buildings and Improvements	4,780,723	416,226	5,196,949
Equipment	3,722,466	108,699	3,831,165
Infrastructure	133,525	5,500	139,025
Less: Accumulated Depreciation	(4,661,123)	(400,854)	(5,061,977)
<b>Total Noncurrent Assets</b>	<b>5,806,551</b>	<b>206,871</b>	<b>6,013,422</b>
<b>TOTAL ASSETS</b>	<b>12,085,126</b>	<b>296,644</b>	<b>12,381,770</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	18,911	66	18,977
Payroll Taxes Payable	(7,853)	157	(7,696)
Due to Other Governments	939	-	939
Unearned Revenue	3,702	-	3,702
Lease Purchase Agreements (Current Portion)	29,780	-	29,780
Compensated Absences	14,990	-	14,990
<b>Total Current Liabilities</b>	<b>60,469</b>	<b>223</b>	<b>60,692</b>
<b>Noncurrent Liabilities</b>			
Lease Purchase Agreements	315,270	-	315,270
Compensated Absences	114,283	-	114,283
Landfill Closure and Postclosure Care Liability	15,000	-	15,000
<b>Total Noncurrent Liabilities</b>	<b>444,553</b>	<b>-</b>	<b>444,553</b>
<b>TOTAL LIABILITIES</b>	<b>505,022</b>	<b>223</b>	<b>505,245</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Revenue - Property Tax (Current)	1,080,547	-	1,080,547
<b>NET POSITION</b>			
Net Investment in Capital Assets	5,461,501	206,871	5,668,372
Restricted for			
TABOR	86,000	-	86,000
Forest Reserve Title III	156,519	-	156,519
Endowment - Nonexpendable	62,080	-	62,080
Unrestricted	4,733,457	89,550	4,823,007
<b>TOTAL NET POSITION</b>	<b>\$ 10,499,557</b>	<b>\$ 296,421</b>	<b>\$ 10,795,978</b>

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**STATEMENT OF ACTIVITIES**  
**For the Year Ended December 31, 2016**

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services		Capital Grants & Contributions	Primary Government		
		Operating Grants & Contributions			Governmental Activities	Business-Type Activities	TOTAL
<b>Primary Government:</b>							
<b>Governmental Activities:</b>							
General Government	\$ 1,233,002	\$ 73,572	\$ 10,186	\$ 272,027	\$ (877,217)	\$ -	\$ (877,217)
Public Safety	612,459	4,456	69,517	-	(538,486)	-	(538,486)
Health and Welfare	615,303	121,418	165,462	-	(328,423)	-	(328,423)
Highways and Streets	678,168	7,340	815,753	-	144,925	-	144,925
Auxiliary Services	99,793	34,776	24,033	-	(40,984)	-	(40,984)
Culture and Recreation	132,527	-	4,605	-	(127,922)	-	(127,922)
<b>Total Governmental Activities</b>	<b>3,371,252</b>	<b>241,562</b>	<b>1,089,556</b>	<b>272,027</b>	<b>(1,768,107)</b>	<b>-</b>	<b>(1,768,107)</b>
<b>Business-Type Activities</b>							
Mining Museum	167,864	159,704	15,311	-	-	7,151	7,151
Dental Clinic	179,851	184,110	3,798	-	-	8,057	8,057
<b>Total Business-Type Activities</b>	<b>347,715</b>	<b>343,814</b>	<b>19,109</b>	<b>-</b>	<b>-</b>	<b>15,208</b>	<b>15,208</b>
<b>Total Primary Government</b>	<b>\$ 3,718,967</b>	<b>\$ 585,376</b>	<b>\$ 1,108,665</b>	<b>\$ 272,027</b>	<b>(1,768,107)</b>	<b>15,208</b>	<b>(1,752,899)</b>
<b>General Revenues and Transfers:</b>							
Taxes:							
					1,080,659	-	1,080,659
					376,834	-	376,834
					205,702	-	205,702
					129,461	-	129,461
					25,191	-	25,191
					91,690	-	91,690
					29,647	7,957	37,604
					1,939,184	7,957	1,947,141
					171,077	23,165	194,242
					10,328,480	273,256	10,601,736
					\$ 10,499,557	\$ 296,421	\$ 10,795,978

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**December 31, 2016**

	<u>GENERAL FUND</u>	<u>ROAD AND BRIDGE FUND</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
<b>ASSETS</b>				
Cash and Investments	\$ 2,205,166	\$ 2,057,053	\$ 504,518	\$ 4,766,737
Accounts Receivable	9,469	-	10,336	19,805
Due from Other Governments	(80)	37,456	16,487	53,863
Property Taxes Receivable	982,730	57,046	40,771	1,080,547
Due from Other Funds	79,320	-	-	79,320
Inventory	-	278,303	-	278,303
<b>TOTAL ASSETS</b>	<u>\$ 3,276,605</u>	<u>\$ 2,429,858</u>	<u>\$ 572,112</u>	<u>\$ 6,278,575</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ (777)	\$ (66)	\$ 19,754	\$ 18,911
Payroll Taxes Payable	1,746	(8,309)	(1,290)	(7,853)
Due to Other Government	-	-	939	939
Unearned Revenue	-	-	3,702	3,702
<b>TOTAL LIABILITIES</b>	<u>969</u>	<u>(8,375)</u>	<u>23,105</u>	<u>15,699</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Revenue - Property Tax	982,730	57,046	40,771	1,080,547
<b>FUND BALANCE</b>				
Nonspendable:				
Inventory	-	278,303	-	278,303
Permanent Fund - nonexpendable	-	-	62,080	62,080
Restricted:				
Tabor Amendment Reserve	86,000	-	-	86,000
Forest Service - Title III	-	156,519	-	156,519
Committed:				
Contingencies	122,549	-	-	122,549
Capital Projects	-	-	26,592	26,592
Assigned:				
Highways and Streets	-	1,946,365	-	1,946,365
Health and Welfare	-	-	380,019	380,019
Culture and Recreation	-	-	39,545	39,545
Search and Rescue	724	-	-	724
Designated for Subsequent Years	467,000	-	-	467,000
Unassigned	1,616,633	-	-	1,616,633
<b>TOTAL FUND BALANCE</b>	<u>2,292,906</u>	<u>2,381,187</u>	<u>508,236</u>	<u>5,182,329</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 3,276,605</u>	<u>\$ 2,429,858</u>	<u>\$ 572,112</u>	<u>\$ 6,278,575</u>

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES**  
**TO THE STATEMENT OF NET POSITION**  
**December 31, 2016**

<b>Total governmental fund balances</b>	\$ 5,182,329
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	5,806,551
Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Lease Purchase Agreements	(345,050)
Landfill Closure and Postclosure Care Liability	(15,000)
Compensated Absences	<u>(129,273)</u>
<b>Net position of governmental activities</b>	<u><u>\$ 10,499,557</u></u>

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES**  
**For the Year Ended December 31, 2016**

