

GRAND COUNTY COLORADO



2017 Comprehensive Annual Financial Report



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July 5, 2018

Grand County, Colorado

Comprehensive Annual Financial Report

***For The Fiscal Year
Ended December 31, 2017***

Prepared By

Curtis Lange, Grand County Finance Director

Special Thanks to:

***Cathy Henderson and Corinne Lively
Grand County Finance & Accounting***

Grand County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2017

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Introductory Section



BOARD OF COMMISSIONERS

RICHARD D. CIMINO

District I, Fraser

MERRIT S. LINKE

District II, Granby

KRISTEN MANGUSO

District III, Kremmling

Fax: 970/725-0565

E-Mail: grndcty1@co.grand.co.us

PHONE: 970/725-3100

Fax: 970/725-0565

LEE STAAB

County Manager

ROBERT FRANEK

County Attorney

Date: June 28, 2017

To: The Citizens and Board of County Commissioners of Grand County, Colorado

LETTER OF FORMAL TRANSMITTAL

The **Comprehensive Annual Financial Report (CAFR)** of Grand County, Colorado, for the fiscal year ended December 31, 2017, is submitted herewith.

RESPONSIBILITY FOR CAFR - This report was prepared by and under the direction of the County's Finance Director. Responsibility for the completeness and accuracy of the report rests with the County. The data presented is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position, results of operations and cash flows of the County as measured by the financial activity of its various funds; that the statements and underlying financial data have been prepared in conformity with generally accepted accounting principles (GAAP) and; that all disclosures necessary to enable the reader to gain the maximum understanding of the County's financial affairs have been included.

INTERNAL CONTROL - In developing and evaluating the County's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial statements, and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived; and the evaluation of costs and benefits requires estimates and judgments by the Board of County Commissioners. Current internal control evaluations have occurred within the above framework and are found to be appropriate by the Finance Director.

INDEPENDENT AUDIT - State law requires annual audits of the accounting records by independent certified public accountants selected by the Grand County Board of County Commissioners. This requirement has been complied with and the auditor's opinion has been

included in this report starting at page B-1. The goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatement. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management and evaluating the overall financial presentation. The auditor's examination encompassed the basic financial statements for the fiscal year ended December 31, 2017. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Federal Single Audit Amendments of 1996 and OMB Uniform Guidance. Grand County received an unmodified opinion from the auditors for the 2016 financial statements.

LEGAL REQUIREMENTS - As a recipient of federal and state financial awards, Grand County is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by the Board of County Commissioners, County Manager and Finance Director. As a part of Grand County's single audit, tests are made to determine the adequacy of the internal control structure, including that portion related to federal awards, as well as to determine that the County has complied with applicable laws and regulations.

FINANCIAL POLICIES WITH A SIGNIFICANT IMPACT ON THE CURRENT PERIOD FINANCIAL STATEMENTS - The County's accounting records for general governmental operations are maintained on a cash basis and at year end adjusted to a modified accrual basis and reported on the same basis at the fund financial reporting level as required under Generally Accepted Accounting Principles (GAAP). However, at the government-wide financial reporting level, GAAP requires these activities to be presented on the accrual basis, the primary difference being the inclusion of long-term assets and liabilities. The County budgets are prepared annually on a cash basis.

The proprietary funds account for the cost of services using an "economic resources" measurement focus. This means that all assets and liabilities (whether current or non-current) associated with the funds are included on their balance sheets. Their operating statements present increases (revenues) and decreases (expenses) in net total assets. The accrual basis of accounting is used for the proprietary funds.

The fiduciary fund type includes agency funds which are custodial in nature (assets equal liabilities) and do not involve measurement of operations. The agency funds included are the County's Treasurer, Clerk, Sheriff's, and the Colorado State Highway 9 Funds.

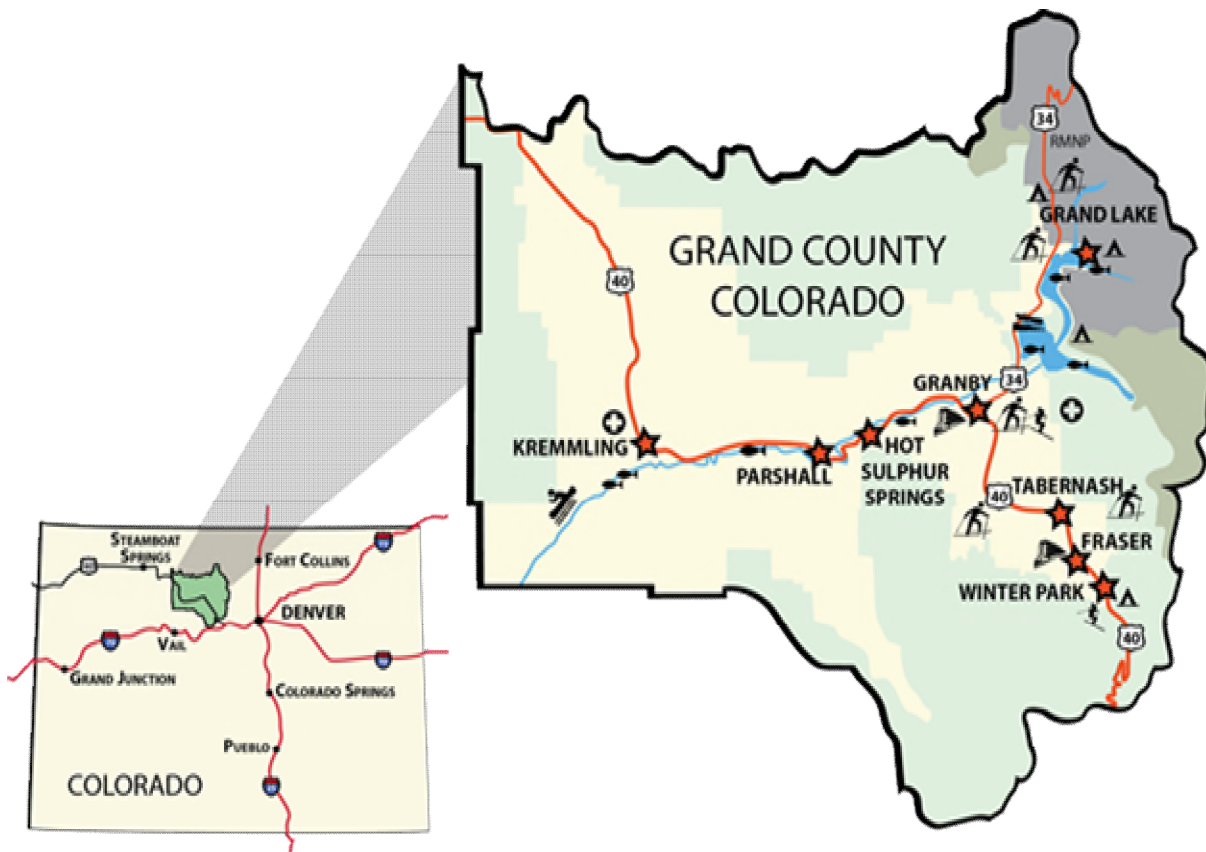
The County Treasurer is by law vested with the responsibility of the cash management and the investment of available funds. The County operates under a pooled cash procedure which makes available the maximum amount of cash for investment purposes without impairing the County's ability to carry on routine operations. The Treasurer and Finance Director work closely together so the Treasurer is fully advised of major cash expenditures affecting the availability of cash for investing purposes.

The County has joined with other counties in the State of Colorado as a member of the County Technical Services Inc. (CTSI), Casualty and Property Pool and the Workers' Compensation Pool. The intergovernmental agreements for both of these pools provide that the pools will be financially self-sustaining through member contributions and additional assessments, if necessary, and the pools will purchase excess insurance through commercial companies for members' claims in excess of a specific self-insured retention, which is determined each policy year.

Grand County self-insures its employee health insurance program. The plan provides for re-insurance above a specific claim level and an aggregate claim level up to a maximum claim limit. The cash balance in the Employee Insurance Fund as of December 31, 2016 is \$1.7 million. This cash balance plus monthly contributions by the County and its employees are expected to cover any anticipated claims during the coming year.

MANAGEMENT’S DISCUSSION AND ANALYSIS (MD&A) - County management’s narrative on the financial activities of the County for the calendar year ended December 31, 2017, is included in the Management’s Discussion and Analysis (MD&A) in the “B” section of this report, immediately following the independent auditor’s report. This Letter of Formal Transmittal is written to complement the MD&A and the financial statements, and should be read from that perspective and in conjunction with all other CAFR sections.

PROFILE OF GRAND COUNTY - Grand County is the 21st largest of the 64 counties of the State of Colorado and larger by half than the state of Rhode Island. The county seat is Hot Sulphur Springs.



When Grand County was created February 2, 1874 it was carved out of Summit County and stretched to the western and northern borders of the state. In 1877, Moffat and Routt Counties were created from the western part of Grand County. When valuable minerals were found in North Park, it took a decision by the Colorado Supreme Court in 1886 to declare North Park part of

Larimer County. In 1909 Grand County's current boundaries were established when Jackson County, Grand County's northern neighbor, was separated from Larimer County.

The estimated full-time population of Grand County is 15,321. The County population can double with visitors and part-time residents during the summer and winter recreation seasons.

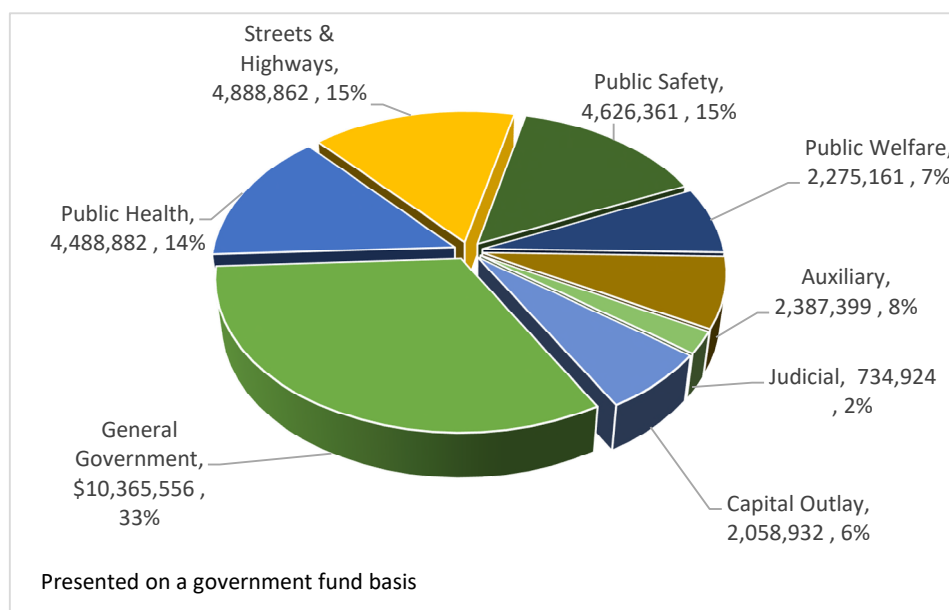
In addition to being a spectacular place for year-round recreation, Grand County is a delightful place to work and live. The mountain climate, a well-educated population, easy access to the Front Range urban corridor and unlimited opportunities for community involvement make Grand County the ideal place for those seeking a rural residence with 21st century amenities.

GOVERNMENT - The County is governed by a three-member elected Board of County Commissioners. The County is also served by six other elected officials: the Assessor, Clerk & Recorder, Coroner, Sheriff, Surveyor and combined Treasurer and Public Trustee. The elected positions are all required by state statute. The District Attorney, also an elected official, serves the 14th Judicial District which includes Grand, Routt and Moffat counties.

The Board of County Commissioners appoints the County Manager, the County Attorney, and Boards and Commissions as needed. The County Manager, working with the Assistant County Manager, is responsible for guiding the work of the appointed principal officials. These positions include Public/Home Health Director, Community Development Director, Emergency Medical Services Chief/Office of Emergency Management Director, Road and Bridge Superintendent, Social/Human Services Director, County CSU Extension Agent, Veteran's Service Officer, Finance Director, Juvenile Services Director, and the Information Systems Director. The positions are reflected on the County organization chart on page A-12 and current office holders are listed on page A-14.

The County Manager also oversees the operation of the water quality, airport improvement and operations, fairgrounds, and maintenance functions of the County, and the County's one-third interest in the Tabernash wastewater treatment facility and community sewer system.

2017 Grand County Functional Expenditures



In addition to the **General Government** function, which includes the **Statutory** activities (offices of the elected officials) and **Administrative** activities (offices of the appointed officials), the County's primary public service functions are divided into the following;

Public Health, including Public Health Nursing; Home Care; Senior Nutrition Services; and building and sanitation inspection services;

Streets and Highways, including the construction and maintenance of the County road and bridge infrastructure (spending almost \$1 million annually for snow removal alone), the County fuel system, and the maintenance of the County vehicle and heavy equipment fleet;

Public Safety, including the Sheriff's office which serves the county and provides policing services for the towns of Grand Lake and Hot Sulphur Springs, operation of the County jail, coordination for the all-volunteer Search & Rescue team, Juvenile Services including the Senate Bill 94 Program; the Office of Emergency Management; and Coroner services;

Public Welfare Services includes the Department of Social Services;

Auxiliary Services, including the Department of Natural Resources, the Middle Park Fair & Rodeo, the Granby Flying Heels Arena, Colorado State University (CSU) Extension Service, Grand County Veterans Officer, the County Lodging Tax Tourism Fund, Grand County Housing Authority Administration Fund, Open Lands, Rivers and Trails Fund and the Granby and Kremmling airports and;

Judicial Services, including the Grand County Judicial Center operation and maintenance costs, court security costs staffed by the Sheriff, and the County's one third share of the Judicial District's operating costs.

COMPONENT UNITS - This report includes information for two blended component units: the Pole Creek Meadows Grand County, Colorado Public Improvement District and the Grand County Housing Authority, both separate legal entities, for which the County Board of Commissioners serves as the Board of Directors. The Pole Creek Meadows Grand County, Colorado Public Improvement District and the Grand County Housing Authority's Administrative Fund are reported as non-major special revenue funds. The Housing Authority's facilities are reported as proprietary enterprise funds. In 2017, the Housing Authority received \$70,000 operating expense support, office space, and in-kind legal and accounting services from the County.

The Grand County Emergency Telephone Service Authority is reported as non-major governmental fund. The Authority's board is appointed by the Commissioners, is not a separate legal entity, collects 911 telephone surcharges and is the main funder and assists in the management of the County Dispatch Services Fund.

The County is part of the 14th Judicial District, which encompasses Grand, Routt and Moffat counties. The Judicial District does not meet the established criteria for inclusion in the County as a component unit and accordingly is not included in this report as a component unit.

PROPRIETARY ENTERPRISE FUNDS - Proprietary enterprise funds include the Colorado Sewer Enterprise Fund, which represents a one-third ownership in the waste water facility and full ownership of the waste water collection system for the unincorporated community of Tabernash. As mentioned above, the Grand County Housing Authority's facilities are also reported as proprietary enterprise funds. These include Silver Spruce Senior Apartments and Cliffview Assisted Living Center located in Kremmling, and Grand Living Senior Homes located in Granby.

LEGAL LEVEL OF BUDGETARY CONTROL - The County legally adopts an annual budget, as required by Colorado Revised Statutes, for each of its governmental and business-type proprietary funds in December of each year for the subsequent calendar year. This annual budget serves as the foundation for Grand County’s financial planning and control. Fund expenditures may not exceed appropriations without a supplemental appropriation. These budgets are created, managed and accounted for at the department head level. Department heads may adjust allocations among line items but may not amend the department budgets without seeking the approval of the Board of County Commissioners. In 2016 the Board of County Commissioners adopted supplemental appropriations for eleven County funds and the Grand County Housing Authority to accommodate new grants and changes in services. All annual appropriations lapse at year end.

TABOR - Grand County, with all Colorado government institutions, was affected by the 1992 Constitutional Amendment Article X, Section 20 - Taxpayers Bill of Rights. The amendment prevented tax increases and required governments to limit spending to current levels. Grand County had a “de-Brucing” ballot issue pass at the November 1996 election. The ballot question stated, "Shall Grand County, without any increase in the property tax mill levy or sales tax rates, be authorized to collect, retain and expend all revenues and other funds collected from any source during 1997 and each subsequent year, notwithstanding the limitations of Article X, Section 20 of the Colorado Constitution, or any other law.” With the passage of this ballot issue, the County may exceed TABOR’s revenue limits.

COUNTY FUNDS - The County funds represented in this report are of six types:

MAJOR FUNDS

- ❖ *General
 - Affordable Housing
 - Retirement
 - Water Quality
 - Employee Health Insurance
- ❖ *Road and Bridge
 - Payment in Lieu of Taxes
- ❖ Emergency Medical Services

CAPITAL IMPROVEMENT FUNDS

- ❖ Major Capital Improvements
- ❖ Sales Tax Fund

FIDUCIARY (AGENCY) FUNDS

- ❖ Clerk’s
- ❖ Colorado State Highway 9
- ❖ Sheriff’s
- ❖ Treasurer’s

NON-MAJOR SPECIAL REVENUE FUNDS

- ❖ Airport Improvement
- ❖ Conservation Trust
- ❖ County Lodging Tax Tourism
- ❖ Dispatch Services
- ❖ Grand County Emergency Telephone Service Authority
- ❖ Grand County Housing Authority Administrative
- ❖ Open Lands, Rivers and Trails
- ❖ Pole Creek Meadows, Grand County, Colorado, Public Improvement
- ❖ Social Services

PROPRIETARY ENTERPRISE FUNDS

- ❖ Colorado Sewer Enterprise
- ❖ †Cliffview Assisted Living
- ❖ †Grand Living Senior Homes
- ❖ †Silver Spruce Apartments

*The Government Accounting Standards Board ruling 54 requires that certain small funds be budgeted independently but reported in combination with major funds.

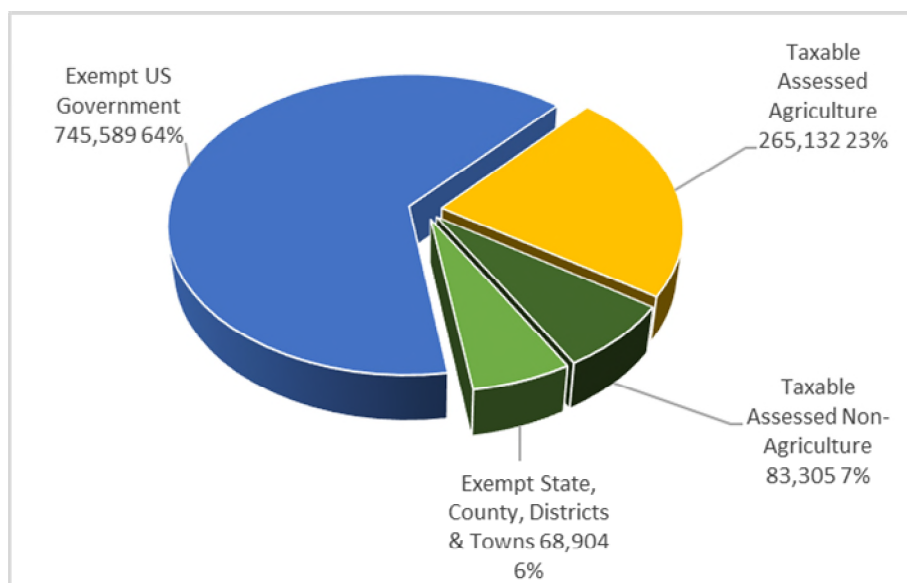
†These proprietary enterprise funds are funds of the Grand County Housing Authority.

REAL PROPERTY - Grand County encompasses approximately 1,817 square miles with 70% publicly owned and exempt from property taxes. The County is empowered to levy a property tax on real property located within its boundaries. The United States Government, which is exempt from property tax, is the largest property owner with 64% of all property including the National Forests and Recreation Area, Bureau of Land Management, and Rocky Mountain National Park. Through the Secure Rural Schools and Roads program, in 2017 the United States Government agreed to provide the County \$1,192,000 in support of the County's roads and schools. The Board of County Commissioners directed that 100% of the current payment would go to schools. The Payment in Lieu of Taxes (PILT) is another federal program which supports counties with federal lands by providing revenues to help offset the cost of providing essential services. During 2017, \$1,558,000 was received in PILT revenue. In addition to the federal lands, the State of Colorado owns 50,000 acres, Grand County owns 1,800 acres, and the towns and other government entities own 16,000 acres of exempt property.

Property tax levies are based on the assessed values of real and personal property. Property is re-appraised in every odd numbered year, allowing values to increase or decrease based on market conditions. Only one third of the County's 1.2 million acres is privately owned.

Of the 348,000 acres of taxable assessed property in private ownership, 76% is classified as agricultural which under Colorado law is afforded a reduced property tax rate. The remaining 24% of taxable acreage and its residential and commercial development carries the majority of County property tax burden. Real property values are presented in the statistical section of this report, starting on page H-10. Property tax generated per taxable acre in Grand County is \$29.25, the PILT support received per federal acre is \$1.95, and the Secure Rural Schools program payment per federal acre is \$1.60.

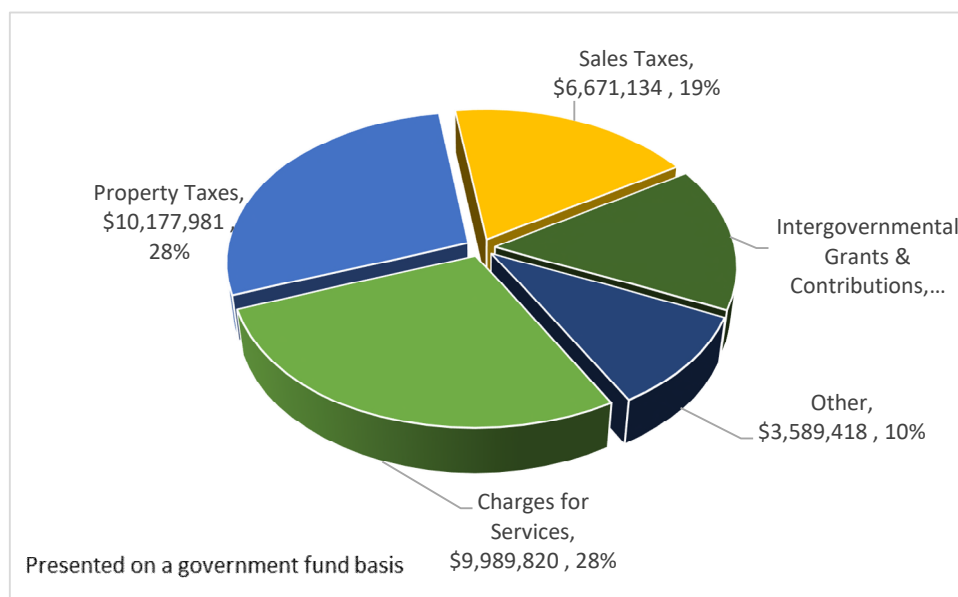
2017 Grand County Real Property Ownership (acres)



The county taxable assessed valuation peaked in 2010 at \$924 million. In subsequent years, the valuation decreased steadily to \$659 million in the 2017 (collected in 2015) valuation. Assessed valuation is decreasing as housing assessed values increase too slowly to offset the sharp decline in industrial and resource values Grand County continues to experience.

OTHER SOURCES OF REVENUE - The County's primary sources of revenue are property tax (31%) and intergovernmental operating grants and contributions (29%). Charges for services (19%) and the County sales tax (12%) make up the remaining major revenue sources. Other sources (9%) include other taxes, investment earnings, special assessments, fees for licenses and permits and other miscellaneous revenues. Charts showing revenue trends are in the statistical section, starting on page H-1.

2017 Grand County Revenue Sources



Intergovernmental support, primarily operating grants and contributions, originates from local, state and federal governments whose sources of revenue include property and other taxes. This support provides the primary funding for the Streets and Highways, Public Health, Public Welfare, and Public Safety functions.

Charges for services support is vital to several County functions, including Public Health (emergency medical and ambulance service), General Government (building permits, recording, treasurer, public trustee and development fees); Streets and Highways (fueling services for state and local governments); and Auxiliary Services (airport hangar rentals, aviation fuel sales, fairgrounds and natural resource charges).

ECONOMIC OUTLOOK – Grand County's 2018 total budgeted expenditures across all funds total \$40.0 million. The biggest funding challenges looking forward include the decrease in revenues from some sources and the continuing uncertainty of state and federal funding, especially for public health and social services programs. The Board of County Commissioners have worked continuously on strategies to balance the budget in 2018. The 2017 revaluation resulted in higher

assessed property values. Valuations in Grand County increased overall by 1 percent. Property tax revenues for 2018 are budgeted to be 9% higher than 2017.

The County strives to maintain the high level of service expected by the public. Both existing and new businesses require safe and well-maintained roads, public health care emergency medical services, and telecommunications that meet 21st century standards. The County continues to take a leading role in improving infrastructure and protecting natural resources vital to outdoor recreation and tourism.

In the 2017 assessment for 2018 collection there is a one-time mill levy abatement. Currently, 16.61 mills are levied for County operations.

Sales tax revenues, which are highly indicative of year-round retail activity, increased 42% in 2017 to \$5.6 million from \$3.9 million. 2017 sales tax collections are the highest the County has experienced due to a .3% increase to fund the new Open Lands, Rivers and Trails fund and increases in tourism.

The major industries in the County are outdoor recreation and tourism, real estate sales, and development and construction. An overview and update of these major factors in our economy follows.

Outdoor Recreation and Tourism – Lodging tax for 2017 was up 14% to \$943,819. The County's 1.8% lodging tax, collected by retail lodging establishments outside of Winter Park for the benefit of marketing Grand County tourism, is a good measure of the change in the volume and pricing of County tourism. Winter Park, as a Home Rule entity, collects its own lodging tax.

Real Estate Sales, Development and Construction –Real estate activity is increasing as the brisk Front Range market activity starts to spill over into Grand County, especially on the east side of the County. The number of building permits issued is up 13% over 2016 and the value per permit is up 15%. Construction permit data is available on page H-28. Several communities within Grand County issue their own building permits, therefore the County permit counts do not represent all building projects within the county. County real estate sales, development and construction focus on the second home market and follow the fluctuating tourist economy as well as the broader housing market.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES – After several years of backfilling deficit budgets with fund reserves, Grand County is now committed to attaining balanced operating budgets. The annual budget is being prepared using the Zero Based Budget concept funding each department's activities based on required services based on state statute and those activities providing the greatest benefits to the citizens from the available resources required to provide those services.

A strategic plan has been adopted by the County Commissioners. The plan addresses the areas of managing growth, infrastructure, health care accessibility, and organizational effectiveness. The plan's infrastructure component contemplates the need to address replacing three County facilities by 2023. The facilities being considered are a Public Safety Facility, a Human Services Facility, and a Customer Service Facility for the Emergency Medical Services and the Road and Bridge Departments in Granby. The plan's organizational effectiveness component expands the County's current Zero Based Budget approach by linking the budget to the results provided to the County's customers for each activity by 2021.

Unrestricted fund balance (the total of the assigned and unassigned components of fund balance) in the General Fund at 2017 year end was \$9,373,116, compared to a 2016 year-end balance of

\$3,541,414. The 2017 balance represents 50% of General Fund revenues (vs. 23% in 2016) and 55% of General Fund expenditures (vs. 22% in 2015). The Government Finance Officers Association suggests two months, or 17% of General Fund annual expenditures to be lowest acceptable minimum unrestricted fund balance. The possibility of a catastrophic wild fire is a perceived risk in Grand County. We anticipate the costs to be in excess of \$100,000 per incident for wild fires. Settlements with various responding agencies and the State historically have taken years to process. The County is preparing for this eventuality both by building the County fund balance, increasing the capacities of our emergency preparedness teams to have the training and resources required to mitigate such a disaster, and participation in the Colorado Emergency Fire Fund. With the exception of necessary County road projects and airport pavement maintenance, the Board of County Commissioners has limited future commitments to maintain balanced operating budgets.

AWARDS AND ACKNOWLEDGMENTS - The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Grand County, Colorado for its comprehensive annual financial report for the fiscal year ended December 31, 2016.

This was the twenty-sixth consecutive year that the County government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for continuing certification.

We wish to express our gratitude and appreciation to the Grand County Board of County Commissioners. Their active involvement and oversight in the financial affairs of the County has not only fulfilled their obligations to the public, but has maintained services the public demands. We acknowledge the effort of the Grand County Accounting Department staff in the preparation of this annual report as well as the guidance and technical support provided by our independent auditors, McMahan and Associates, L.L.C.

Respectfully submitted,



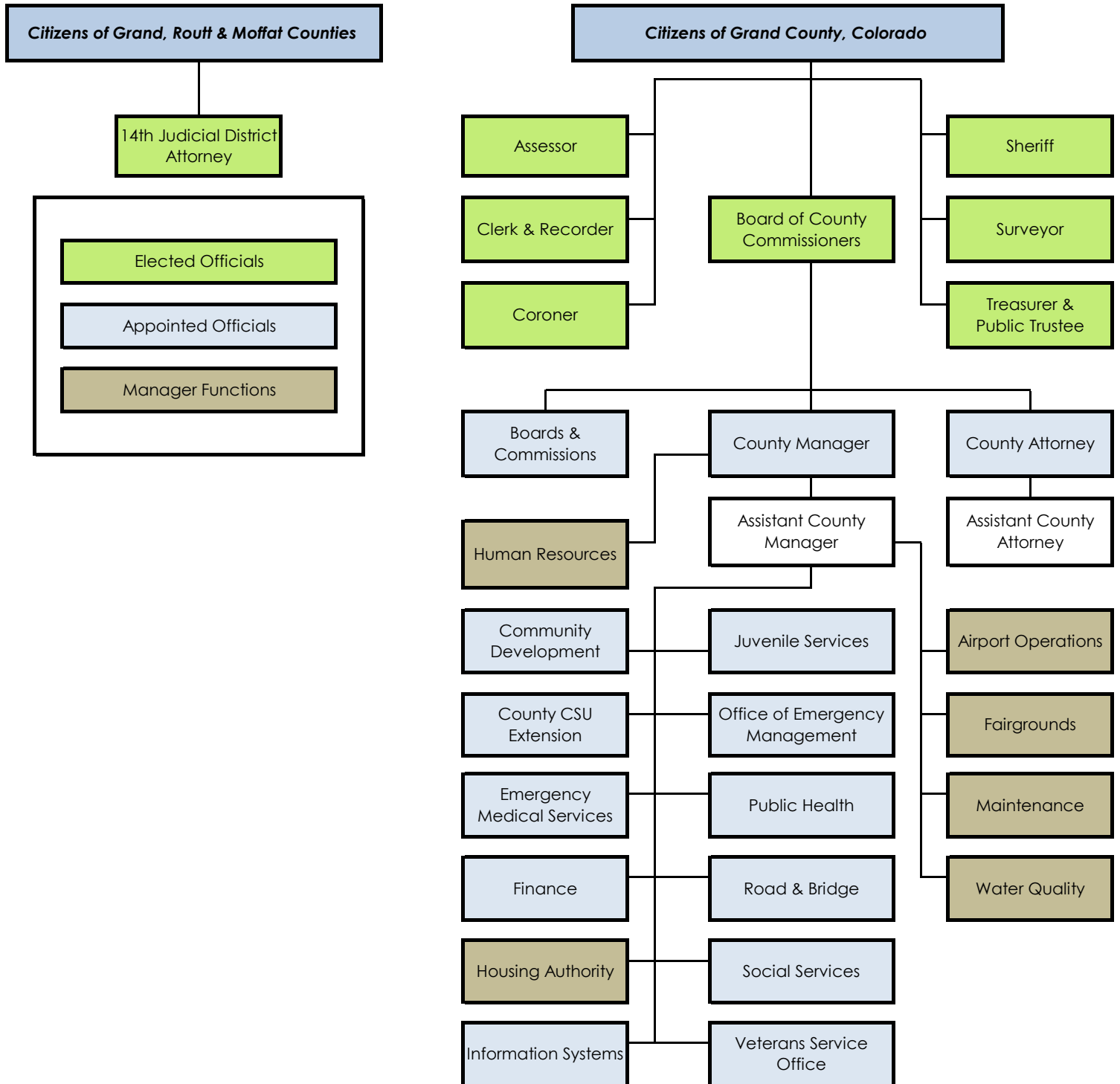
Lee Staab
County Manager



Curtis Lange
Finance Director

Organizational Chart

Effective September 6, 2016



Grand County, Colorado

List of Elected Officials

December 31, 2017

Name	Position	In Office Since	Current Term Expires January
Brenda L. Bock	Coroner	January, 2008	2019
Merrit Linke, Chairman	Commissioner - District 2	January, 2013	2021
Brett Schroetlin	Sheriff	January, 2015	2019
Richard Cimino	Commissioner - District 1	January, 2017	2021
Brett Barkey	14 th Judicial District Attorney	January, 2009	2021
Sara L. Rosene	Clerk & Recorder	January, 1991	2019
Kristen Manguso	Commissioner - District 3	January, 2015	2019
Warren D. Ward	Surveyor	January, 1991	2019
Thomas Weydert	Assessor	January, 2008	2019
Christina M. Whitmer	Treasurer & Public Trustee	January, 1993	2019