	<b>GENERAL FUND</b>	<b>ROAD AND BRIDGE FUND</b>	<b>OTHER GOVERNMENTAL FUNDS</b>	<b>TOTAL GOVERNMENTAL FUNDS</b>
<b>REVENUES</b>				
Taxes	\$ 1,445,787	\$ 58,520	\$ 158,888	\$ 1,663,195
Intergovernmental Revenue	191,384	815,753	441,120	1,448,257
Licenses and Permits	15,704	-	-	15,704
Charges for Services	143,965	-	85,218	229,183
Other	57,975	18,239	18,086	94,300
<b>TOTAL REVENUES</b>	<b>1,854,815</b>	<b>892,512</b>	<b>703,312</b>	<b>3,450,639</b>
<b>EXPENDITURES</b>				
Current				
General Government	1,040,723	116,212	4,739	1,161,674
Public Safety	552,098	-	-	552,098
Highways and Streets	-	534,949	-	534,949
Culture and Recreation	-	-	77,591	77,591
Health and Welfare	130,627	-	370,925	501,552
Auxiliary Services	93,976	-	-	93,976
Capital Outlay	65,593	546,050	300,550	912,193
<b>TOTAL EXPENDITURES</b>	<b>1,883,017</b>	<b>1,197,211</b>	<b>753,805</b>	<b>3,834,033</b>
Excess (deficiency) of revenues over expenditures	(28,202)	(304,699)	(50,493)	(383,394)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	76,000	76,000
Transfers Out	(76,000)	-	-	(76,000)
Capital Lease Proceeds	-	345,050	-	345,050
Sale of Equipment	-	137,000	-	137,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(76,000)</b>	<b>482,050</b>	<b>76,000</b>	<b>482,050</b>
Net Change in Fund Balances	(104,202)	177,351	25,507	98,656
<b>Fund Balance at beginning of year</b>	<b>2,397,108</b>	<b>2,203,836</b>	<b>482,729</b>	<b>5,083,673</b>
<b>Fund Balance at end of year</b>	<b>\$ 2,292,906</b>	<b>\$ 2,381,187</b>	<b>\$ 508,236</b>	<b>\$ 5,182,329</b>

The accompanying notes are an integral part of this financial statement.

**MINERAL 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, 2016**

**Net change in fund balances - total governmental funds** **\$ 98,656**

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the activity in capital assets in the current period.

Capital asset additions	\$ 933,108	
Capital asset deletions net of accumulated depreciation	(45,310)	
Depreciation expense	<u>(411,089)</u>	
		476,709

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

Lease Purchase Agreements		(345,050)
Compensated absences		<u>(59,238)</u>

**Change in net position of governmental activities** **\$ 171,077**

**MINERAL COUNTY, COLORADO**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**December 31, 2016**

	<b>MINING MUSEUM FUND</b>	<b>DENTAL CLINIC FUND</b>	<b>TOTAL</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	\$ 94,171	\$ 41,901	\$ 136,072
Accounts Receivable	-	21,846	21,846
Inventories	11,175	-	11,175
Total Current Assets	<u>105,346</u>	<u>63,747</u>	<u>169,093</u>
<b>Noncurrent Assets</b>			
<b>Capital Assets</b>			
Land	77,300	-	77,300
Buildings	386,207	30,019	416,226
Equipment	6,776	101,923	108,699
Infrastructure	5,500	-	5,500
Less: Accumulated Depreciation	(358,545)	(42,309)	(400,854)
Total Noncurrent Assets	<u>117,238</u>	<u>89,633</u>	<u>206,871</u>
<b>TOTAL ASSETS</b>	<u>222,584</u>	<u>153,380</u>	<u>375,964</u>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Accounts Payable	95	(29)	66
Payroll Taxes Payable	191	(34)	157
Due to Other Funds	-	79,320	79,320
Total Current Liabilities	<u>286</u>	<u>79,257</u>	<u>79,543</u>
<b>TOTAL LIABILITIES</b>	<u>286</u>	<u>79,257</u>	<u>79,543</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	117,238	89,633	206,871
Unrestricted	105,060	(15,510)	89,550
<b>TOTAL NET POSITION</b>	<u>\$ 222,298</u>	<u>\$ 74,123</u>	<u>\$ 296,421</u>

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**For the Year Ended December 31, 2016**

	<u>MINING MUSEUM FUND</u>	<u>DENTAL CLINIC FUND</u>	<u>TOTAL</u>
<b>OPERATING REVENUES</b>			
Charges for Services			
Museum Tour Revenue	\$ 69,477	\$ -	\$ 69,477
Museum Gift Shop Revenue	70,269	-	70,269
Dental Clinic Revenue	-	184,110	184,110
Liquor Sales	1,873	-	1,873
Events	18,085	-	18,085
	<hr/>	<hr/>	<hr/>
Total Charges for Services	159,704	184,110	343,814
	<hr/>	<hr/>	<hr/>
<b>Total Operating Revenues</b>	<b>159,704</b>	<b>184,110</b>	<b>343,814</b>
<b>OPERATING EXPENSES</b>			
Salaries	63,005	53,724	116,729
Fringe Benefits	21,706	4,298	26,004
Supplies	34,217	41,445	75,662
Professional Fees	2,115	45,795	47,910
Utilities	20,100	-	20,100
Depreciation Expense	3,424	14,103	17,527
Office Expense	-	18,757	18,757
Event Expense	12,541	-	12,541
Miscellaneous	10,756	1,729	12,485
	<hr/>	<hr/>	<hr/>
<b>Total Operating Expenses</b>	<b>167,864</b>	<b>179,851</b>	<b>347,715</b>
	<hr/>	<hr/>	<hr/>
Operating Income (Loss)	(8,160)	4,259	(3,901)
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Other			
Donations	15,311	3,798	19,109
Miscellaneous	6,814	1,143	7,957
	<hr/>	<hr/>	<hr/>
<b>Total Nonoperating Revenues (Expenses)</b>	<b>22,125</b>	<b>4,941</b>	<b>27,066</b>
	<hr/>	<hr/>	<hr/>
Changes in Net Position	13,965	9,200	23,165
	<hr/>	<hr/>	<hr/>
<b>Net Position Beginning of Year</b>	<b>208,333</b>	<b>64,923</b>	<b>273,256</b>
	<hr/>	<hr/>	<hr/>
<b>Net Position End of Year</b>	<b>\$ 222,298</b>	<b>\$ 74,123</b>	<b>\$ 296,421</b>
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The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS**  
**For the Year Ended December 31, 2016**

	<u>MINING MUSEUM FUND</u>	<u>DENTAL CLINIC FUND</u>	<u>TOTAL</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Cash received from customers	\$ 159,704	\$ 184,110	\$ 343,814
Cash payments to suppliers for goods and services	(79,728)	(107,726)	(187,454)
Cash payments to employees for services	(86,972)	(58,906)	(145,878)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>(6,996)</u>	<u>17,478</u>	<u>10,482</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Donations	15,311	3,798	19,109
Miscellaneous	6,814	1,143	7,957
<b>NET CASH PROVIDED (USED) BY NON-CAPITAL FINANCING ACTIVITIES</b>	<u>22,125</u>	<u>4,941</u>	<u>27,066</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Payments on Loan from General Fund	-	(10,000)	(10,000)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	15,129	12,419	27,548
<b>Cash and Cash Equivalents, Beginning of Year</b>	<u>79,042</u>	<u>29,482</u>	<u>108,524</u>
<b>Cash and Cash Equivalents, End of Year</b>	<u>\$ 94,171</u>	<u>\$ 41,901</u>	<u>\$ 136,072</u>
<b>Operating Income (Loss)</b>	\$ (8,160)	\$ 4,259	\$ (3,901)
<b>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Depreciation Expense	3,424	14,103	17,527
Increase (Decrease) in Accounts Payable	1	-	1
Increase (Decrease) in Payroll Taxes Payable	(2,261)	(884)	(3,145)
<b>Total Adjustments</b>	<u>1,164</u>	<u>13,219</u>	<u>14,383</u>
<b>Net Cash Provided (Used) by Operating Activities</b>	<u>\$ (6,996)</u>	<u>\$ 17,478</u>	<u>\$ 10,482</u>