Grand County, Colorado

List of Appointed Principal Officials

December 31, 2017

<u>Name</u>	<u>Position</u>	<u>Length of Service</u>
E. Brene Belew-LaDue	Public / Home Health Director	15 years
Curtis Lange	Finance Director	2 years
Debra Ruttenburg	Human Services Director	11 years
Lee Staab	County Manager	1 year
Duane E. Dailey	Veterans Officer	18 years
Alan Hassler	County Attorney	3 years
Chris Baer	Road & Bridge Superintendent	21 years
Travis Hoesli	County CSU Extension Agent	6 years
Ray K. Jennings, Jr.	Emergency Medical Services Chief Office of Emergency Management	15 years
Kelly L. Curran Friesen	Juvenile Services Director Senate Bill 94 Coordinator	22 years
Thomas Leatherwood	Community Development Director	1 year
Kirk Magnusson	Information Systems Director	1 year

Note - Length of Service calculations from original hire date.



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Grand County
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

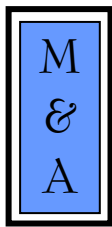
Christopher P. Morill

Executive Director/CEO

Financial Section

Financial Section

Independent Auditors' Report



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INDEPENDENT AUDITOR'S REPORT

**To the Board of County Commissioners
Grand County, Colorado**

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 Grand County, Colorado (the "County"), as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including 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 County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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

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INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Grand County, Colorado

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 Grand County, Colorado as of December 31, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages B-4 through B-14 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.

The budgetary comparison schedules in section E are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. These budgetary comparison schedules have been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The Introductory Section, the combining and individual fund financial statements and individual fund budgetary schedules in section F, the Local Highway Finance Report in section G, and the Statistical Section, as listed in the accompanying Table of Contents, are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining and individual fund financial statements and individual fund budgetary schedules in section F, and the Local Highway Finance Report in section G are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The Introductory and Statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Grand County, Colorado

Other Matters (continued)

Additionally, the Schedule of Expenditures of Federal Awards is presented for the purpose of additional analysis, as required by Title 2, U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance") and is not a required part of the County's financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2018 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 County's internal control over financial reporting and compliance.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
June 28, 2018

Financial Section

Management's Discussion and Analysis (Unaudited)

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the Grand County, Colorado (the County) annual financial report, the County's management is pleased to provide this introduction, overview, and analysis of the basic financial statements for the calendar year ended December 31, 2016. The County's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section.

Financial Highlights -

- Total assets and deferred outflows of resources on Grand County's Government-wide Statement of Net Position, were greater than total liabilities at the close of the fiscal year by \$67 million (*net position*).
- Total ending net positions from governmental activities, increased \$2.2 million from the previous year.
- As of the end of the current fiscal year, the County's business-type activities, (Colorado Sewer Enterprise Fund and Grand County Housing Authority), reported a decrease in net position of (\$22 thousand). This is because total business type expenses exceeded total business type revenues. Two of the three Grand County Housing Authority properties have net deficits primarily from investments in capital assets depreciation charges. These senior housing projects have positive cash flow and are considered viable. The Colorado Sewer Enterprise Fund experienced a \$29 thousand increase in net position from 2016. On a long-term view the County's business type funds will continue to realize challenging operations. Housing Authority projects are heavily dependent on federal capital funding and Medicaid rent subsidies.
- Governmental activities capital expenditures was \$2 million in the current year, \$228 thousand of which was primarily or partially financed with grant funding and donations. Capital investment provides long term benefits. Supporting and improving infrastructure is essential to economic growth. All capital expenditures continue to be closely monitored.
- Overall, the County continues to maintain a strong financial position through maintaining fund balances for future needs. Maintaining adequate fund balances ensures the County is in a position to address major issues and accomplish major projects without burdening the community with requests for additional taxes.

The above financial highlights are explained in more detail in the "financial analysis" section of this document.

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Discussion of the Basic Financial Statements –

This discussion and analysis introduces the County's basic financial statements. The basic financial statements include three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements. Comparative data is presented when available. The County has component units, the Housing Authority of the County of Grand, Colorado dba the Grand County Housing Authority, and the Pole Creek Meadows Grand County Public Improvement District. Both entities are treated as blended component units, meaning their funds are reported as funds of the County, because their Boards are the same as the Board of County Commissioners.

Government-wide Financial Statements –

The County's annual report includes two government-wide financial statements. The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the Statement of Net Position which includes all of the County's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other non-financial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The second government-wide statement is the Statement of Activities which reports how the County's net position changed during the current calendar year. It includes all current year revenues and expenses, regardless of when cash is received or paid. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flow in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). An important purpose of the design of the Statement of Activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

The government-wide financial statements distinguish *governmental activities* of the County, that are principally supported by taxes and intergovernmental revenues, from *business-type activities*, that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public health, streets and highways, public safety, public welfare, auxiliary services and judicial functions.

Business-type activities include the Colorado Sewer Enterprise Fund accounting for the operation of a one-third interest of facilities in connection with the collection and treatment of sewage in the County's unincorporated area called Tabernash, and the operation of senior housing facilities of the Housing Authority of the County of Grand, Colorado (dba Grand County Housing Authority).

The government-wide financial statements can be found on pages C-1 and C-2 of this report.

Fund Financial Statements –

A fund is the grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like all local governments, uses funds to ensure and demonstrate compliance with finance related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in a later section of this report. The County has three kinds of funds; governmental funds, proprietary funds, and fiduciary funds.

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Governmental Funds –

The Governmental Funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the fiscal year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements and reconciliations are presented on pages C-3 through C-6 of this report.

Proprietary Funds –

The Proprietary Funds are reported in the fund financial statements and reflect services for which the County charges customers a fee. The County's proprietary funds are all classified as enterprise funds. Enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements.

The Colorado Sewer Enterprise Fund accounts for providing services to customer's external to the County organization for sewerage services as described above. Operations are reported on page F-14 of this report.

The Grand County Housing Authority is reported in multiple funds in this report. The administrative functions of the operation are reported as a non-major revenue fund in governmental financials and the three property operating functions are reported by individual property as proprietary funds. Individual property operations are reported on pages F-15 through F-17

The basic proprietary enterprise funds financial statements are presented on pages C-7 through C-9 of this report.

Fiduciary Funds-

The Fiduciary Funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds used by the County account for the County Treasurer and Public Trustee, the County Clerk and Recorder and the County Sheriff, all of whom collect and hold assets on behalf of other individuals and governments. The Colorado State Highway 9 Fund holds assets from a private contributor for highway improvements.

The Fiduciary Funds basic financial statement is presented on page C-10 of this report. Individual funds activity is reported on page F-18 of this report.

Notes to the Basic Financial Statements –

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements.

The notes to the basic financial statements are presented in the "D" section of this report with an index on page D-1.

Condensed Government-wide Comparative Financial Data for the Current and Prior Fiscal Periods

Assets, Liabilities and Net Position for the Current and Prior Fiscal Periods –

	Summary of Government-wide Statement of Net Position					
	Governmental Activities		Business Activities		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Current assets	\$ 37,562,718	\$ 31,732,030	\$ 376,064	\$ 283,879	\$ 37,938,782	\$ 32,015,909
Internal balances	(43,647)	(31,150)	43,647	31,150	-	-
Non-current assets	380,694	415,168	314,917	284,054	695,611	699,222
Capital assets	47,696,691	49,600,323	2,056,056	1,954,792	49,752,747	51,555,115
Total assets	85,596,456	81,716,371	2,790,684	2,553,875	88,387,140	84,270,246
Liabilities						
Current liabilities	3,981,561	3,233,926	245,907	187,417	4,227,468	3,421,343
Non-current liabilities	3,841,874	3,811,485	2,317,936	2,294,816	6,159,810	6,106,301
Total liabilities	7,823,435	7,045,411	2,563,843	2,482,233	10,387,278	9,527,644
Deferred Inflows of Resources						
Deferred inflows of resources	11,174,279	10,237,760	187,019	9,295	11,361,298	10,247,055
Total liabilities and deferred inflows of resources	18,997,714	17,283,171	2,750,862	2,491,528	21,748,576	19,774,699
Net position						
Net investment in capital assets	47,605,351	49,600,323	(298,972)	(374,921)	47,306,379	49,225,402
Net position - restricted	4,224,365	2,752,621	292,831	260,051	4,517,196	3,012,672
Net position - unrestricted	14,769,026	12,080,256	45,963	177,217	14,814,989	12,257,473
Total net position	\$ 66,598,742	\$ 64,433,200	\$ 39,822	\$ 62,347	\$ 66,638,564	\$ 64,495,547

Total Government-wide assets (\$88.6 million) increased \$4.3 million. Total liabilities and deferred inflows of resources (\$21.8 million) increased \$2 million, from the prior year. As a result, total net position (\$66.7 million), increased (\$2.2 million) in the current fiscal year from 2016. By far the largest portion of the County's net position (71%) reflects its investment in capital assets (e.g. land, buildings, machinery, equipment and infrastructure). The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

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Statements of Activities and Changes in Net Position for the Current and Prior Fiscal Periods –

Summary of Government-wide Statement of Activities and Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program:						
Charges for services	\$ 4,965,920	\$ 4,429,835	\$ 1,240,387	\$ 1,237,047	\$ 6,206,307	\$ 5,666,882
Operating grants	9,109,365	9,604,432	1,528	1,527	9,110,893	9,605,959
Capital grants & contributions	228,102	89,031	15,065	28,880	243,167	117,911
General:						
Property Taxes	10,177,981	9,985,798	-	-	10,177,981	9,985,798
Sales Taxes	5,571,025	3,912,637	-	-	5,571,025	3,912,637
Other Taxes	2,063,014	1,430,875	36,229	34,565	2,099,243	1,465,440
Investment Earnings	197,502	203,979	-	1,571	197,502	205,550
Miscellaneous	697,077	490,578	23,986	20,249	721,063	510,827
Total revenues	33,009,986	30,147,165	1,317,195	1,323,839	34,327,181	31,471,004
Program Expenses:						
General government	10,435,302	11,391,607	-	-	10,435,302	11,391,607
Public health	4,122,252	4,017,355	-	-	4,122,252	4,017,355
Streets & highways	5,475,181	5,402,084	-	-	5,475,181	5,402,084
Public safety	4,929,047	4,954,708	-	-	4,929,047	4,954,708
Public welfare	2,011,919	2,214,398	-	-	2,011,919	2,214,398
Auxiliary services	2,888,764	2,948,243	-	-	2,888,764	2,948,243
Judicial	941,892	894,989	-	-	941,892	894,989
Colorado Sewer Enterprise Fund	-	-	139,666	174,789	139,666	174,789
Grand County Housing Authority	-	-	1,240,145	1,246,913	1,240,145	1,246,913
Total expenses	30,804,357	31,820,384	1,379,811	1,421,702	32,184,168	33,245,086
Change in net position						
before transfers	2,205,629	(1,673,219)	(62,615)	(97,863)	2,143,014	(1,771,082)
Transfers	(40,091)	(22,767)	40,091	22,767	-	-
Change in net position	2,165,538	(1,695,986)	(22,524)	(75,096)	2,143,014	(1,771,082)
Beginning net position (deficit)	64,433,204	66,129,001	62,347	137,443	64,495,551	66,266,444
Ending net position (deficit)	\$ 66,598,742	\$ 64,433,015	\$ 39,823	\$ 4	\$ 66,638,565	\$ 64,495,362

Total government wide fund balance increased 2.1 million. This was due to a decrease in appropriations for expenditures in 2017, and increases in revenue.

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Governmental Funds -

Governmental funds reported in the fund financial statements are presented with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements.

Governmental Funds Balance Sheet -

The Governmental Funds Balance Sheet, page C-3, reported total ending fund balance of \$23.3 million, an increase of \$4.1 million in comparison with the prior year. Approximately 40% of this total is available for spending at the government's discretion. Unassigned fund balance (\$6.3 million) indicates availability for continuing County general program usage. Assigned fund balance (\$2.9 million), has been designated for specific uses either through separate fund designations or within the operation of the General fund. The Board of County Commissioners may at their discretion redirect committed and assigned fund balance.

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

The Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances, page C-5, shows an increase in fund balance of \$4.1 million for the current year. Key factors in this include: Total revenues (\$36 million) increased by 2.9 million from the prior year while expenditures remained flat.

Governmental Funds Revenues -

Property tax revenue to the County increased \$192 thousand in 2017. The County continues to rely on property tax revenue, (\$10.2 million) in the current year, making up 28% of total revenue.

Sales tax revenue (\$5.6 million) increased \$1.7 million (42%) from the prior year. Sales tax collections have been increasing for the past several years, as the Front Range economy expands, and now makes up 15% of total revenue. Taxes classified as "Other" (\$1.7 million) increased by 22%. Other taxes reflect the current years increase in lodging taxes. These are both positive signs for our economy which is heavily based on tourism and the related second home market.

Charges for services (\$6.7 million) increased \$230 thousand. Charges for services provides 6% of total revenues. Revenue recognition software and operating procedures has increased the management focus on charges for services.

A majority of remaining revenue (\$10 million of \$11.8 million) is supplied by intergovernmental grants for operations and capital purchases. Operating and capital grants provided 28% of revenues.

Governmental Expenditures -

Current expenditures, include personnel and operating expenditures, are summarized by government functional activity on page C-5. Total expenditures increased in the current year (\$8 thousand). Capital outlay, (\$2.1 million), increase \$1.1 million. See page B-11 and B-12 for greater detail on capital expenditures.

Business-type Activities -

The County's business-type activities include the proprietary funds containing the operations of four discrete enterprises; 1) Colorado Sewer Enterprise, the one-third interest in the operation of the sewage collection infrastructure and treatment plant for an unincorporated area of Grand County known as Tabernash, and the Housing Authority of Grand County, Colorado dba Grand County Housing Authority which administers Section 8 and low-income federal programs and oversees the operation of 2) Silver Spruce Senior Apartments and 3) Grand Living Senior Homes as well as the 4) Cliffview Senior Living Center.

Colorado Sewer Enterprise –

The Colorado Sewer Enterprise Fund accounts for providing services to customers external to the County organization for sewerage services. Total operating revenue, \$155 thousand, decreased \$12 thousand. Total operating expenses, \$88 thousand, decreased \$33 thousand. Net position, \$401 thousand, increased \$30 thousand.

Housing Authority of Grand County, Colorado dba Grand County Housing Authority -

The Grand County Housing Authority is reported in multiple funds in this report. The administrative functions of the operation are reported as a non-major special revenue fund in governmental financials and the property ownership functions are reported by individual property as proprietary funds. The proprietary fund total operating revenue, \$1.1million, decreased \$2 thousand. Total operating expenses, \$1.0 million, decreased \$8 thousand and beginning net position, (-\$310 thousand), decreased, \$74 thousand, to end the year at (-\$361) thousand. The administrative fund total operating revenue, \$200 thousand, decreased \$185 thousand. Total operating expenses, \$171 thousand, decreased \$25 thousand and beginning net position, \$108 thousand, increased \$6 thousand to end the year at \$114 thousand.

Significant Balances and Operations Analysis of the Major Funds –

The General Fund –

The General Fund is the County's primary operating fund and the largest source of day-to-day service delivery containing all the statutory and administrative operating functions. Shown on pg. E-1, the fund's total revenue of \$18.8 million, increased \$3.1 million in the current year. Most of this increase (2.2 million) was due to the eliminations of the Sales Tax Fund in 2017. Most of those revenues are now included in the General Fund. The General Fund's total expenditures, \$17.0 million, increase \$325 thousand compared to the prior year. Personnel cost equated to \$182 of the \$325 increase. Operating costs made up the other \$143 thousand increase.

The Road & Bridge Fund –

The Road & Bridge Fund accounts for the costs associated with the maintenance and construction of the County roads and bridges and is funded primarily by property taxes and state and federal sources of revenue. Total revenues for 2017 increased \$2.4 million. \$2.0 million of this increase was due to the elimination of the Sales Tax Fund, which is now posted to the Road and Bridge Fund. The Road and Bridge Fund is combined with the Payment in lieu of Taxes Fund (PILT) for financial statement reporting. Total expenditures (\$4.8 million) increased \$130 thousand (3%) in the current year. The Road and Bridge fund transferred (\$200 thousand) to the Major Capital Fund for the purchase of new equipment. Together, the Road and Bridge and PILT funds ended 2017 with a total fund balance of \$7.9 million, an increase of 46% from 2016.

Emergency Medical Services-

The Emergency Medical Services Fund accounts for the operations of the County owned ambulance service. Property tax and charges for services are primary sources of revenue for the fund. Total 2017 revenues of \$3.5 million, is an increase of 4% from 2016. This was primarily due to increased collections for charges for services, of \$83 thousand. Current year total expenses, \$3.4 million, decreased \$10 thousand. The Emergency Management Services Fund balance at year end increased \$64 thousand, (15.5%). This is an improvement from 2016 when fund balance decreased \$80 thousand. The County is focused on continuing the growth of the Emergency Medical Services fund balance to ensure that future needs are covered as they occur.

The Sales Tax Fund –

The Sales Tax Capital Improvement Fund was closed in 2017 on the advice of the County's financial auditors. Revenue did not fall within the guidelines of a Special Revenue fund. Revenue is no longer a reported separately in the Sales Tax fund. Balances in the amount of \$5.1 million were transferred into the General fund.

The Major Capital Improvement Fund –

The Major Capital Improvement Fund accounts for major capital expenditures (those in excess of \$5,000 in accordance with the County capitalization policy). Total expenditures (\$2.1 million in 2017), increased (\$1.1 million) from (\$994,018) in 2016. Significant expenditures were made for Sheriff, Jail and Animal control department vehicles \$409 thousand. Other expenditures included road infrastructure; \$674 thousand, including improvements to CR8 and CR5; \$230 thousand for improvements to the Kremmling Airport (\$228,102 covered by FAA and CDOT grants). The Dispatch Fund also had a capital additional of \$25,000 for a tower easement. Additional information is found on page B-12, Net Change in Capital asset investment.

Capital Asset Activity –

The governmental activities current investment in capital assets as of December 31, 2017 is 47.7 million (net of accumulated depreciation; Book Value). This investment in capital assets includes buildings and improvements, machinery, equipment and infrastructure. Governmental capital investment by function (net of accumulated depreciation; Book Value) at year end included; streets & highways \$18.5 million, primarily infrastructure and road maintenance equipment; judicial \$7.6 million for the County Courthouse building and court security equipment. general government \$7.3 million, primarily buildings, land and land improvements, equipment, computers, software; auxiliary \$9.2 million which includes investments in the County airports and fairgrounds; and public safety \$3.5 million, including sheriff, jail and animal control vehicles, dispatch consoles and communication towers and radios and other building and security enhancements; public health \$1.6 million, primarily ambulances, vehicles and equipment for emergency medical services including some buildings. Various other items making up the balance in the public welfare function.

During 2017, the County disposed of \$791,537 in primarily equipment with a net book value of \$99,297. The some of the disposed assets were replaced with newer equipment. There were no long-term debt obligations related to the acquisition of these disposed assets. This and other capital asset activity is further described in notes to the basic financial statements, Note 3-E Capital Assets.

Major capital assets purchases in the current fiscal year were \$2,085,199 and included the following:

Primary Government-Government Activities		
Net Change in Capital Asset Investment		
Capital Asset Category	Details	Total
Land improvements, including		
Airport asphalt, runway, taxiway	\$ 229,876	
Parking lot	12,642	
Dispatch Tower easement	25,000	\$ 267,518
Machinery and equipment, including		
General, including		
County Recorder - Online Public Record search engine	58,291	
IT - ExaGrid Backup System & Sheriff Phone System	140,595	198,886
Airport Beacon		9,000
Public Safety, including		
Sheriff, Jail & Animal control vehicles		409,297
Streets & Highways	496,801	1,113,984
Infrastructure; road maintenance asphalt & gravel		673,657
Infrastructure; Construction in Progress- CR 3 Culverts		30,040
Total Additions		\$ 2,085,199
Less: Deductions		(791,537)
Net Change in Capital Asset Investment		\$ 1,293,662

The business-type activities investment in capital assets net of depreciation, increased (\$101 thousand) from 2016. Business Capital assets activity is further described in note to the basic financial statement, Note 3-E Capital Assets.

Long-term Debt Activity –

At the end of 2017, the County had capital lease debt of \$91 thousand. This lease provided for the purchase of a computer system backup server to replace inadequate equipment. In 2013 the Pole Creek Meadows, Grand County, Colorado Public Improvement District issued a bond to finance its improvements. The bond is being repaid with a District property tax increment that began in 2014.

Employee Benefits include Severance and Compensated absences. Employee benefits increased \$164 thousand by year end. Compensated absences are primarily a result of employees accumulating earned vacation at a rate lower than they are taking vacation. Employee benefits also includes an accumulated sick pay allotment and severance as explained in note 3-G-1.

The calculated landfill post-closure care costs total \$2.8 million. This liability is revised from financial assurance cost estimates which are updated every 5 years. The Granby landfill closure activity was completed in 2014. Post-closure liabilities remain to cover the need for ongoing monitoring.

MANAGEMENT'S DISCUSSION AND ANALYSIS (Unaudited)
As of And For The Year Ended December 31, 2017

Grand County, Colorado

Principal and interest note payments related to the County's Business-Type Activities were normal, scheduled repayments of these loans. The Colorado Sewer Enterprise fund loans are financed from special assessments paid by the users of the waste water collection and processing facility. The Grand County Housing Authority loans are repaid through charges for services, operating grants and contributions.

Long-term debt comparative balances are summarized in the following table:

	Governmental Activities		Business-Type Activities		Totals		Percent Change
	2017	2016	2017	2016	2017	2016	
Capital Leases	\$ 91,340	\$ -	\$ -		\$ 91,340	\$ -	
Employee Benefits	\$ 1,314,707	\$ 1,218,479	\$ -	\$ 509	\$ 1,314,707	\$ 1,218,988	8%
Landfill							
Post-closure costs	2,787,488	2,789,087	-	-	2,787,488	2,789,087	0%
Pole Creek Meadows PID	358,000	411,000	-	-	358,000	411,000	-13%
Notes Payable CO Sewer	-	-	462,327	475,916	462,327	475,916	-3%
Loans Payable GCHA	-	-	1,769,336	1,811,224	1,769,336	1,811,224	-2%
Total	\$ 4,460,195	\$ 4,418,567	\$ 2,231,663	\$ 2,287,649	\$ 6,691,858	\$ 6,706,216	0%

Long-term debt activity is further described in notes to the basic financial statements, Note 3-G-1 *Non-Current Liabilities*.

Conditions of Future Significance –

Property taxes are a primary revenue stream for the County. Valuation on total taxable property declined (1.6 million) overall (-.2%) in 2017 leaving values close to the 2006 total assessed value level. \$10.2 million in property tax revenues were collected in 2017. Property taxes are budgeted to increase by approximately \$600 thousand in 2018.

Sales taxes are another primary revenue stream for the County. Since sales taxes are an “elastic” revenue stream, tax collections are higher in a flourishing economy and are lower in a depressed economy. The County is experiencing increasing tourism and economic activity. The 2017, \$5.6 million sales tax revenues showed a 44% increase over 2016 sales tax revenue of \$3.9 million.

Lodging tax collected for 2017 was up 14% over the previous year. This continues an upward trend in local tourism.

Real estate sales, development and construction are primary industries for the County. It is predominantly focused on second home markets and follows the tourist economy. Building permits increased from 589 in 2016 to 655 (11%) in 2017. The valuation of those permits increased from \$42.3 million in 2016 to \$54.9 million (30%) in 2017.

The condition of county roads has been deteriorating with the prudent but tough financial decisions of the past several years. Road improvements accounted for 32% of 2017 capital expenditures. The budgeted expenditures for 2018 include an increase in major capital expenditures of \$1.4 million. In 2018, 3.0 million is budgeted to replace aging road maintenance equipment and for major road replacement projects to include asphalt and CR 3 Culverts.

Management expects that the total fund balance, including all funds, will increase by approximately \$1.3 million in 2018. Budgeted revenues were increased from 2017 actual levels by \$2.8 million. Departmental staffing decreases are being maintained for all but a few departments. The Commissioners continue to make tough and prudent financial decisions. The 2018 budget is focused on strategic planning priorities that will be enabled with the implementation of zero based budgeting.

Contacting the County's Financial Management –

This financial report provides a general overview of the County's finances, complies with finance-related laws and regulations, and demonstrates the County's commitment to public accountability. If you have, questions about this report or would like to request additional information, including financial statements for the component units, contact the Grand County Finance Director, Post Office Box 264, Hot Sulphur Springs, CO 80451.

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Financial Section

Basic Financial Statements

The primary users of financial statements of businesses are investors and creditors. Investors desire information useful in assessing a business's ability to provide a satisfactory return on their investment. Creditors seek information useful in assessing a business's ability to repay what it owes in a timely manner.

Investors and creditors are also primary users of local government financial statements, where they are joined by two other primary users groups; citizens and legislative and oversight bodies. These last two groups desire additional information useful for decisions involving resource allocation and legal compliance (e.g., budgeting). That is, the financial statements of local governments must meet the needs of three groups of users rather than just one, which is the principal reason they differ so visibly from the financial statements of a private-sector business.

Financial Section

Government-Wide Financial Statements

The financial report of a typical local government will open with a set of government-wide financial statements. These government-wide financial statements present much the same type of information provided in the financial statements of a private-sector business.

The data found in the government-wide financial statements normally are too aggregated to meet the needs of users with a special interest in resource allocation and legal compliance. Therefore, local governments also present up to three additional sets of fund financial statements that provide less aggregated data better suited to the needs of such users.

Grand County, Colorado
Government-Wide Statement of Net Position
December 31, 2017

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Current Assets			
Deposits and investments (Note 3-A)	\$ 22,818,152	\$ 248,476	\$ 23,066,628
Prepaid items	85,168	14,661	99,829
Receivables: (Note 3-B)			
Accounts, net	2,132,437	76,799	2,209,236
Property taxes (Note 3-D)	10,463,355	-	10,463,355
Other taxes	190,232	-	190,232
Special assessments	-	36,128	36,128
Intergovernmental	1,533,083	-	1,533,083
Internal balances	(43,647)	43,647	-
Inventories	98,352	-	98,352
Restricted current assets (Note 1-E-6)	241,939	-	241,939
Total Current Assets	37,519,071	419,711	37,938,782
Non-Current Assets			
Notes receivable, net (Note 3-C)	114,028	-	114,028
Restricted non-current assets (Note 3-A)	-	314,917	314,917
Other assets	266,666	-	266,666
Capital assets: (Note 3-E)			
Nondepreciable capital assets	3,950,252	64,453	4,014,705
Depreciable capital assets, net	43,746,439	1,991,603	45,738,042
Total Non-Current Assets	48,077,385	2,370,973	50,448,358
Total Assets	85,596,456	2,790,684	88,387,140
Liabilities			
Current Liabilities			
Accounts payable	1,856,450	162,070	2,018,520
Due to other governments	1,192,049	-	1,192,049
Accrued interest payable	-	15,721	15,721
Accrued other expenses	-	8,786	8,786
Capital Leases (Note 3-G)	22,255	-	22,255
Employee benefits payable (Note 3-G)	530,164	-	530,164
Employee insurance claims payable (Note 4-A)	223,403	-	223,403
Landfill post-closure costs (Note 3-G)	103,240	-	103,240
Loans & mortgages payable (Note 3-G)	54,000	59,330	113,330
Total Current Liabilities	3,981,561	245,907	4,227,468
Non-Current Liabilities (Note 3H)			
Tenant security deposits	-	22,238	22,238
Capital Leases (Note 3-G)	69,085	-	69,085
Employee benefits payable (Note 3-G)	784,543	-	784,543
Landfill post-closure costs (Note 3-G)	2,684,246	-	2,684,246
Loans and mortgages payable (Note 3-G)	304,000	2,295,698	2,599,698
Total Non-Current Liabilities	3,841,874	2,317,936	6,159,810
Deferred Inflows of Resources			
Deferred property tax revenue	10,911,097	-	10,911,097
Deferred special assessment revenue	-	36,128	36,128
Deferred other revenue	263,182	150,891	414,073
Total Deferred Inflows of Resources	11,174,279	187,019	11,361,298
Total Liabilities and Deferred Inflows of Resources	18,997,714	2,750,862	21,748,576
Net Position			
Net investment in capital assets	47,605,351	(298,972)	47,306,379
Restricted for:			
Open lands, rivers and trails	1,267,461	-	1,267,461
Social programs	859,955	-	859,955
TABOR amendment (Note 4-C)	850,000	-	850,000
Other purposes	1,246,949	292,831	1,539,780
Unrestricted	14,769,026	45,963	14,814,989
Total Net Position (Deficit)	\$ 66,598,742	\$ 39,822	\$ 66,638,564