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**December 31, 2016**

	<b>AGENCY FUND</b>
<b>ASSETS</b>	
Cash and Investments	
Cash with County Treasurer	\$ 33,581
Cash with County Clerk	14,091
Investments	792,938
<b>TOTAL ASSETS</b>	<b>\$ 840,610</b>
<b>LIABILITIES</b>	
Funds Held For Others	\$ 840,610
<b>TOTAL LIABILITIES</b>	<b>\$ 840,610</b>

The accompanying notes are an integral part of this financial statement.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting and reporting policies of the County reflected in the accompanying financial statements conform to accounting principles generally accepted in the United States of America applicable to state and local governments. Accounting principles generally accepted in the United States of America for local governments are those promulgated by the Governmental Accounting Standards Board (GASB) in *Governmental Accounting and Financial Reporting Standards*.

**REPORTING ENTITY**

***Primary Government***

Mineral County was created as a quasi-municipal corporation by the legislature for the purpose of exercising a part of the political power of the State of Colorado. The County provides the following services: general administration, property tax collection and distribution, public safety (sheriff), land use planning and regulations, highways and streets, health and welfare, and culture and recreation.

The accounting policies of Mineral County conform to U.S. generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

***Component Units***

The County's combined financial statements include the accounts of all County operations. The criteria for including organizations as component units within the County's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- The organization is legally separate (can sue and be sued in their own name)
- The County holds the corporate powers of the organization
- The County appoints a voting majority of the organization's board
- The County is able to impose its will on the organization
- The organization has the potential to impose a financial benefit/burden on the County
- There is fiscal dependency by the organization on the County
- The organization is financially accountable to the County
- The organization receives or holds funds that are for the benefit of the County; and the County has access to a majority of the funds held; and the funds that are accessible are also significant to the County

Based on the aforementioned criteria, the County does not have any component units.

**GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The government-wide financial statements include the statement of net position and the statement of activities. Government-wide statements report information on all of the activities of the County and its component units, except for the County fiduciary activity. The effect of interfund transfers has been removed from the government-wide statements but continues to be reflected in the fund statements. Mainly taxes and intergovernmental revenues support governmental activities.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

The statement of activities reflects the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues include:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and
- Grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included in program revenues are reported as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

**MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND FINANCIAL STATEMENT PRESENTATION**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Sales and use taxes, other taxes, charges for services, intergovernmental revenues, and interest are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

- The ***General Fund*** is the general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The ***Road and Bridge Fund*** is used to account for the maintenance and improvements of streets and highways. The sources of funds include property taxes, highway users fees, and other revenue sources.

Proprietary fund financial statements are used to account for activities, which are similar to those often found in the private sector. The measurement focus is based upon determination of net income, financial position, and cash flows. The County's proprietary funds are the Mining Museum Fund and Dental Clinic Fund. The revenue for the Mining Museum Fund comes from admission to the museum, gift shop sales, community room rental fees, and liquor sales. The revenue for the Dental Clinic Fund comes from charges for dentistry work. Expenses incurred are for the purchase of supplies, salaries, benefits, and office expenses.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

The Proprietary Fund is accounted for using the accrual basis of accounting as follows:

- Revenues are recognized when earned, and expenses are recognized when the liabilities are incurred.
- Current-year contributions, administrative expenses, and premium payments, which are not received or paid until the subsequent year, are accrued.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Fiduciary fund financial statements consist of the Agency Fund established to record transactions relating to assets held by the County as an agent for individuals, governmental entities, and non-public organizations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated.

**ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION / FUND BALANCE**

***Cash***

The County's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

***Investments***

All investments, if any, are recorded at fair market value.

***Property Taxes***

Property taxes attach as an enforceable lien on property as of January 1 each year. The taxes are payable in two installments on February 28 and June 15 or in full on April 30. The County Treasurer bills and collects all property taxes for the County. Property tax revenue is recognized by the County to the extent it results in a current receivable. The 2016 property tax levy due January 1, 2017, has been recorded in the financial statements as a receivable and a corresponding deferred inflows of resources.

***Receivables/Payables From Other County Funds***

Balances that originate from current lending/borrowing arrangements between funds are referred to as "Due To/From Other Funds."

***Inventories and Prepaid Items***

Inventory in the Road and Bridge Fund is stated at cost and consists of expendable supplies held for use. Inventory in the Mining Museum Fund is stated at cost and consists of expendable supplies held for resale. The cost value of all other inventories has been recorded as an expenditure at the time the individual inventory items were purchased. Inventory policy on government-wide statements is consistent with the fund statements.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

***Capital Assets***

Capital Assets, which include land, construction in progress, buildings and improvements, equipment, and infrastructure (e.g. roads, bridges, sidewalks, underground pipe, traffic signals, and similar items), are reported in the applicable governmental and business-type activities columns in the government-wide financial statements. The County defines capital assets as assets with an initial, individual cost of more than \$5,000. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The Mining Museum has received numerous donations of historical mining objects to be used for display. It has been determined that there is no objective measurable basis for determining a fair value for these items. Therefore no value for these items has been recorded in the financial statements.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	10-60
Equipment	5-15
Infrastructure	15-20

***Long-Term Obligations***

Long-term debt and other long-term obligations are recorded as liabilities in the government-wide financial statements. In the fund financial statements for governmental fund types, debt proceeds are reported as an other financing source and debt payments are reported as debt service expenditures.

***Compensated Absences***

County employees may earn and accumulate unused vacation and sick leave benefits. All vacation and sick leave pay is accrued when incurred in the government-wide financial statements. A liability is reported in governmental funds only if they have matured, for example, as a result of employee resignations or retirements. Accrued vacation and sick leave is paid upon separation.

***Unearned Revenue***

Revenue from grants that are restricted by the grant document for specific purposes, are recognized as revenue only after eligible grant costs have been incurred. Grant funds received in excess of grant expenditures are recorded as unearned revenues.

***Deferred Inflows of Resources***

In addition to liabilities, the statement of net position and governmental funds balance sheet report a separate section of deferred inflows of resources. This separate financial statement element, deferred inflows of resources,

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

***Encumbrances***

The County does not record purchase orders in the accounting system until invoices are ready for payment. Unfulfilled purchase commitments outstanding at the end of the budget year are rebudgeted in the succeeding year. End of the year fund balance intended to be used in the succeeding year is reported as assigned fund balance.

***Net Position***

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net position should be displayed in following three components:

- *Net investment in capital assets* – consists of capital assets, net accumulated depreciation, reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt should be included in this component of net position.
- *Restricted* – consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Restricted assets consist of assets that have limitations imposed on their use either through enabling legislation or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.
- *Unrestricted* – consists of the net amount of assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted components of net position.

***Fund Balance***

Fund balances are reported based on the extent to which the County is bound to honor constraints for the specific purpose on which amounts in the fund can be spent. Fund balances are classified in one of the following five categories:

- *Nonspendable Fund Balance* – are amounts that cannot be spent because they are not in spendable form—such as inventory, prepaid expenditures, or are legally or contractually required to be maintained intact.
- *Restricted Fund Balance* – are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.
- *Committed Fund Balance* – are amounts that can only be used for specific purposes as a result of constraints imposed by the Board of County Commissioners, the highest level of decision making authority, through resolution or ordinance. Committed amounts cannot be used for any other purpose unless the Board removes those constraints by taking the same type of action. Committed fund balances differ from restricted balances because the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

- *Assigned Fund Balance* – are amounts a government intends to use for a specific purpose; intent can be expressed by the Board of County Commissioners or by an official or body to which the governing body delegates the authority.
- *Unassigned Fund Balance* – are amounts that are available for any purpose; these amounts are reported only in the General Fund.

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

***Use of Estimates***

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

***Change in Accounting Principle***

GASB Statement No. 72

The County has adopted the provisions of GASB No.72, *Fair Value Measurement and Application*. Those requirements result in enhanced comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This statement will also enhance fair value application guidance and related disclosures in order to provide information to financial statement users about the impact of fair value measurements on a government's financial position.

**NOTE 2 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

***Budgets and Budgetary Accounting***

Mineral County follows the procedures set forth in the Colorado Local Government Budget Law when preparing the annual budget for each fund. Budget procedures include:

- Preparation of budget documents by administrative staff, which shall be submitted to the Board no later than October 15 of each year.
- Publication of a notice stating that the budget is available for public inspection.
- Discussion of the budget in a meeting open to the public.
- Adoption of the budget in a public meeting by appropriate resolution, no later than December 15.

Formal budgetary integration is employed as a management control device for all funds of the County. All budgets are adopted on a basis consistent with U.S. generally accepted accounting principles (GAAP), with the exception of the Mining Museum Fund and Dental Clinic Fund.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

The total expenditures for each fund cannot exceed the budgeted amount unless a supplemental appropriation is adopted. The Board of County Commissioners adopted supplemental appropriations during 2016. All budget amounts presented in the accompanying supplementary information reflect the original budget and the final amended budget.

**NOTE 3 CASH, DEPOSITS, AND INVESTMENTS**

A summary of Cash and Investments for the County are as follows:

Cash on Hand	\$ 201
Cash Deposited with Banks	1,369,099
Investments	4,374,119
	(840,610)
Total cash, deposits, and investments on the Statement of Net Position	\$ 4,902,809

***Cash and Deposits***

Colorado State Statutes govern the County's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to the aggregate uninsured deposits. All deposits made by the County Treasurer in 2016 were done so in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

***Custodial Credit Risk – Deposits***

Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. The County does not have a deposit policy for custodial credit risk. At December 31, 2016, \$485,096 was exposed to custodial credit risk. Deposits exposed to credit risk are collateralized with securities held by the pledging financial institutions through PDPA.

***Restricted Cash***

Cash and investments of \$62,300 in the General Fund are restricted for the closure and post-closure liability related to the Mineral County Landfill.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

***Investments***

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

- Obligations of the United States and certain U.S. Government agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Repurchase agreements
- Money market funds
- Guaranteed investment contracts
- Corporate or bank debt issued by eligible corporations or banks

***Custodial Credit Risk – Investments***

The County does not have a formal investment policy, they refer to Colorado State Statutes for investment guidance, that calls for diversification within the portfolio to avoid unreasonable risks inherent in over investing in specific instruments, individual financial institutions, or maturities. As of December 31, 2016, the local government investment pools (ColoTrust) in which the County had invested were rated AAAM.

Fair value investments classified at Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fair value investments classified as Level 2 of the fair value hierarchy are valued using the active market rates for the underlying securities. Fair value investments classified as Level 3 of the fair value hierarchy are valued using non-observable inputs.

<u>Investment Type</u>		<u>Fair Value Measurements Using: Level 1</u>
UBS Money Market (un-rated)	19%	\$ 792,938
ColoTrust	82%	3,581,181
		<u>\$ 4,374,119</u>

***Interest Rate Risk***

Colorado Revised Statutes limit investment maturities to five years or less from the date of purchase. This limit on investment maturities is a means of limiting exposure to fair values arising from increasing interest rates.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

The Colorado Government Liquid Asset Trust (COLOTRUST), is an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. COLOTRUST operates similarly to a money market fund and each share is equal in value to \$1.00. The fair value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool. Investments of the pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes. This investment is valued using level 2 inputs.

**NOTE 4 PROPERTY TAXES RECEIVABLE**

At December 31, 2016, the County had an estimated property tax receivable as follows:

General Fund	\$ 982,730
Road and Bridge Fund	57,046
Public Welfare Fund	<u>40,771</u>
	<u><u>\$ 1,080,547</u></u>

**NOTE 5 ACCOUNTS RECEIVABLE**

Accounts receivable at December 31, 2016, consisted of the following:

***Governmental Activities***

Ambulance Fund (net of allowance for doubtful accounts of \$61,856)	\$ 10,336
General Fund (net of allowance for doubtful accounts of \$0)	9,469
Dental Clinic Fund (net of allowance for doubtful accounts of (\$0))	<u>21,846</u>
Total Accounts Receivable, Net	<u><u>\$ 41,651</u></u>

**NOTE 6 SOCIAL SERVICES**

The Mineral County Department of Social Services is operated by the Rio Grande County Department of Social Services. Therefore, the State Department of Social Service remits the Mineral County Funds directly to Rio Grande County. Rio Grande County bills Mineral County for the applicable program liabilities and management fees.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 7 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

***Interfund Receivables/Payables***

The County reports interfund balances between many of its funds. The balances result from the time lapse between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are reported in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date. The Dental Clinic Fund has agreed to repay the General Fund in annual installments of approximately \$10,000 over nine years.

Receivable Fund	Payable Fund	Amount
General Fund	Dental Clinic Fund	\$ 79,320

***Interfund Transfers***

Transfers from the General Fund were made to subsidize the Public Health, Airport and Search and Rescue Funds.

Transfers In	Transfers Out	Amount
Nonmajor Funds:		
Public Health Fund	General Fund	\$ 46,000
Airport Fund	General Fund	30,000
		76,000
General Fund:		
Search and Rescue Fund	General Fund	11,000
		\$ 87,000

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 8 CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2016, was as follows:

	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
<b><i>Governmental Activities</i></b>				
Capital assets not being depreciated				
Land	\$ 737,399	\$ -	\$ -	\$ 737,399
Construction in Progress	28,550	300,550	-	329,100
Total capital assets not being depreciated	<u>765,949</u>	<u>300,550</u>	<u>-</u>	<u>1,066,499</u>
Capital assets being depreciated				
Land Improvements	764,461	-	-	764,461
Buildings and Improvements	4,763,985	16,738	-	4,780,723
Equipment	3,333,194	615,820	(226,548)	3,722,466
Infrastructure	133,525	-	-	133,525
Total capital assets being depreciated	<u>8,995,165</u>	<u>632,558</u>	<u>(226,548)</u>	<u>9,401,175</u>
Less: accumulated depreciation for:				
Land Improvements	541,115	38,223	-	579,338
Buildings and Improvements	1,709,050	142,091	-	1,851,141
Equipment	2,135,897	224,099	(181,238)	2,178,758
Infrastructure	45,210	6,676	-	51,886
Total accumulated depreciation	<u>4,431,272</u>	<u>411,089</u>	<u>(181,238)</u>	<u>4,661,123</u>
Total capital assets being depreciated, net	<u>4,563,893</u>	<u>221,469</u>	<u>(45,310)</u>	<u>4,740,052</u>
Governmental Activities Capital Assets, net	<u>\$ 5,329,842</u>	<u>\$ 522,019</u>	<u>\$ (45,310)</u>	<u>\$ 5,806,551</u>
	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016
<b><i>Business-type Activities</i></b>				
Capital assets not being depreciated				
Land	\$ 77,300	\$ -	\$ -	\$ 77,300
Total capital assets not being depreciated	<u>77,300</u>	<u>-</u>	<u>-</u>	<u>77,300</u>
Capital assets being depreciated				
Buildings and Improvements	416,226	-	-	416,226
Equipment	108,699	-	-	108,699
Infrastructure	5,500	-	-	5,500
Total capital assets being depreciated	<u>530,425</u>	<u>-</u>	<u>-</u>	<u>530,425</u>
Less: accumulated depreciation	<u>383,327</u>	<u>17,527</u>	<u>-</u>	<u>400,854</u>
Total capital assets being depreciated, net	<u>147,098</u>	<u>(17,527)</u>	<u>-</u>	<u>129,571</u>
Business-type Activities Capital Assets, net	<u>\$ 224,398</u>	<u>\$ (17,527)</u>	<u>\$ -</u>	<u>\$ 206,871</u>

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

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

***Governmental activities:***

General Government	\$ 57,380
Public Safety	52,072
Highways and Streets	132,992
Culture and Recreation	54,936
Health and Welfare	113,709
	<u>\$ 411,089</u>

***Business-type activities:***

Mining Museum	\$ 3,424
Dental Clinic	14,103
	<u>\$ 17,527</u>

**NOTE 9 LONG-TERM LIABILITIES**

***Changes in Long-term Liabilities***

Long-term liability activity for the year ended December 31, 2016, were as follows:

	Balance 12/31/2015	Additions	Deletions	Balance 12/31/2016	Due Within One Year
<b><i>Governmental Activities:</i></b>					
Lease Purchase Agreements	\$ -	\$ 345,050	\$ -	\$ 345,050	\$ 29,780
Landfill Closure and Postclosure	15,000	-	-	15,000	-
Compensated Absences	70,035	59,238	-	129,273	14,990
	<u>\$ 85,035</u>	<u>\$ 404,288</u>	<u>\$ -</u>	<u>\$ 489,323</u>	<u>\$ 44,770</u>
Total Governmental Activities	<u>\$ 85,035</u>	<u>\$ 404,288</u>	<u>\$ -</u>	<u>\$ 489,323</u>	<u>\$ 44,770</u>

***Lease Purchase Agreement***

A Lease-Purchase Agreement, dated February 10, 2016, was entered into with Caterpillar Financial Services Corporation (the "Lessor") and Mineral County, Colorado (the "Lessee") in the amount of \$149,800 for the purchase of a 938M Caterpillar Wheel Loader. Payments are due in annual installments of \$23,699, which include interest at a rate of 3.20%. Final payment is due in February 2021. Principle balance at December 31, 2016 was \$149,800. The loader is included in capital assets at a cost of \$215,500 with accumulated depreciation of \$14,367.

A Lease-Purchase Agreement, dated November 4, 2015, was initiated with Caterpillar Financial Services Corporation (the "Lessor") and Mineral County, Colorado (the "Lessee") in the amount of \$195,250 for the purchase of a 140M3AWD Caterpillar Motor Grader. The lease was not executed until delivery of the grader in October 2016. Payments are due in annual installments of \$17,123, which include interest at a rate of 3.20%. Final payment is due in October 2021. Principle balance at December 31, 2016 was \$195,250. The grader is included in capital assets at a cost of \$329,950 with accumulated depreciation of \$21,997.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

The annual debt service for the leases, are as follows:

	Principal	Interest	Total
2017	\$ 29,780	\$ 11,042	\$ 40,822
2018	30,733	10,089	40,822
2019	31,717	9,105	40,822
2020	32,732	8,090	40,822
2021	220,088	7,043	227,131
	\$ 345,050	\$ 45,369	\$ 390,419

***Landfill Closure and Postclosure Care Accrual***

The County has an eight acre term special use permit from the Forest Service for the operation and maintenance of the existing Solid Waste Disposal Site. Currently, only one acre is being used for solid waste disposal. State and federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site after closure. Small landfill waivers have been granted for various closure and postclosure monitoring requirements. The recognition of the liability for closure and postclosure care costs is based on landfill capacity used to date. Management estimates that 83% of the landfill has been used to date. The total estimated costs of closure and postclosure are \$15,000. The County has restricted cash of \$62,300 in the General Fund to cover these costs. The County expects to close the landfill in the year 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations. Should additional costs arise, they will be provided for by the General and Contingency Funds.

**NOTE 10 OPERATING LEASE**

The County has entered into several operating lease arrangements for a copy machine and for the procurement of software, and computer services. Rent expense for computer maintenance, software support, and equipment rental was \$53,957 for the year ended December 31, 2016.

**NOTE 11 DEFINED CONTRIBUTION PLAN**

All eligible employees, participate in the Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan), a defined contribution plan, authorized by state statute. The Plan is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Employees are eligible immediately upon their employment with the County and participation is mandatory. Employee contributions are always 100% vested, and the employer match follows a five year vesting schedule. Employees are fully vested after a five year participation period, or at the age of 55, whichever is earlier. Elected officials are 100% vested immediately upon participation.

The County must contribute a minimum of 3% and a maximum of 6% of the compensation of each employee. For 2016, the contribution rate was 4%. Each participant contributes a minimum amount equal to the County's contribution, and are permitted to make additional contributions up to applicable Internal Revenue Code Limits.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

For the year ended December 31, 2016, employee contributions totaled \$44,702 and the County recognized pension expense of \$44,647. The County recognized \$0 of forfeitures in retirement expense during 2016.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses. The Plan may be amended by resolution of the Board of County Commissioners but it may not be amended beyond the limits established by state statute.

**NOTE 12 DEFERRED COMPENSATION PLAN**

The County also offers its employees an additional voluntary deferred compensation plan created in accordance with Internal Revenue Code 457(f), administered by Colorado County Officials and Employees Retirement Association (CCOERA) (the Plan).

The Plan permits the employees to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergencies. The County has no other liability other than to make the required monthly contribution.

**NOTE 13 TABOR AMENDMENT RESERVE**

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

Fiscal year spending and revenue limits are determined based on the prior years' spending adjusted for inflation and local growth. Revenue in excess of the limit must be refunded unless the voters approve retention of such revenue. The County passed a ballot issue on November 7, 1995, allowing the County to retain revenue from all sources not excluded from fiscal year spending, including sales tax, fees for services, state grants, local grants, and miscellaneous income. If such revenue exceeds the limits in dollars for each succeeding fiscal year, as such limits are defined in Article X, Section 20, Paragraph (7), spending limits, Colorado Constitution, and the Authority to expend such excess revenues for the purposes of providing for the health, safety, and welfare of the people of Mineral County, provided that no county tax shall be created without further voter approval.