Grand County, Colorado
Government-Wide Statement of Activities
For the Year Ended December 31, 2017

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Expenses							
Primary Government							
Governmental Activities:							
General government	\$ 10,435,302	\$ 1,129,876	\$ 954,948	\$ -	\$ (8,350,478)	\$ -	\$ (8,350,478)
Public health	4,122,252	2,427,836	343,595	-	(1,350,821)	-	(1,350,821)
Streets & highways	5,475,181	320,584	4,419,767	-	(734,830)	-	(734,830)
Public safety	4,929,047	359,392	887,148	-	(3,682,507)	-	(3,682,507)
Public welfare	2,011,919	-	2,100,085	-	88,166	-	88,166
Auxiliary services	2,888,764	728,232	326,991	228,102	(1,605,439)	-	(1,605,439)
Judicial	941,892	-	76,831	-	(865,061)	-	(865,061)
Total Governmental Activities	30,804,357	4,965,920	9,109,365	228,102	(16,500,970)	-	(16,500,970)
Business-Type Activities:							
Colorado Sewer Enterprise	139,666	116,752	-	15,065	-	(7,849)	(7,849)
Grand County Housing Authority	1,240,145	1,123,635	1,528	-	-	(114,982)	(114,982)
Total Business-Type Activities	1,379,811	1,240,387	1,528	15,065	-	(122,831)	(122,831)
Total - Primary Government	\$ 32,184,168	\$ 6,206,307	\$ 9,110,893	\$ 243,167	(16,500,970)	(122,831)	(16,623,801)
General Revenues							
Property taxes					10,177,981	-	10,177,981
Sales taxes					5,571,025	-	5,571,025
Other taxes					2,063,014	36,229	2,099,243
Investment earnings					197,502	-	197,502
Gain on sale of capital assets					3,083	-	3,083
Miscellaneous					693,994	23,986	717,980
Total General Revenues					18,706,599	60,215	18,766,814
Change in Net Position Before Transfers					2,205,629	(62,616)	2,143,013
Transfers					(40,091)	40,091	-
Change in Net Position					2,165,538	(22,525)	2,143,013
Net Position, Beginning of Year					64,433,204	62,347	64,495,551
Net Position, End of Year					\$ 66,598,742	\$ 39,822	\$ 66,638,564

Financial Section

Fund Financial Statements

The use of public resources typically is constrained by legal restrictions and similar limitations. Some of these constraints are imposed by outside parties (e.g., higher level governments, grantors, creditors); others reflect limitations that the government itself has placed upon the use of resources. Local governments historically have established separate funds to help ensure and demonstrate compliance with such constraints.

A fund is a tool that accountants use to segregate resources related to specific activities (e.g., highway construction). Originally, each fund represented a separate bank account. In more recent decades, the funds have come to functions, for the most part, as simple bookkeeping devices designed to facilitate budgeting and to ensure legal compliance.

A private-sector enterprise that operates multiple lines of business will provide segment disclosures in the notes to its financial statements to allow financial statement users to assess each operating segment of the business separately. The funds of a local government might be compared to the operating segments of a private-sector business.

The government-wide financial statements, like those of a private-sector business, report everything a government owns (i.e., assets) and everything it owes (i.e., liabilities). Some of those assets (e.g., land, buildings, improvements, equipment, infrastructure) and some of those liabilities (e.g., long-term debt) have no practical effect on near-term liquidity.

Government funds are designed to focus on near-term liquidity. Consequently, governmental funds present only the subset of assets (i.e., financial assets) and the subset of liabilities (i.e., those normally expected to be liquidated with current financial resources) considered to be relevant for assessing liquidity.

Grand County, Colorado
Governmental Funds
Balance Sheet
December 31, 2017

	General Fund	Road and Bridge Fund	Emergency Medical Services Fund	Sales Tax Fund	Major Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
Assets							
Deposits and investments - unrestricted	\$ 10,303,538	\$ 7,555,667	\$ 171,380	\$ -	\$ 977,411	\$ 3,810,156	\$ 22,818,152
Deposits and investments - restricted	54,874	-	-	-	42,735	144,330	241,939
Prepaid items	80,512	1,180	48	-	-	3,428	85,168
Receivables							
Accounts - net	865,390	377,300	460,073	-	130,996	298,678	2,132,437
Property taxes	8,436,843	224,185	1,368,280	-	49,471	384,576	10,463,355
Other taxes	-	-	-	-	-	190,232	190,232
Intergovernmental	36,946	1,405,971	-	-	-	90,166	1,533,083
Interfund	405	40,000	29,498	-	212,265	42,465	324,633
Inventories	-	52,841	-	-	-	45,511	98,352
Other assets	266,666	-	-	-	-	-	266,666
Total Assets	\$ 20,045,174	\$ 9,657,144	\$ 2,029,279	\$ -	\$ 1,412,878	\$ 5,009,542	\$ 38,154,017
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	\$ 688,942	\$ 351,525	\$ 113,268	\$ -	\$ 585,443	\$ 117,272	\$ 1,856,450
Due to other governments	-	1,192,049	-	-	-	-	1,192,049
Employee insurance claims payable	223,403	-	-	-	-	-	223,403
Interfund payable	83,474	-	6,064	-	18,151	260,590	368,279
Total Liabilities	995,819	1,543,574	119,332	-	603,594	377,862	3,640,181
Deferred Inflows of Resources							
Unavailable property tax revenue	8,796,320	233,653	1,426,554	-	51,578	402,992	10,911,097
Deferred other revenue	-	-	-	-	-	263,182	263,182
Total Deferred Inflows of Resources	8,796,320	233,653	1,426,554	-	51,578	666,174	11,174,279
Total Liabilities and Deferred Inflows of Resources	9,792,139	1,777,227	1,545,886	-	655,172	1,044,036	14,814,460
Fund Balances							
Nonspendable	80,512	54,021	48	-	-	48,939	183,520
Restricted	904,874	-	-	-	42,735	3,276,756	4,224,365
Committed	-	7,825,896	483,345	-	714,971	639,811	9,664,023
Assigned	2,944,608	-	-	-	-	-	2,944,608
Unassigned	6,323,041	-	-	-	-	-	6,323,041
Total Fund Balances	10,253,035	7,879,917	483,393	-	757,706	3,965,506	23,339,557
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 20,045,174	\$ 9,657,144	\$ 2,029,279	\$ -	\$ 1,412,878	\$ 5,009,542	\$ 38,154,017

See accompanying notes to the basic financial statements

Grand County, Colorado
Reconciliation of the Balance Sheet of Governmental Funds
To the Statement of Net Position
December 31, 2017

Governmental Funds, Total Fund Balance		\$ 23,339,557
Amounts reported for governmental funds balance sheet and the government-wide 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		
Cost - nondepreciable		3,950,252
Cost - depreciable	\$ 88,502,368	
Less accumulated depreciation	<u>(44,755,929)</u>	43,746,439
Certain assets are not due and receivable in the current period and therefore are not reported in the funds:		
Notes, loans and mortgages receivable, GCHA	133,295	
Allowance for bad debts, GCHA	<u>(19,267)</u>	114,028
Certain liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Capital leases	(91,340)	
Pole Creek Meadows Public Improvement District Bond	(358,000)	
Employee benefits payable	(1,314,707)	
Landfill closure and post-closure care costs	<u>\$ (2,787,487)</u>	<u>(4,551,534)</u>
Government-wide Statement of Net Position		
Governmental Activities Total Net Position		<u><u>\$ 66,598,742</u></u>

Grand County, Colorado
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2017

	General Fund	Road and Bridge Fund	Emergency Medical Services Fund	Sales Tax Fund	Major Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
Revenues							
Property taxes	\$ 8,244,667	\$ 218,140	\$ 1,322,052	\$ -	\$ 3,227	\$ 389,895	\$ 10,177,981
Sales taxes	2,147,329	2,148,299	-	-	-	1,275,397	5,571,025
Intergovernmental	2,781,566	4,419,767	29,590	-	-	2,758,897	9,989,820
Charges for services	3,729,988	702,305	1,930,822	-	-	308,019	6,671,134
Other taxes	638,550	31,831	101,910	-	-	973,533	1,745,824
Investment earnings	256,296	-	-	-	-	6,532	262,828
Investment unrealized gains (losses)	(65,326)	-	-	-	-	-	(65,326)
Licenses and permits	617,048	17,860	-	-	-	-	634,908
Special assessments	5,500	-	-	-	-	311,690	317,190
Miscellaneous	522,937	39,680	110,268	-	-	21,109	693,994
Total Revenues	18,878,555	7,577,882	3,494,642	-	3,227	6,045,072	35,999,378
Expenditures							
Current							
General government	10,377,824	-	-	-	1,186	-	10,379,010
Public health	1,059,192	-	3,429,690	-	-	-	4,488,882
Streets and highways	-	4,888,862	-	-	-	-	4,888,862
Public safety	3,975,336	-	-	-	-	651,025	4,626,361
Public welfare	-	-	-	-	-	2,280,250	2,280,250
Auxiliary services	875,674	-	-	-	-	1,511,725	2,387,399
Judicial services	734,924	-	-	-	-	-	734,924
Capital Outlay	-	-	-	-	2,033,931	25,000	2,058,931
Debt Service							
Interest	-	-	-	-	3,774	15,001	18,775
Principal	-	-	-	-	22,255	53,000	75,255
Total Expenditures	17,022,950	4,888,862	3,429,690	-	2,061,146	4,536,001	31,938,649
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,855,605	2,689,020	64,952	-	(2,057,919)	1,509,071	4,060,729
Other Financing Sources (Uses)							
Transfers in	5,071,173	250,000	250,000	-	1,103,549	1,014,851	7,689,573
Transfers out	(1,093,403)	(450,000)	(250,000)	(5,071,173)	-	(865,088)	(7,729,664)
Proceeds on the sale of capital assets	-	-	-	-	102,382	-	102,382
Capital lease proceeds	-	-	-	-	113,595	-	113,595
Total Other Financing Sources (Uses) Net	3,977,770	(200,000)	-	(5,071,173)	1,319,526	149,763	175,886
Net Changes in Fund Balances	5,833,375	2,489,020	64,952	(5,071,173)	(738,393)	1,658,834	4,236,615
Fund Balances, Beginning of Year	4,419,660	5,390,897	418,441	5,071,173	1,496,099	2,306,672	19,102,942
Fund Balances, End of Year	\$ 10,253,035	\$ 7,879,917	\$ 483,393	\$ -	\$ 757,706	\$ 3,965,506	\$ 23,339,557

Grand 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, 2017

Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances, Net Changes in Fund Balances		\$ 4,236,615
Amounts reported for governmental-wide 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 as depreciation expense. This is the amount by which capital outlay expenditures exceeded depreciation expense in the current period plus the value of capital assets traded in less the net book value of capital assets disposed during the year.		
Net capital assets 12/31/2017	47,696,691	
less: Net capital assets 12/31/2016	<u>(49,600,323)</u>	(1,903,632)
Government funds report down payment assistance (DPA) loan outlays as expenditures and repayments as revenue. However, in the government-wide financial statements, DPA repayments are reported as decreases in the receivable and only interest earned is reported as revenue. Included in this category are DPA loans and the Moraine Park Loan issued by the Grand County Housing Authority (GCHA) and DPA loans received from the Colorado Mountain Housing Coalition (CMHC). Following are the respective differences in reporting:		
Net GCHA notes receivable 12/31/17	114,028	
less: Net GCHA notes receivable 12/31/16	<u>(148,502)</u>	(34,474)
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces the Pole Creek Meadows Public Improvement District's long-term liabilities in the statement of net position.		
Pole Creek Meadows PID Bond repayment		53,000
Capital leases are an expenditure in the governmental funds, but are a long-term liabilities in the statement of net position.		
		(91,340)
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 including the changes in the following.		
Compensated absences payable increase	(31,362)	
Severance payable balance increase	(64,868)	
Landfill post-closure costs decrease	<u>1,600</u>	<u>(94,630)</u>
Government-wide Statement of Activities, Governmental Activities Change in Net Position		<u><u>\$ 2,165,538</u></u>

Fund Financial Statements

Major Proprietary Funds

In general proprietary funds comprise two fund types. Enterprise funds are used to account for services provided on a total or partial cost-recovery basis to parties outside the government (e.g., water, mass transit, hospitals). Internal service funds are used to allocate overhead costs (e.g., data processing, motor pool) within the government itself. Grand County's proprietary funds are all enterprise funds.

The Colorado Sewer Enterprise Fund – This fund is used to account for the County's one-third interest in the operation of the sewage collection infrastructure and treatment plant for an unincorporated area of Grand County known as Tabernash.

The following enterprise funds are included in the County financial statements by the blending of the Grand County Housing Authority:

Silver Spruce Senior Apartments Fund – This facility, located in Kremmling includes 20 single bedroom apartments in a secured building with after-hours keyed entry designed for low income seniors 62 years of age or disabled.

Cliffview Assisted Living Center Fund – This facility, located in Kremmling is designed for up to 25 seniors who need a supportive setting while maintaining their independence.

Grand Living Senior Homes Fund – This facility, located in Granby, includes 24 single bedroom apartments with individual entrances and patios designed for low income seniors 62 years of age or disabled.

Grand County, Colorado
Proprietary Funds
Combining Statement of Net Position
December 31, 2017

	Business-type Activities - Enterprise Funds					
	Grand County Housing Authority					2017 Totals
	Colorado Sewer Enterprise Fund	Silver Spruce Senior Apartments Fund	Grand Living Senior Homes Fund	Cliffview Assisted Living Center Fund	Grand County Housing Authority Totals	
Assets						
Current Assets						
Deposits and investments - unrestricted	\$ 122,303	\$ 39,903	\$ 68,378	\$ 17,892	\$ 126,173	\$ 248,476
Receivables:						
Accounts	31,833	225	6,209	33,251	39,685	71,518
Special assessments	36,128	-	-	-	-	36,128
Prepaid items	11,705	675	1,672	609	2,956	14,661
Other receivable	-	5,281	-	-	5,281	5,281
Interfund receivable	-	10,000	3,099	66,939	80,038	80,038
Total Current Assets	<u>201,969</u>	<u>56,084</u>	<u>79,358</u>	<u>118,691</u>	<u>254,133</u>	<u>456,102</u>
Noncurrent Assets						
Restricted assets:						
Deposits and investments - restricted	32,096	160,458	69,529	52,834	282,821	314,917
Capital assets						
Nondepreciable capital assets	-	20,000	44,453	-	64,453	64,453
Depreciable capital assets, net	666,664	247,635	391,022	686,282	1,324,939	1,991,603
Total Noncurrent Assets	<u>698,760</u>	<u>428,093</u>	<u>505,004</u>	<u>739,116</u>	<u>1,672,213</u>	<u>2,370,973</u>
Total Assets	<u>900,729</u>	<u>484,177</u>	<u>584,362</u>	<u>857,807</u>	<u>1,926,346</u>	<u>2,827,075</u>
Liabilities						
Current Liabilities:						
Accounts payable	-	13,391	8,386	140,293	162,070	162,070
Accrued interest	1,240	12,148	808	1,525	14,481	15,721
Other accrued expenses	-	3,235	4,627	924	8,786	8,786
Interfund payable	-	23,071	1,990	11,330	36,391	36,391
Loans payable (current portion)	14,249	7,564	17,268	20,249	45,081	59,330
Total Current Liabilities	<u>15,489</u>	<u>59,409</u>	<u>33,079</u>	<u>174,321</u>	<u>266,809</u>	<u>282,298</u>
Long-Term Liabilities:						
Loans payable						
(net of current portion)	448,078	746,889	504,054	596,677	1,847,620	2,295,698
Tenant security deposits	-	5,641	6,997	9,600	22,238	22,238
Total Long-Term Liabilities	<u>448,078</u>	<u>752,530</u>	<u>511,051</u>	<u>606,277</u>	<u>1,869,858</u>	<u>2,317,936</u>
Deferred Inflows of Resources and Deferred Revenues	<u>36,128</u>	<u>896</u>	<u>1,264</u>	<u>148,731</u>	<u>150,891</u>	<u>187,019</u>
Total Liabilities and Deferred Inflows of Resources	<u>499,695</u>	<u>812,835</u>	<u>545,394</u>	<u>929,329</u>	<u>2,287,558</u>	<u>2,787,253</u>
Net Position						
Net investment in capital assets	204,337	(486,818)	(85,847)	69,356	(503,309)	(298,972)
Net position - restricted						
Expendable for replacements	-	154,452	63,049	43,234	260,735	260,735
Unexpendable restricted cash	32,096	-	-	-	-	32,096
Net position - unrestricted	164,601	3,708	61,766	(184,112)	(118,638)	45,963
Total Net Position (Deficit)	<u>\$ 401,034</u>	<u>\$ (328,658)</u>	<u>\$ 38,968</u>	<u>\$ (71,522)</u>	<u>\$ (361,212)</u>	<u>\$ 39,822</u>