The amendment also requires that Emergency Reserves be established. These reserves must be at least 3 percent of fiscal year spending in 1995 and thereafter. This Emergency Reserve has been presented as a restricted net position/fund balance in the financial statements. The County is not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

**NOTE 14 COLORADO CONTRABAND FORFEITURE ACT**

We have reviewed financial activity in the Sheriff's Department for compliance with the Colorado Revised Statute 16-13-506. There were no sales of contraband during the year ended December 31, 2016.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

**NOTE 15 RISK MANAGEMENT**

***Colorado Counties Casualty and Property Pool (CAPP)***

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The inter-governmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

At December 31, 2016, CAPP had assets of \$25,380,003, liabilities of \$9,842,724 (including \$7,179,370 reserved for losses and claims), and members' equity of \$15,537,279. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2016, amounted to \$6,644,912 and total expenses were \$5,998,318, resulting in net income before return of surplus of \$646,594.

***Colorado Workers' Compensation Pool (CWCP)***

The County is exposed to various risks of loss related to injuries of employees while on the job. The County has joined together with other counties in the State of Colorado to form the Colorado Workers' Compensation Pool (CWCP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CWCP for its workers' compensation insurance coverage. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention that is determined each policy year. There have been no significant reductions in insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the current year or the three prior years.

At December 31, 2016, CWCP had assets of \$41,463,122, liabilities of \$22,425,987 (including \$21,026,093 reserved for losses and claims) and members' equity of \$19,037,135. The liability amount includes no long-term debt. Total revenues for the year ended December 31, 2016, amounted to \$11,305,540, total expenses were \$8,548,795 resulting in net income before return of surplus of \$2,756,745.

**NOTE 16 COMMITMENTS AND CONTINGENCIES**

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The amount of expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time although the County expects any such amounts to be immaterial.

***Litigation***

The County is a party to various legal actions normally associated with governmental activities, the aggregate effect of which, in management's and legal counsel's opinion, would not be material to its financial statements.

**MINERAL COUNTY, COLORADO**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**December 31, 2016**

***Insurance Pools***

The County is a member of the Colorado Counties Casualty and Property Pool (CAPP) and the Colorado Workers' Compensation Pool (CWCP). CAPP and CWCP have a legal obligation for claims against its members to the extent that funds are available in their annually established loss funds and amounts are available from insurance providers under excess specific and aggregate insurance contracts. Losses incurred in excess of loss funds are direct liabilities of the participating members. CAPP and CWCP have indicated that the amount of any excess losses would be billed to members in proportion to their contributions in the year such excess occurs. The ultimate liability to the County resulting from claims not covered by CAPP and CWCP is not presently determinable.

**NOTE 17 TRANSFER OF HEALTH OPERATIONS**

On September 1, 2016 the County entered into an intergovernmental agreement with the Hinsdale County to combine its health services and form Silver Thread Public Health District (the District) for the purpose of enhancing the provision of those services to Mineral and Hinsdale County's citizens. Expenditures and revenues of the health services operations reported in the public health fund were \$116,606 and \$70,349, respectively.

## **MINERAL COUNTY, COLORADO**

### **REQUIRED SUPPLEMENTARY INFORMATION**

In addition to the basic financial statements, a budgetary comparison schedule is required for the General Fund and, if applicable, each of the County's major special revenue funds.

**MINERAL COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Year Ended December 31, 2016**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		
<b>REVENUES</b>				
Taxes	\$ 1,355,750	\$ 1,355,750	\$ 1,445,787	\$ 90,037
Intergovernmental Revenue	229,403	240,203	191,384	(48,819)
Licenses and Permits	14,800	14,800	15,704	904
Charges for Services	149,750	149,750	143,965	(5,785)
Other	112,095	112,095	57,975	(54,120)
<b>TOTAL REVENUES</b>	<b>1,861,798</b>	<b>1,872,598</b>	<b>1,854,815</b>	<b>(17,783)</b>
<b>EXPENDITURES</b>				
Current Expenditures				
General Government	1,194,953	1,194,953	1,040,723	154,230
Public Safety	596,258	614,558	552,098	62,460
Health and Welfare	134,278	134,278	130,627	3,651
Auxiliary Services	129,481	129,481	93,976	35,505
Capital Outlay	81,000	81,000	65,593	15,407
<b>TOTAL EXPENDITURES</b>	<b>2,135,970</b>	<b>2,154,270</b>	<b>1,883,017</b>	<b>271,253</b>
Excess (deficiency) of revenues over expenditures	(274,172)	(281,672)	(28,202)	253,470
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In (Out)	(170,862)	(170,862)	(76,000)	94,862
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(170,862)</b>	<b>(170,862)</b>	<b>(76,000)</b>	<b>94,862</b>
Net Change in Fund Balances	(445,034)	(452,534)	(104,202)	348,332
<b>Fund Balance at beginning of year</b>	<b>2,156,866</b>	<b>2,156,866</b>	<b>2,397,108</b>	<b>240,242</b>
<b>Fund Balance at end of year</b>	<b>\$ 1,711,832</b>	<b>\$ 1,704,332</b>	<b>\$ 2,292,906</b>	<b>\$ 588,574</b>

**Notes to Required Supplementary Information**

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

**MINERAL COUNTY, COLORADO**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCE - BUDGET AND ACTUAL**  
**ROAD AND BRIDGE FUND**  
**For the Year Ended December 31, 2016**

	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>		<b>FINAL BUDGET</b>
				<b>POSITIVE</b>
				<b>(NEGATIVE)</b>
<b>REVENUES</b>				
Taxes	\$ 62,871	\$ 62,871	\$ 58,520	\$ (4,351)
Intergovernmental Revenue	739,200	739,200	815,753	76,553
Other	4,410	4,410	18,239	13,829
<b>TOTAL REVENUES</b>	<b>806,481</b>	<b>806,481</b>	<b>892,512</b>	<b>86,031</b>
<b>EXPENDITURES</b>				
General Government	88,000	88,000	116,212	(28,212)
Highways and Streets	708,503	708,503	534,949	173,554
Capital Outlay	70,000	70,000	546,050	(476,050)
<b>TOTAL EXPENDITURES</b>	<b>866,503</b>	<b>866,503</b>	<b>1,197,211</b>	<b>(330,708)</b>
Excess (deficiency) of revenues over expenditures	(60,022)	(60,022)	(304,699)	(244,677)
<b>OTHER FINANCING SOURCES (USES)</b>				
Lease Purchase Agreement Proceeds	-	-	345,050	345,050
Sale of Equipment	-	-	137,000	137,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>482,050</b>	<b>482,050</b>
Net Change in Fund Balance	(60,022)	(60,022)	177,351	237,373
<b>Fund Balance at beginning of year</b>	<b>1,832,251</b>	<b>1,832,251</b>	<b>2,203,836</b>	<b>371,585</b>
<b>Fund Balance at end of year</b>	<b>\$ 1,772,229</b>	<b>\$ 1,772,229</b>	<b>\$ 2,381,187</b>	<b>\$ 608,958</b>

**Notes to Required Supplementary Information**

The basis of budgeting is the same as GAAP.

The schedule is presented on the GAAP basis.