Grand County, Colorado
Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds					
	Grand County Housing Authority					
	Colorado Sewer Enterprise Fund	Silver Spruce Senior Apartments Fund	Grand Living Senior Homes Fund	Cliffview Assisted Living Center Fund	Grand County Housing Authority Totals	2017 Totals
Operating revenues						
Charges for services	\$ 116,752	\$ -	\$ -	\$ -	\$ -	\$ 116,752
Special assessments	36,229	-	-	-	-	36,229
Gross potential rents	-	62,278	81,698	486,433	630,409	630,409
Tenant assistance / medicaid reimbursements	-	169,628	105,013	218,075	492,716	492,716
Laundry and vending revenue	-	1,232	805	-	2,037	2,037
Other revenue	690	3,820	10,499	8,977	23,296	23,986
Total operating revenues	153,671	236,958	198,015	713,485	1,148,458	1,302,129
Operating expenses						
Activities	-	-	-	367,296	367,296	367,296
Administrative	61,257	48,549	47,674	155,889	252,112	313,369
Operations and maintenance	14,593	60,782	44,271	45,848	150,901	165,494
Taxes and insurance	3,329	12,665	21,215	110,802	144,682	148,011
Utilities	9,039	53,854	50,331	51,686	155,871	164,910
Total operating expenses	88,218	175,850	163,491	731,521	1,070,862	1,159,080
Operating income from operations before depreciation	65,453	61,108	34,524	(18,036)	77,596	143,049
Depreciation	(27,812)	(22,073)	(47,615)	(36,622)	(106,310)	(134,122)
Income (loss) from operations	37,641	39,035	(13,091)	(54,658)	(28,714)	8,927
Non-operating revenues (expenses)						
Interest expense	(23,637)	(21,250)	(10,460)	(31,263)	(62,973)	(86,610)
Total non-operating revenues (expenses)	(23,637)	(21,250)	(10,460)	(31,263)	(62,973)	(86,610)
Income (loss) before special item, transfers and capital contributions	14,004	17,785	(23,551)	(85,921)	(91,687)	(77,683)
Capital Contribution-Tap Fees	15,065	-	-	-	-	15,065
Transfers In	-	-	4,950	45,929	50,879	50,879
Transfers Out	-	(10,786)	-	-	(10,786)	(10,786)
Net Changes in Net Position	29,069	6,999	(18,601)	(39,992)	(51,594)	(22,525)
Net Position (Deficit), Beginning of Year	371,965	(335,657)	57,569	(31,530)	(309,618)	62,347
Net Position (Deficit), End of Year	\$ 401,034	\$ (328,658)	\$ 38,968	\$ (71,522)	\$ (361,212)	\$ 39,822

Grand County, Colorado
Proprietary Funds
Combining Statement of Cash Flows
For the Year Ended December 31, 2017

	Business-type Activities - Enterprise Funds					
	Grand County Housing Authority					
	Colorado Sewer Enterprise Fund	Silver Spruce Senior Apartments Fund	Grand Living Senior Homes Fund	Cliffview Assisted Living Center Fund	Grand County Housing Authority Totals	2017 Totals
Cash Flows From Operating Activities:						
Cash from tenants and others	\$ -	\$ 63,957	\$ 85,501	\$ 466,398	\$ 615,856	\$ 615,856
Other cash receipts	153,670	170,385	115,512	227,052	512,949	666,619
Cash paid for goods and services	(100,253)	(162,467)	(175,359)	(679,922)	(1,017,748)	(1,118,001)
Net Cash Flows Provided (Used) by Operating Activities	53,417	71,875	25,654	13,528	111,057	164,474
Cash Flows From Capital and Related Financing Activities:						
Acquisition of capital assets	-	-	-	(235,387)	(235,387)	(235,387)
Loan Proceeds	-	-	-	220,457	220,457	220,457
Repayment of debt	(13,591)	(7,805)	(15,549)	(19,215)	(42,569)	(56,160)
Interest paid	(22,398)	(21,046)	(10,596)	(31,319)	(62,961)	(85,359)
Capital contributions - tap fee revenue	15,065	-	-	-	-	15,065
Transfers in	-	-	4,950	45,929	50,879	50,879
Transfers out	-	(10,786)	-	-	(10,786)	(10,786)
Net Cash Provided (Used) by Capital and Related Financing Activities	(20,924)	(39,637)	(21,195)	(19,535)	(80,367)	(101,291)
Net Increase (Decrease) in Cash and Cash Equivalents	32,493	32,238	4,459	(6,007)	30,690	63,183
Cash and Cash Equivalents - Beginning	121,906	168,123	133,448	76,733	378,304	500,210
Cash and Cash Equivalents - Ending	\$ 154,399	\$ 200,361	\$ 137,907	\$ 70,726	\$ 408,994	\$ 563,393
Cash and Cash Equivalents						
Cash - Unrestricted	\$ 122,303	\$ 39,903	\$ 68,378	\$ 17,892	\$ 126,173	\$ 248,476
Cash - Other restricted	32,096	160,458	69,529	52,834	282,821	314,917
Total Cash and Cash Equivalents	\$ 154,399	\$ 200,361	\$ 137,907	\$ 70,726	\$ 408,994	\$ 563,393
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ 37,641	\$ 39,035	\$ (13,091)	\$ (54,658)	\$ (28,714)	\$ 8,927
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	27,812	22,073	47,615	36,622	106,310	134,122
Changes in Assets and Liabilities: (Increase) Decrease in Assets						
Accounts receivable	2,929	-	-	-	-	2,929
Tenant receivables	-	175	3,113	(21,535)	(18,247)	(18,247)
Prepaid expenses	(3,479)	(38)	(973)	30	(981)	(4,460)
Due to / from	-	13,070	(1,109)	(25,606)	(13,645)	(13,645)
Other receivables	1,150	(3,959)	-	-	(3,959)	(2,809)
Increase (Decrease) in Liabilities						
Accounts payable	(12,636)	(1,793)	(15,717)	75,789	58,279	45,643
Other accrued expenses	-	2,144	5,931	1,386	9,461	9,461
Unearned revenue	-	896	-	-	896	896
Tenant security deposits	-	272	(115)	1,500	1,657	1,657
Total Adjustments	15,776	32,840	38,745	68,186	139,771	155,547
Net Cash Provided (Used) for Operating Activities	\$ 53,417	\$ 71,875	\$ 25,654	\$ 13,528	\$ 111,057	\$ 164,474

Fund Financial Statements

Fiduciary (Agency) Funds

In general fiduciary funds consist of four fund types: private-purpose trust funds (escheat property), pension and other employee benefit trust funds, investment trust funds (intergovernmental investment pools), and agency funds (resources held in a temporary and essentially custodial capacity).

The County Fiduciary Funds are Agency Funds used to account for assets that the County holds in a fiduciary capacity but belong to third parties.

- ***The Treasurer's Fund*** is used to account for resources received and disbursed by the County Treasurer on behalf of other government agencies, primarily the county special taxing districts and certain County operations. The Public Trustee activity is included in the Treasurer's Fund.
- ***The Clerk's Fund*** is used to account for resources received and disbursed by the County Clerk on behalf of other government agencies, primarily the State of Colorado
- ***The Sheriff's Fund*** consists of the forfeiture fund used to account for proceeds from the seizure of contraband available to the Sheriff for law enforcement activities. Additionally, the Sheriff holds money for jail inmates and collects monies from jail inmates for the district and county courts and also charges jail inmates for goods and services.
- ***The Colorado State Highway 9 Fund*** is a temporary fund used to account for resources held in escrow by North American Title Company restricted for use as part of the RAMP agreement for the CDOT Colorado State Highway 9 project scheduled for completion in 2017.

Grand County, Colorado
Fiduciary (Agency) Funds
Statement of Fiduciary Assets and Liabilities
December 31, 2017

Assets	
Cash and investments	<u>\$ 4,681,706</u>
Liabilities	
Due to others	\$ 2,100,649
Due to other governmental units	2,046,735
Outstanding warrants	534,321
Due to County Sheriff	<u>1</u>
Total Liabilities	<u>\$ 4,681,706</u>

Financial Section

Notes to the Basic Financial Statements

These notes are intended to communicate information necessary for a fair presentation of financial position and changes in financial position that are not readily apparent from or cannot be included in the financial statements themselves. The notes supplement the financial statements, are an integral part thereof, and are intended to be read in conjunction with the financial statements.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2016

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies -

The financial statements of the County have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity –

In accordance with GASB Statements 14, 39 and 61, the County's reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

Component units are legally separate organizations for which the County is financially accountable. The County is financially accountable for an organization if the County appoints a voting majority of the organization's governing board and (1) the County is able to significantly influence the programs or services performed or provided by the organizations; or (2) the County is legally entitled to or can otherwise access the organization's resources; the County is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the County is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the County in that the County approves the budget, levies their taxes or issues their debt.

The financial statements of the following component units are included in the financial reporting entity as blended component units.

1-A-1. Blended Component Units –

Housing Authority of the County of Grand, Colorado (Housing Authority) – The Housing Authority of the County of Grand, Colorado dba Grand County Housing Authority was formed in 1977 for the purpose of providing safe and adequate housing for the program participants of Grand County. The Housing Authority receives and administers the resources received from the U. S. Department of Housing and Urban Development (HUD) and the U. S. Department of Agriculture (USDA) Office of Rural Development, Division of Housing Section 8 Memorandums of Understanding (MOU). The Housing Authority is responsible for the administration of Section 8 and Low Income Housing federal programs, as well as other non-federal, State and County programs. The Housing Authority is a legally separate entity from the County, formed by resolution of and currently governed by the Grand County Board of County Commissioners which serves as the Housing Authority Board of Directors. The County provides guidance and administrative support through which the County has the ability to impose its will on policy making and day to day operations of the Housing Authority, which is fiscally dependent on the County and is financially intertwined through its funding requirements and commitments.

The Housing Authority issues separate annual audited financial statements, available by contacting the Executive Director, P.O. Box 264, Hot Sulphur Springs, CO 80451. For financial reporting purposes, the Housing Authority is reported as if it was part of the County's operations.

Pole Creek Meadows, Grand County, Colorado Public Improvement District (District) – The Pole Creek Meadows, Grand County, Colorado Public Improvement District was formed in 2012 for the construction or acquisition of public improvements consisting of certain road and street improvements to and for the benefit of the properties within the boundaries of the District, in accordance with the County Public Improvement District Act of 1968, Section 30-20-501. The District is a separate legal entity from the County and any bonds issued by the District shall under no circumstances be considered or held to be an obligation of the County.

The improvements were funded in 2013 with the proceeds of a bond issuance and a contribution from the County. The bond will be repaid with a District property tax increment that began in 2014. The Board of County Commissioners constitute ex officio the board of directors of the District and set the annual mill levy. The County Treasurer as ex officio treasurer of the board and the District makes the annual bond payment from the assessments collected.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-A. Reporting Entity (Continued)

1-A-2. Intergovernmental Agreements –

The County has entered into various intergovernmental agreements that do not meet the criteria for inclusion in these financial statements as component units or as joint ventures. For more information regarding these agreements contact the County Manager, P.O. Box 264, Hot Sulphur Springs, CO 80451.

The County receives funding from local, state, and federal government sources and must comply with all requirements of these funding sources. The County is not included in any other governmental reporting entity.

1-B. Basis of Presentation –

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements report financial information for the County as a whole. The primary government and the component units are presented separately within these financial statements with the focus on the primary government. Fiduciary activities are not included at the government-wide reporting level. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and County general revenues, from the business-type activity, generally financed in whole or in part with fees charged to external customers.

The Statement of Net Position presents the financial position of the governmental and the business-type activity of the County at year-end.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of the County's governmental activities and for each identifiable segment of the County business-type activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the Statement of Activities.

The Statement of Activities reports the expenses of a given function offset by program revenues directly connected with the governmental activity. Each governmental activity is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with the activity. Program revenues include: (1) charges for services and sales which report fees and other charges to users of the County's services; (2) operating grants and contributions which help finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which functions the revenues are restricted.

Taxes and other revenue sources not properly included with program revenues are reported as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary, and fiduciary funds.

Major individual governmental funds and the enterprise funds are reported in separate columns with composite columns for non-major funds. Fiduciary funds are reported by type.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

General Fund - The General Fund is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund. The fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Colorado. The Retirement, Affordable Housing, Employee Insurance, and Water Quality Funds have been combined with the General Fund to comply with the reporting requirements of GASB 54.

Road and Bridge Fund - This fund is used to account for a portion of County property taxes, State Highway User Tax Fund revenues, Federal Payments in Lieu of Taxes, National Forest Reserve revenues and other sources of revenue legally restricted or designated (primarily sales taxes) by the Board of County Commissioners for the maintenance of County roads. The Payment In Lieu of Taxes (PILT) Fund has been combined with the Road and Bridge Fund to comply with the reporting requirements of GASB 54.

Emergency Medical Services Fund - This fund is used to report the collection and expenditure of two mills of the County property taxes approved by citizen vote for the County's emergency medical response and ambulance services. Revenues also include charges for services received from parties outside the government.

Sales Tax Fund - This fund is used to account for County sales tax revenues received, transferred to other funds or for non-major, non-operating expenditures (i.e., under \$5,000) financed primarily from sales tax revenues.

Major Capital Improvements Fund - This fund is used to account for major capital expenditures (i.e., in excess of \$5,000), financed primarily from sales tax revenues or capital leases, and all other major capital asset transactions of the County.

Proprietary Funds - Proprietary funds in general are comprised of two fund types: 1) Enterprise funds which are used to account for services provided on a total or partial cost-recovery basis to parties outside the government (e.g., water, mass transit, solid waste landfills, hospitals, etc.). 2) Internal service funds are used, for the most part, to allocate selected costs (e.g., data processing, motor pool) within the government itself. The County's proprietary funds are enterprise funds.

The Colorado Sewer Enterprise Fund - This fund is used to account for the County's one-third interest in the operation of the sewage collection infrastructure and treatment plant for an unincorporated area of Grand County known as Tabernash.

The following enterprise funds are included in the County financial statements by the blending of the Grand County Housing Authority:

Silver Spruce Senior Apartments Fund - This facility, located in Kremmling, includes 20 single bedroom apartments in secured buildings with after-hours keyed entry designed for low income seniors (62 years of age or disabled) who maintain this as their sole residence.

Cliffview Assisted Living Center Fund - This facility, located in Kremmling, is designed for up to 25 seniors who need a supportive setting while maintaining their independence and choices in life.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-B. Basis of Presentation (Continued)

Grand Living Senior Homes Fund – This facility, located in Granby, includes 24 single bedroom apartments with individual entrances and patios designed for low income seniors 62 years of age or disabled who maintain this as their sole residence.

Fiduciary Funds - Fiduciary funds in general consist of four fund types: 1) private-purpose trust funds (e.g., escheat property), 2) pension and other employee benefit trust funds, 3) investment trust funds (e.g., intergovernmental investment pools), and 4) agency funds (i.e., resources held in a temporary and essentially custodial capacity but belonging to third parties). The County fiduciary funds are agency funds.

Treasurer's Fund – This fund is used to account for resources received and disbursed by the County Treasurer on behalf of special taxing districts and for individuals with regard to certain County operations, primarily building and planning. The Public Trustee activity is included in the Treasurer's Fund.

Clerk's Fund – This fund is used to account for resources received and disbursed by the County Clerk on behalf of other government agencies primarily the State of Colorado and local municipalities.

Sheriff's Fund – This fund is used to account for proceeds from the seizure of contraband available to the Sheriff for law enforcement activities and money the Sheriff holds for jail inmates or collects from jail inmates for the district and County courts.

Colorado State Highway 9 Fund – This agency fund is used to account for resources held in escrow by North American Title Company restricted for use as part of the RAMP agreement for the CDOT Colorado Highway 9 project.

1-C. Measurement Focus -

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the County are included on the statement of net position. The statement of activities reports all revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the proprietary funds are accounted for on a flow of economic resources measurement focus on both financial reporting levels. . All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present 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.

1-D. Basis of Accounting –

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, governmental funds use the modified accrual basis of accounting. Fiduciary funds use the accrual basis of accounting. The proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows and the presentation of expenses versus expenditures.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-D. Basis of Accounting (Continued)

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the calendar year in which the resources are measurable and become available. Available means that the resources will be collected within the current calendar year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current calendar year. For the County, the phrase “available for exchange transactions” means expected to be received within 90 days of year-end.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include property and sales taxes, grants, and donations. On an accrual basis, revenue from sales tax is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 3-D). Revenue from grants and donations is 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 year when use 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 also must be available (i.e., collected within 60 days) before it can be recognized. Under the modified accrual basis, the revenue sources considered to be susceptible to accrual include property taxes, sales tax, interest and federal, state and local grants.

Deferred Outflows / Inflows of Resources – In addition to assets, the statement of net position will sometimes report a separate section of deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense / expenditure) until then. The County has no items reported as deferred outflows of resources.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property taxes revenue that are related to a future period have been recorded as deferred inflows. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the period that the amounts become available.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Liabilities and Fund Equity

1-E-1. Deposits and Investments -

For the purposes of the statement of cash flows, the County considers all highly liquid investments with an original maturity of three months or less when purchased to be cash and cash equivalents.

Investments are stated at fair value or amortized cost at the reporting year end. The change in fair value or amortized cost of investments is recognized as an increase or decrease to investment assets and investment income.

Colorado Statutes specify in which instruments units of local government may invest including;

- Repurchase agreements,
- Obligations of the United States or obligations unconditionally guaranteed by the United States,
- Obligations of the State of Colorado and most general obligations of units of local governments,
- Federally insured mortgages and student loans,
- Participation with other local governments in pooled investment funds (Trusts). These Trusts are supervised by participating governments, and must comply with the same restrictions as cash deposits and investments.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-2. Receivables –

All trade and property tax receivables are reported net of an allowance for uncollectible amounts. Emergency Medical Services accounts receivable make up the majority of the accounts classification. Accounts are considered active as long as the user of the ambulance service maintains contact with the County and there is a high possibility of collectability. Accounts in collection have been passed on to a professional collection agency when contact with the user has been lost and/or the possibility of collection seems low. Active accounts are estimated to be 70% collectible and accounts in collections are estimated to be uncollectible.

1-E-3. Interfund Balances –

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivable / Interfund Payable." These amounts classified as "Internal Balances" are eliminated in the governmental and business-type activities columns of the statement of net position.

1-E-4. Inventories –

On the government-wide financial statements, inventories are presented at average cost and are expensed when used (i.e., the consumption method). On the fund financial statements, inventories of governmental funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as expenditure in the governmental fund types when consumed. Inventories consist of fuel stored at the County airports and Road and Bridge shops throughout the county.

1-E-5. Prepaid Items –

Payments made to vendors for services that will benefit periods beyond the end of the fiscal year are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

1-E-6. Restricted Assets -

Primary Government – Governmental Activities – The Primary Government - Governmental Activities report \$241,939 for restricted assets. These are assets restricted as to their use and not available for general appropriation or expenditure except within their fund and for specified purposes.

The Major Capital Improvement Fund has \$42,735 cash for the Clerk & Recorder electronic filing project. The Grand County Housing Authority Administration Fund has \$144,330 cash to provide for down payment assistance. The General Fund has \$54,874 cash for the Learning by Doing project.

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-6. Restricted Assets (Continued)

Primary Government - Business-type Activities - Primary Government - Business-type Activities report \$314,917 as the amount set aside and reported as restricted non-current assets for the following:

Colorado Sewer Enterprise Fund – The restricted non-current assets relate to the USDA Rural Development note payable. Beginning in 2000, the County was required to deposit \$3,210 annually until a total of \$32,096 was accumulated. No resources may be withdrawn from this account without written authorization from the USDA Rural Development. This account is established as a separate interest bearing account at a financial institution protected by the Federal Deposit Insurance Corporation with a balance of \$32,096.

Grand County Housing Authority Proprietary Funds - Restricted non-current assets \$282,821, includes assets held for reserves and replacement of the Authority's property, structures and equipment.

Fiduciary Funds – Fiduciary Funds reported \$4,681,706 and include the following funds and amounts:

Treasurer's Fund – This agency fund contained \$4,150,002 in cash at year-end held on behalf of special taxing districts and for individuals with regard to certain County operations primarily building and planning. The Public Trustee activity is included in the Treasurer's Fund.

Clerk's Fund – This agency fund contained \$464,438 at year-end held on behalf of other government agencies, primarily the State of Colorado and local municipalities.

Sheriff's Fund – This agency fund contained \$56,923 at year-end from the seizure of contraband available to the Sheriff for law enforcement activities and money the Sheriff holds for jail inmates or collects from jail inmates for the District and County courts.

Colorado State Highway 9 Fund – This agency fund contained \$10,343 at year-end held on behalf of the State of Colorado.

1-E-7. Capital Assets –

Governmental activities capital assets are those assets not specifically related to activities reported in the business-type activities. These assets generally result from expenditures in the governmental funds, primarily the Major Capital Improvement Fund. The County reports total capital assets in the governmental activities column of the government-wide statement of net position, net of depreciation, but does not report these assets in the governmental fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net position and in the proprietary funds statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of \$5,000.

Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise funds is capitalized.

All in service capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-7. Capital Assets (Continued) –

The County's infrastructure consists primarily of roads and bridges. The Colorado Sewer Enterprise Fund facilities and infrastructure includes a one-third interest in the operation of the sewage collection infrastructure and treatment plant in Tabernash. The Grand County Housing Authority proprietary funds include the land, buildings and building improvements and building equipment associated with the three low income housing projects.

Depreciation is computed using the straight-line method over the following estimated useful lives:

Capital Asset Depreciation Estimated Useful Lives		
Description	Governmental Activities	Business-Type Activities
Land improvements	20 years	---
Buildings / Facility	50 years	20 – 40 years
Machinery and equipment	5 – 20 years	20 years
Infrastructure	15 – 40 years	40 years

1-E-8. Compensated Absences –

Vacation, sick leave and separation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means.

The total compensated absence liability is reported on the government-wide financial statements. The proprietary enterprise funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

1-E-9. Accrued Liabilities and Long-term Obligations –

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are due and are paid in a timely manner and in full, are reported as obligations of these fund. Notes and capital leases are recognized as a liability in the governmental fund financial statements when due.

1-E-10. Fund Equity –

Fund equity at the governmental fund financial reporting level is classified as "fund balance." Fund equity for all other reporting is classified as "net position."

Fund Balance – Generally, fund balance represents the difference between financial assets, deferred outflows of resources, liabilities, and deferred inflows of resources normally expected to be liquidated with current financial resources reported in a governmental fund. As an appropriate measure of liquidity, fund balance is similar to the working capital of a private-sector business.

The County's financial statements for governmental funds may report up to five components of fund balance.

Non-spendable fund balance includes assets that will never convert to cash, and assets that will not convert to cash soon enough to affect the current period and resources that must be maintained intact pursuant to legal or contractual requirements (e.g., prepaid items, and inventories.)

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-10. Fund Equity (Continued) –

Restricted fund balance is used to describe the portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions. Such restrictions typically are imposed by parties altogether outside the County. State defined programs and grants including the TABOR emergency reserve required by statute make up the majority of the restricted fund balance.

Committed fund balance describes the portion of fund balance that represents resources whose use is constrained by limitations that the County imposes upon itself at the Board of County Commissioners level by formal action and that remain binding unless removed in the same manner. The formal action is a Board of County Commissioners resolution to commit and rescind the committed fund balance.

Assigned fund balance is the portion of the fund balance that reflects the County's intended use of resources as determined by the Board of County Commissioners. Amounts in excess of non-spendable, restricted, and committed fund balance in funds other than the General Fund are reported as assigned.

Unassigned fund balance - The General Fund, as the principal operating fund of the County, is the only fund that has net resources in excess of what can properly be classified in one of the four categories already described. This surplus is presented as a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-10. Fund Equity (Continued)

As of the end of the current fiscal year the County fund balances are composed of the following:

	Governmental Funds						
	General Fund	Road and Bridge Fund	Emergency Medical Services Fund	Sales Tax Capital Improvement Fund	Major Capital Improvement Fund	Non-major Governmental Funds	Total Governmental Funds
Nonspendable							
Prepaid items	\$ 80,512	\$ 1,180	\$ 48	\$ -	\$ -	\$ 3,428	\$ 85,168
Inventories	-	52,841	-	-	-	45,511	98,352
Restricted							
Clerk & Recorder e-filing project	-	-	-	-	42,735	-	42,735
Conservation Trust projects	-	-	-	-	-	209,601	209,601
Emergency telephone projects	-	-	-	-	-	235,084	235,084
Marketing county tourism	-	-	-	-	-	552,334	552,334
OLR&T projects	-	-	-	-	-	1,267,461	1,267,461
Public Improvement District	-	-	-	-	-	7,991	7,991
Social Services programs	-	-	-	-	-	859,955	859,955
Learning by doing	54,874	-	-	-	-	-	54,874
TABOR reserve	850,000	-	-	-	-	-	850,000
Down payment assistance	-	-	-	-	-	144,330	144,330
Committed							
Emergency medical services	-	-	483,345	-	-	-	483,345
Streets & highways projects	-	7,825,896	-	-	-	-	7,825,896
Dispatch operations	-	-	-	-	-	406,594	406,594
Housing Authority	-	-	-	-	-	5,734	5,734
Airport improvement projects	-	-	-	-	-	227,483	227,483
Capital improvement projects	-	-	-	-	714,971	-	714,971
Assigned							
Affordable housing projects	62,940	-	-	-	-	-	62,940
Compensated absences	382,092	-	-	-	-	-	382,092
Severance	148,072	-	-	-	-	-	148,072
Employee insurance	1,761,878	-	-	-	-	-	1,761,878
Employer 401(a) retirement match	460,117	-	-	-	-	-	460,117
Landfill post closure	103,240	-	-	-	-	-	103,240
Water quality projects	26,269	-	-	-	-	-	26,269
Unassigned	6,323,041	-	-	-	-	-	6,323,041
Total	<u>\$ 10,253,035</u>	<u>\$ 7,879,917</u>	<u>\$ 483,393</u>	<u>\$ -</u>	<u>\$ 757,706</u>	<u>\$ 3,965,506</u>	<u>\$ 23,339,557</u>

The statement of net position reports all assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position. Net position represents the difference between all other elements in a statement of financial position and are displayed in three components – net investment in capital assets; restricted (distinguishing between major categories of restrictions); and unrestricted.

Net investment in capital assets - The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other 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 are included in this position of net position.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-10. Fund Equity (Continued)

Restricted – The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. Assets are reported as restricted when there are limitations 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.

Unrestricted - The unrestricted component of net position is the net amount of the 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 component of net position.

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

1-E-11. Operating Revenues and Expenses –

Operating revenues in the proprietary fund financial statements are those revenues that are generated directly from the primary activity of the fund. Operating expenses are necessary costs of the facilities. For the County, these revenues and expenses include the following.

Colorado Sewer Enterprise Fund - Operating revenues are generated through charges for sewer services. Operating expenses are the costs of the sewage collection infrastructure and treatment plant for an unincorporated area of Grand County known as Tabernash.

Silver Spruce Senior Apartments Fund - Operating revenues are generated through tenant rentals which are in some cases federally subsidized. Operating expenses are the costs of the facility which includes 20 single bedroom apartments in secured buildings.

Grand Living Senior Homes Fund - Operating revenues are generated through tenant rentals which are in some cases federally subsidized. Operating expenses are the costs of the facility which includes 24 single-bedroom apartments.

Cliffview Assisted Living Center Fund - Operating revenues are generated through tenant rentals which are in some cases federally subsidized. Operating expenses are the costs of the facility designed for up to 25 seniors.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 1 - Summary of Significant Accounting Policies (Continued)

1-E. Assets, Liabilities and Fund Equity (Continued)

1-E-12. Contributions of Capital –

Contributions of capital in the proprietary fund financial statements arise from outside contributions of capital assets, tap fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction. Contributions to the primary government in the governmental-wide financial statements arise from outside contributions of road and road related infrastructure in which the County has agreed to accept responsibility for maintenance.

1-E-13. Interfund Activity –

Substantially all internal activity is eliminated from the government-wide statement of activities. Interfund transfers consist mainly of the reallocation of revenues and expenditures between funds in accordance with GAAP for governmental fund accounting. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources (uses) in governmental funds and after non-operating revenues / expenses section in the proprietary enterprise funds.

Transfers between governmental and business-type activities on the government-wide statement of activities are reported under general revenues in the change in net position as transfers.

All interfund transfers disclosed as other financing sources (uses) transfers in and transfers out of the government funds statement of revenues, expenditures and changes in fund balances are eliminated from the government-wide statement of activities.

Exchange transactions (internal payments) between funds are reported as revenues in the seller funds and as expenditures / expenses in the purchaser funds. Reimbursement of fuel costs (\$167,324 in 2017) are treated as revenue in the Road & Bridge Fund and as expenditures across the other funds. The Road & Bridge Fund also charges its internal departments for fuel costs (\$334,647 in 2017). Internal payments for the reimbursement of vehicle maintenance costs (\$81,234 in 2017) charged to other funds are treated as \$64,934 revenue in the Road & Bridge Fund, \$16,300 as revenue in the Emergency Medical Services Fund and as expenditures across the other funds. These internal charges have been eliminated from both functional expense and program revenue in the streets and highways category and are recognized as functional expenses across the other governmental activities on the government-wide statement of activities.

Internal charges for financial transaction processing (Treasurer fees) totaling \$652,353 and employee insurance costs totaling \$1,889,767 in 2017 are treated as revenue in the General Fund and as expenditures within the General Fund and across the other funds. These internal charges have been eliminated from program revenue in the general government category and eliminated as functional expenses across the general governmental and other governmental activities on the government-wide statement of activities.