## **MINERAL COUNTY, COLORADO**

### **SUPPLEMENTARY INFORMATION**

The combining financial statements represent the second level of financial reporting for the County. These financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

**MINERAL COUNTY, COLORADO**  
**COMBINING SCHEDULE - BALANCE SHEET**  
**GENERAL FUND**  
**December 31, 2016**

	<u>GENERAL FUND</u>	<u>CONTINGENCY FUND</u>	<u>SEARCH AND RESCUE FUND</u>	<u>TOTAL</u>
<b>ASSETS</b>				
Cash and Investments	\$ 1,995,893	\$ 208,549	\$ 724	\$ 2,205,166
Accounts Receivable	9,469	-	-	9,469
Due from Other Governments	(80)	-	-	(80)
Property Taxes Receivable	982,730	-	-	982,730
Due from Other Funds	79,320	-	-	79,320
<b>TOTAL ASSETS</b>	<u>\$ 3,067,332</u>	<u>\$ 208,549</u>	<u>\$ 724</u>	<u>\$ 3,276,605</u>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ (777)	\$ -	\$ -	\$ (777)
Payroll Taxes Payable	1,746	-	-	1,746
<b>TOTAL LIABILITIES</b>	<u>969</u>	<u>-</u>	<u>-</u>	<u>969</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred Revenue - Property Tax	982,730	-	-	982,730
<b>FUND BALANCE</b>				
Restricted:				
Tabor Amendment Reserve	-	86,000	-	86,000
Committed:				
Contingencies	-	122,549	-	122,549
Assigned:				
Search and Rescue	-	-	724	724
Designated for Subsequent Years	467,000	-	-	467,000
Unassigned	1,616,633	-	-	1,616,633
<b>TOTAL FUND BALANCE</b>	<u>2,083,633</u>	<u>208,549</u>	<u>724</u>	<u>2,292,906</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<u>\$ 3,067,332</u>	<u>\$ 208,549</u>	<u>\$ 724</u>	<u>\$ 3,276,605</u>

**MINERAL COUNTY, COLORADO**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**GENERAL FUND**  
**For the Year Ended December 31, 2016**

	<u>GENERAL FUND</u>	<u>CONTINGENCY FUND</u>	<u>SEARCH AND RESCUE FUND</u>	<u>TOTAL</u>
<b>REVENUES</b>				
Taxes	\$ 1,445,787	\$ -	\$ -	\$ 1,445,787
Intergovernmental Revenue	178,819	-	12,565	191,384
Licenses and Permits	15,704	-	-	15,704
Charges for Services	143,965	-	-	143,965
Other	42,672	1,362	13,941	57,975
<b>TOTAL REVENUES</b>	<u>1,826,947</u>	<u>1,362</u>	<u>26,506</u>	<u>1,854,815</u>
<b>EXPENDITURES</b>				
Current				
General Government	1,040,723	-	-	1,040,723
Public Safety	515,316	-	36,782	552,098
Health and Welfare	130,627	-	-	130,627
Auxiliary Services	93,976	-	-	93,976
Capital Outlay	65,593	-	-	65,593
<b>TOTAL EXPENDITURES</b>	<u>1,846,235</u>	<u>-</u>	<u>36,782</u>	<u>1,883,017</u>
Excess (deficiency) of revenues over expenditures	<u>(19,288)</u>	<u>1,362</u>	<u>(10,276)</u>	<u>(28,202)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	11,000	11,000
Transfers Out	(87,000)	-	-	(87,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<u>(87,000)</u>	<u>-</u>	<u>11,000</u>	<u>(76,000)</u>
Net Change in Fund Balances	(106,288)	1,362	724	(104,202)
<b>Fund Balance at beginning of year</b>	<u>2,189,921</u>	<u>207,187</u>	<u>-</u>	<u>2,397,108</u>
<b>Fund Balance at end of year</b>	<u>\$ 2,083,633</u>	<u>\$ 208,549</u>	<u>\$ 724</u>	<u>\$ 2,292,906</u>

## MINERAL COUNTY, COLORADO NONMAJOR GOVERNMENTAL FUNDS

### SPECIAL REVENUE FUNDS

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

***Public Welfare Fund*** – This fund is used to account for social services provided for County citizens.

***Conservation Trust Fund*** – This fund is used to account for the County share of the state lottery program. The monies may be expended only for the acquisition, development, and maintenance of parks, and other public recreational facilities.

***Tourism Fund*** – This fund is used to account for the County share of the lodging tax collected on each hotel/motel that is rented in Mineral County. The monies may be expended to promote Mineral County to tourists.

***Public Health Fund*** – This fund is used to account for the multiple programs of providing health services. Financing is provided by grants and fees for services.

***Ambulance Fund*** – This fund is used to collect payments and provide ambulance services to citizens of the County.

### CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

***Airport Fund*** – This fund is used to account for the donations and grants received to perform capital improvements at the Airport.

### PERMANENT FUNDS

Permanent Funds are used to account for resources that are legally restricted to the extent that only earnings, and not principal, may be used for the purposes that support the County's programs.

***Health Clinic and EMT Facility Endowment Fund*** – This fund is used to account for all donations collected by the County for the future use of the Mineral County Health Clinic and EMT Facility.

**MINERAL COUNTY, COLORADO  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET**

December 31, 2016

	NONMAJOR SPECIAL REVENUE FUNDS				NONMAJOR CAPITAL PROJECTS FUNDS			NONMAJOR PERMANENT FUND		TOTAL NONMAJOR GOVERNMENTAL
	PUBLIC WELFARE FUND	CONSERVATION TRUST FUND	TOURISM FUND	PUBLIC HEALTH FUND	AMBULANCE FUND	AIRPORT FUND	CLINIC ENDOWMENT FUND	NONMAJOR PERMANENT FUND		
<b>ASSETS</b>										
Cash and Investments	\$ 41,528	\$ 34,562	\$ 4,983	\$ 2,968	\$ 348,087	\$ 10,310	\$ 62,080	\$ 504,518		
Accounts Receivable	-	-	-	-	10,336	-	-	10,336		
Due from Other Governments	205	-	-	-	-	16,282	-	16,487		
Property Taxes Receivable	40,771	-	-	-	-	-	-	40,771		
<b>TOTAL ASSETS</b>	<b>\$ 82,504</b>	<b>\$ 34,562</b>	<b>\$ 4,983</b>	<b>\$ 2,968</b>	<b>\$ 358,423</b>	<b>\$ 26,592</b>	<b>\$ 62,080</b>	<b>\$ 572,112</b>		
<b>LIABILITIES</b>										
Accounts Payable	\$ 19,787	\$ -	\$ -	\$ (33)	\$ -	\$ -	\$ -	\$ 19,754		
Payroll Taxes Payable	-	-	-	(35)	(1,255)	-	-	(1,290)		
Due to Other Government	939	-	-	-	-	-	-	939		
Unearned Revenue	3,702	-	-	-	-	-	-	3,702		
<b>TOTAL LIABILITIES</b>	<b>24,428</b>	<b>-</b>	<b>-</b>	<b>(68)</b>	<b>(1,255)</b>	<b>-</b>	<b>-</b>	<b>23,105</b>		
<b>DEFERRED INFLOWS OF RESOURCES</b>										
Deferred Revenue - Property Tax	40,771	-	-	-	-	-	-	40,771		
<b>FUND BALANCE</b>										
Restricted:										
Permanent Fund - non-expendable	-	-	-	-	-	-	62,080	62,080		
Committed:										
Capital Projects	-	-	-	-	-	26,592	-	26,592		
Assigned:										
Health and Welfare	17,305	-	-	3,036	359,678	-	-	380,019		
Culture and Recreation	-	34,562	4,983	-	-	-	-	39,545		
<b>TOTAL FUND BALANCE</b>	<b>17,305</b>	<b>34,562</b>	<b>4,983</b>	<b>3,036</b>	<b>359,678</b>	<b>26,592</b>	<b>62,080</b>	<b>508,236</b>		
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</b>	<b>\$ 82,504</b>	<b>\$ 34,562</b>	<b>\$ 4,983</b>	<b>\$ 2,968</b>	<b>\$ 358,423</b>	<b>\$ 26,592</b>	<b>\$ 62,080</b>	<b>\$ 572,112</b>		