Functional expenses also include an incidental element of indirect cost. Grand County has its own self-insured health insurance program for its employees. Charges to governmental functions for this service automatically include a component designed to recover administrative (overhead) costs, which are indirect costs. As a practical matter, Grand County does not, nor does GAAP require, the identification and elimination of such incidental indirect costs from functional expense.

1-E-14. Estimates - The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

1-E-15. Comparative Data – The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the County's prior year financial statements for the year ended December 31, 2016, from which the summarized information was derived.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 2 - Stewardship, Compliance and Accountability

2-A. Budgetary Information –

The County legally adopts an annual budget, as required by Colorado state statute, for each of its governmental and proprietary fund types in December of each year for the subsequent calendar year. Governmental fund budgets are prepared on the modified accrual basis and the proprietary fund budgets are prepared on the accrual basis. There is no difference between GAAP and the budgetary basis of accounting. All appropriations are adopted by the County at the fund level, which is the legal level of control (i.e. expenditures may not exceed appropriations at this level).

All annual appropriations lapse at year-end. Amendments to the budget through supplemental appropriations require approval of the Board of County Commissioners, publication of the public hearing dates, the proposed supplemental appropriations, the holding of a public hearing, and the filing of the approved supplemental appropriation with the State of Colorado, Division of Local Government Affairs. Department heads may not amend the budget (i.e., at the legal level of control) without seeking the approval of the Board of County Commissioners. During the current year supplemental appropriations were adopted at the fund level for five County governmental funds and two proprietary funds by the Board of County Commissioners. Budget amounts reported in the accompanying financial statements reflect these supplemental appropriations and are summarized on the following table. Subsequent to the official adoption of the fiscal year 2017 budget, the County enacted supplemental appropriations authorizing increased personnel, operating and capital expenditures and increased transfers between funds (other financing uses) as follows:

Fund	Original Budget		Supplemental Appropriation	Amended Budget	
	Expenditures	Transfers Out		Expenditures	Transfers Out
General Fund	17,385,900	1,414,957	410,000	17,485,900	1,724,957
Road & Bridge Fund	5,480,926	250,000	200,000	5,480,926	450,000
Sales Tax Fund	-	-	5,071,173	-	5,071,173
Emergency Medical Services Fund	3,226,890	250,000	275,000	3,501,890	250,000
Major Capital Improvement Fund	2,229,159	-	510,000	2,739,159	-
GCETSA E911	15,750	362,500	3,000	18,750	362,500
Cliffview Assisted Living Fund	971,938	-	25,000	996,938	-
Grand Living Senior Homes Fund	199,201	-	30,000	229,201	-
Silver Spruce	213,580	-	25,000	238,580	-
	<u>29,723,344</u>	<u>2,277,457</u>	<u>6,549,173</u>	<u>30,691,344</u>	<u>7,858,630</u>

These amounts reflect interfund eliminations when funds have been consolidated to comply with GASB Statement No. 54.

2-B. Excess of Expenditures over Appropriations –

The Water Quality Fund, which is combined with the General Fund for reporting purposes (as discussed in Note 1-B), reported current expenditures in excess of current appropriations of \$495 in the current fiscal year which may be a violation of state statute. The Pole Creek Public Improvement District Fund, reported current expenditures in excess of current appropriations of \$526 in the current fiscal year which may be a violation of state statute.

2-C. Budgeted Ending Fund Balance Deficit –

The 2017 County Lodging Tax Tourism Fund budget included a deficit ending fund balance. This may be a violation of Colorado Revised Statutes.

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 – Detailed Notes on All Funds -

3-A. Deposits and Investments -

The County Treasurer is by law vested with the responsibility of the cash management and the investment of available funds. The County operates under a pooled cash procedure which makes available the maximum amount of cash for investment purposes without impairing the County's ability to carry on routine operations.

Deposits and Investments –

At the end of the current fiscal year the County's cash and investments presented in the financial statements are:

Deposits and investments	\$ 23,066,628
Restricted current assets	241,939
Restricted noncurrent assets	314,917
Fiduciary deposits and investments	4,681,706
Total Deposits and Investments	<u>\$ 28,305,190</u>

The County's cash and investments consist of the following:

Petty cash	\$ 5,051
Cash deposits	6,996,663
U.S. government agencies	8,418,055
Corporate Bond	997,530
ColoTrust	4,951,869
CSAFE	6,903,926
Certificates of deposit	32,096
Total Deposits and Investments	<u>\$ 28,305,190</u>

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by the PDPA. The PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The State Regulatory Commission for banks and savings and loan associations is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At the end of the current fiscal year the County's petty cash balance was \$5,051. Additionally, cash deposits, including certificates of deposit had a book balance of \$6,996,663 and a corresponding bank balance of \$7,065,563. The difference between the book and bank balances is outstanding checks and deposits not yet processed by the banks. Of the bank balance, \$1,494,431 was covered by federal depository insurance. The remainder of the bank balance, \$5,571,132, is collateralized with securities held by the pledging financial institution and covered by eligible collateral as determined by the PDPA.

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 – Detailed Notes on All Funds (Continued)

3-A. Deposits and Investments (Continued)

Fair Value of Investments – The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy as follows:

Level 1: Quoted prices for identical investments in active markets

Level 2: Observable inputs other than quoted market prices, and

Level 3: Unobservable inputs

The County has the following recurring fair value measurements as of December 31, 2017:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investment Type	Amount			
Investments by fair value level:				
Certificates of deposit	\$ 32,096	\$ 32,096	\$ -	\$ -
Corporate Bonds	997,530	997,530	-	-
U.S. Government Agencies	8,418,055	8,418,055	-	-
Total Investments by fair value level	9,447,681	9,447,681	-	-
Investments measured at net asset value:				
Colorado Government Liquid Asset Trust	4,951,869			
Total Investments by fair value level	4,951,869			
Investments measured at amortized cost:				
Colorado Surplus Asset Fund Trust	6,903,926			
Total Investments by fair value level	6,903,926			
Total Investments	\$ 21,303,476			

Investment Level – The County adopted an investment policy complying with the State of Colorado’s investment policy, Colorado Revised Statute 24-75-601.1, as currently enacted or as hereafter amended. The State of Colorado statute limits investments to securities with top ratings issued by nationally recognized statistical rating organizations. The County’s investments in Corporate Bonds, U.S. Government Agencies, Colorado Government Liquid Asset Trust, and Colorado Surplus Asset Fund Trust all had the top ratings as required by State statute.

The County has invested \$4,951,869 in the Colorado Local Government Liquid Asset Trust (COLOTRUST). COLOTRUST is not a 2a7-like external investment pool. The unit of account is each share held, and the value of the position would be the fair value of the pool’s share price multiplied by the number of shares held. The government-investor does not “look through” the pool to report a pro rata share of the pool’s investments, receivables, and payables.

The County has invested \$6,903,926 in the Colorado Surplus Asset Fund Trust (CSAFE). CSAFE is considered to be a 2a7-like investment and is valued at the amortized cost of the investments. The 2a7-like investments do not have any unfunded commitments, redemption restrictions or redemption notice periods. There are no limitations or restrictions on withdrawals. The 2a7-like investments conform to Colorado Statutes CRS 24-75-601 et.seq. and therefore invest primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 – Detailed Notes on All Funds (Continued)

3-A. Deposits and Investments (Continued)

Public Deposit Protection Act. The investments will conform to its Permitted Investments and will meet Standard & Poor's investment guidelines to achieve a AAAm rating, the highest attainable rating for a Local Government Investment Pool.

All securities owned by COLOTRUST and CSAFE 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 COLOTRUST and CSAFE. Investments consist of U.S. Treasury Bills, notes, note strips, and repurchase agreements.

Financial statements for COLOTRUST may be obtained at www.colotrust.com and CSAFE may be obtained at www.csafe.org.

Interest Rate Risk – The County investment policy does not limit investment securities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Custodial Credit Risk – Custodial risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. None of the County's investments are uninsured or unregistered investments. The County has no formal policy on custodial credit risk.

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer.

The County's investments are in the following:

<u>Investment Type</u>	<u>Amount</u>	<u>Percent</u>	<u>Standard & Poor's Credit Rating</u>
US Government Agencies			
Federal Home Loan Mortgage	\$ 1,482,135	7%	AA+
Federal Home Loan Bank	1,981,980	9%	AA+
Federal Farm Credit Bank	1,983,220	9%	AA+
Federal National Mortgage	2,970,720	14%	AA+
Corporate Bonds	997,530	5%	AA+
Certificates of Deposit	32,096	0%	
Colorado Government Liquid Asset Trust	4,951,869	23%	
Colorado Surplus Asset Fund Trust	6,903,926	32%	

Deposits and Investments Reported as Restricted Assets –

The Primary Government - Governmental Activities report \$241,939 of current cash set aside and reported as restricted, not available for general appropriation or expenditure except for specified purposes as follows:

<u>Restricted Purpose</u>	<u>Fund</u>	<u>Restricted</u>
Clerk & recorder e-filing project	Major Capital Improvement Fund	\$ 42,735
Learning by Doing	General Fund	54,874
Down payment assistance	Grand County Housing Authority Administrative Fund	144,330
		<u>\$ 241,939</u>

The Primary Government - Business-type Activities report \$314,917 as the amount set aside and reported as restricted non-current assets. Colorado Sewer Enterprise Fund – Deposits of \$32,096 restricted with regard to the USDA Rural Development note payable. Grand County Housing Authority Proprietary Funds - Deposits held for reserves and replacement of the Authority's property, structures and equipment in the amount of \$282,821.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 – Detailed Notes on All Funds (Continued)

3-B. Receivables –

Receivables at the end of the current fiscal year consisted of accounts (billings for user charges, primarily ambulance fees), property and other taxes including sales, lodging and specific ownership taxes and intergovernmental receivables primarily arising from operating grants, capital grants and other contributions.

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

Emergency Medical Services accounts receivable make up the majority of the accounts classification and are comprised of the following:

	<u>Active Accounts</u>		<u>Accounts in Collection</u>		<u>Total</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Accounts Receivable from Services	\$ 637,452	100%	\$ 1,564,283	100%	\$ 2,201,735	100%
Allowance for Doubtful Accounts	(431,796)	68%	(1,309,866)	84%	(1,741,662)	79%
Accounts Receivable - Net	<u>\$ 205,656</u>	<u>32%</u>	<u>\$ 254,417</u>	<u>16%</u>	<u>\$ 460,073</u>	<u>21%</u>

Accounts are considered active as long as the user of the ambulance service maintains contact with the County and there is a high possibility of collectability. Accounts in collection have been passed on to a professional collection agency when contact with the user has been lost and/or the possibility of collection seems low.

3-C. Notes Receivable –

Notes Receivable – Blended Component Unit – In 2008, Grand County Housing Authority received funding from the Towns of Granby and Grand Lake to provide down payment assistance loans to qualified individuals. These loans are administered by the Authority and once collected, the funds are returned to the Towns. As of December 31, 2017 loans outstanding in this portfolio were \$43,768. The Authority had an allowance for bad debts of \$8,192.

In 2014, the Colorado Mountain Housing Coalition relinquished its down payment assistance loan portfolio to the Authority. A balance of cash in the amount of \$44,515 was also received at that time. These loans are administered by the Authority and once collected, the funds will be used for future down payment assistance loans. As of December 31, 2017 loans outstanding in this portfolio were \$89,527. The Authority had an allowance for bad debts of \$11,075.

3-D. Property Taxes –

Property taxes are levied in December of each year, and are due in full the following year. Property taxes are collected by the County Treasurer for all taxing entities within the County and then remitted to each taxing entity.

The County Assessor certifies the tax roll to the County Treasurer and property tax bills are rendered to the taxpayer, due and payable on January 1st of each year. This property tax bill is based on an assessed valuation determined by the County Assessor for each property in each taxing district and certified to the state no later than August 25th of each year, and a mill levy determined by each of the taxing districts and certified to the state by the Board of County Commissioners no later than December 22nd of each year.

Property tax payments are permitted in either one or two installments at the taxpayers' election. Property tax payments made in one installment must be made no later than April 30th of each year. Property tax payment made in two installments must be made by the last day of February for the first installment and June 15th for the second installment. Properties with delinquent unpaid property taxes (lien date in October) are offered at a tax sale held in early November of each year after appropriate advertising and notice.

Property taxes receivable of \$10,463,355 is reported as a current asset and included in deferred inflows of resources of \$10,911,097.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3- Detailed Notes on All Funds (Continued)

3-E. Capital Assets -

Primary Government – Governmental Activities - Capital asset activity for the primary government governmental activities for the current fiscal year was as follows:

Grand County, Colorado
Primary Government Governmental Activities
Capital Asset Activity

	Beginning Balance	2017		Ending Balance
		Additions	Deductions	
Governmental Activities Capital Assets				
Cost				
Non-Depreciable Capital Assets				
Land	3,708,358	-	-	3,708,358
Construction in progress	211,854	30,040	-	241,894
Total Cost	<u>3,920,212</u>	<u>30,040</u>	<u>-</u>	<u>3,950,252</u>
Depreciable Capital Assets				
Land improvements	11,209,136	267,518	23,483	11,453,171
Buildings	27,600,052	-	2,000	27,598,052
Machinery and equipment	23,900,043	1,087,717	681,783	24,305,977
Infrastructure	24,555,782	673,657	84,271	25,145,168
Total Depreciable Capital Assets	<u>87,265,013</u>	<u>2,028,892</u>	<u>791,537</u>	<u>88,502,368</u>
Total Cost	<u>91,185,225</u>	<u>2,058,932</u>	<u>791,537</u>	<u>92,452,620</u>
Accumulated Depreciation				
Land improvements	3,869,496	530,738	23,483	4,376,751
Buildings	9,619,251	797,904	2,000	10,415,155
Machinery and equipment	16,755,213	1,689,998	582,486	17,862,725
Infrastructure*	11,340,941	844,628	84,271	12,101,298
Total Accumulated Depreciation	<u>41,584,901</u>	<u>3,863,268</u>	<u>692,240</u>	<u>44,755,929</u>
Net Book Value				
Non-Depreciable Assets				
Land	3,708,358	-	-	3,708,358
Construction in progress	211,854	30,040	-	241,894
Depreciable Assets				
Land improvements	7,339,640	(263,220)	-	7,076,420
Buildings	17,980,801	(797,904)	-	17,182,897
Machinery and equipment	7,144,830	(602,281)	99,297	6,443,252
Infrastructure	13,214,841	(170,971)	-	13,043,870
Total	<u>45,680,112</u>	<u>(1,834,376)</u>	<u>99,297</u>	<u>43,746,439</u>
Governmental Activities Capital Assets, Net	<u>49,600,324</u>	<u>(1,804,336)</u>	<u>99,297</u>	<u>47,696,691</u>

\$10,083,737 of assets still in use, have been fully depreciated. Additions to equipment is higher than Capital Outlay by \$26,103, the value of assets traded in.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets (Continued)

Total governmental activities depreciation expense for the current fiscal year is as follows:

Governmental Activities Depreciation Expense	
Streets & highways	\$ 1,684,863
Auxillary services	590,892
General government	512,758
Public safety	553,073
Judicial	206,969
Public health	310,764
Public welfare	3,949
Total	\$ 3,863,268

Capital Asset Activity – Business-Type Activities - Capital asset activity for the primary government business-type activities for current fiscal year was as follows:

	Balance 12/31/16	2017		Balance 12/31/17
		Additions	Deductions	
Colorado Sewer Enterprise Fund				
Depreciable				
Facilities & infrastructure	\$ 1,112,515	-	-