**MINERAL COUNTY, COLORADO**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**For the Year Ended December 31, 2016**

	NONMAJOR SPECIAL REVENUE FUNDS				NONMAJOR CAPITAL PROJECTS FUNDS			TOTAL NONMAJOR GOVERNMENTAL
	PUBLIC WELFARE FUND	CONSERVATION TRUST FUND	TOURISM FUND	PUBLIC HEALTH FUND	AMBULANCE FUND	AIRPORT FUND	CLINIC ENDOWMENT FUND	
<b>REVENUES</b>								
Taxes	\$ 44,828	\$ -	\$ 69,252	\$ -	\$ 44,808	\$ -	\$ -	\$ 158,888
Intergovernmental Revenue	92,487	4,605	-	56,979	15,022	272,027	-	441,120
Charges for Services	-	-	-	44,523	38,522	2,173	-	85,218
Other	189	99	-	9,835	7,516	54	393	18,086
<b>TOTAL REVENUES</b>	<b>137,504</b>	<b>4,704</b>	<b>69,252</b>	<b>111,337</b>	<b>105,868</b>	<b>274,254</b>	<b>393</b>	<b>703,312</b>
<b>EXPENDITURES</b>								
Current Expenditures	-	-	-	-	-	4,739	-	4,739
General Government	148,901	-	-	166,703	55,321	-	-	370,925
Health and Welfare	-	-	77,591	-	-	-	-	77,591
Culture and Recreation	-	-	-	-	-	300,550	-	300,550
Capital Outlay	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>148,901</b>	<b>-</b>	<b>77,591</b>	<b>166,703</b>	<b>55,321</b>	<b>305,289</b>	<b>-</b>	<b>753,805</b>
Excess (deficiency) of revenues over expenditures	(11,397)	4,704	(8,339)	(55,366)	50,547	(31,035)	393	(50,493)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	46,000	-	30,000	-	76,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,000</b>	<b>-</b>	<b>30,000</b>	<b>-</b>	<b>76,000</b>
Net Change in Fund Balances	(11,397)	4,704	(8,339)	(9,366)	50,547	(1,035)	393	25,507
<b>Fund Balance at beginning of year</b>	<b>28,702</b>	<b>29,858</b>	<b>13,322</b>	<b>12,402</b>	<b>309,131</b>	<b>27,627</b>	<b>61,687</b>	<b>482,729</b>
<b>Fund Balance at end of year</b>	<b>\$ 17,305</b>	<b>\$ 34,562</b>	<b>\$ 4,983</b>	<b>\$ 3,036</b>	<b>\$ 359,678</b>	<b>\$ 26,592</b>	<b>\$ 62,080</b>	<b>\$ 508,236</b>

**MINERAL COUNTY, COLORADO**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS AND ALL PROPRIETARY FUNDS**  
**SCHEDULE OF EXPENDITURES/EXPENSES AND TRANSFERS OUT**  
**BUDGET AND ACTUAL**

For the Year Ended December 31, 2016

	BUDGETED AMOUNTS		EXPENDITURES REPORTED ON THE GAAP BASIS		ADJUSTMENTS TO BUDGETARY BASIS		EXPENDITURES ON THE BUDGETARY BASIS		VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL							
<b>Governmental Funds</b>									
Non-major Governmental Funds									
Special Revenue Funds									
Public Welfare Fund	\$ 230,320	\$ 230,320	\$ 148,901	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 81,419
Conservation Trust Fund	-	-	-	-	-	-	-	-	-
Tourism Fund	62,500	78,000	77,591	-	-	-	-	-	409
Public Health Fund	298,168	298,168	166,703	-	-	-	-	-	131,465
Ambulance Fund	154,250	154,250	55,321	-	-	-	-	-	98,929
<b>Total Special Revenue Funds</b>	<b>745,238</b>	<b>760,738</b>	<b>448,516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>312,222</b>
Capital Projects Funds									
Airport Fund	316,860	316,860	305,289	-	-	-	-	-	11,571
<b>Total Capital Projects Funds</b>	<b>316,860</b>	<b>316,860</b>	<b>305,289</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,571</b>
<b>Total Non-major Governmental Funds</b>	<b>\$ 1,062,098</b>	<b>\$ 1,077,598</b>	<b>\$ 753,805</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 323,793</b>
<b>Proprietary Funds</b>									
Mining Museum Fund	\$ 186,900	\$ 186,900	\$ 167,864	\$ (3,424)	\$ -	\$ 164,440	\$ -	\$ -	\$ 22,460
Dental Clinic Fund	142,274	182,844	179,851	(14,103)	-	165,748	-	-	17,096
<b>Total Proprietary Funds</b>	<b>\$ 329,174</b>	<b>\$ 369,744</b>	<b>\$ 347,715</b>	<b>\$ (17,527)</b>	<b>\$ -</b>	<b>\$ 330,188</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 39,556</b>

Adjustments to budgetary basis include principal reductions on long-term debt, costs of capitalized assets, and depreciation expense.

**LOCAL HIGHWAY FINANCE REPORT**

City or County:  
Mineral County

YEAR ENDING :  
December 2016

This Information From The Records Of (example - City of \_ or County of \_)  
Mineral County

Prepared By: J. Kukuk  
Phone: 719-658-2360

**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway disbursements:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	0
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	947,746
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	7,100
2. General fund appropriations		b. Snow and ice removal	63,386
3. Other local imposts (from page 2)	58,531	c. Other	
4. Miscellaneous local receipts (from page 2)	155,239	d. Total (a. through c.)	70,486
5. Transfers from toll facilities		4. General administration & miscellaneous	94,943
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	27,333
a. Bonds - Original Issues		6. Total (1 through 5)	1,140,508
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes	345,050	1. Bonds:	
d. Total (a. + b. + c.)	345,050	a. Interest	
7. Total (1 through 6)	558,820	b. Redemption	
<b>B. Private Contributions</b>		c. Total (a. + b.)	0
<b>C. Receipts from State government</b> (from page 2)	588,897	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	170,142	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	1,317,859	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		<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>	1,140,508

**IV. LOCAL HIGHWAY DEBT STATUS**

(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>		345,050		345,050

**V. LOCAL ROAD AND STREET FUND BALANCE**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2,203,836	1,317,859	1,140,508	2,381,187	0

Notes and Comments:

**LOCAL HIGHWAY FINANCE REPORT**

STATE:  
Colorado  
YEAR ENDING (mm/yy):  
December 2016

**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	53,253	a. Interest on investments	10,392
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	11	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	137,000
4. Licenses		f. Charges for Services	7,340
5. Specific Ownership &/or Other	5,267	g. Other Misc. Receipts	507
6. Total (1. through 5.)	5,278	h. Other	
c. Total (a. + b.)	58,531	i. Total (a. through h.)	155,239
	(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	584,511	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	170,142
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	4,386	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	
f. Total (a. through e.)	4,386	g. Total (a. through f.)	170,142
4. Total (1. + 2. + 3.f)	588,897	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		0	0
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments: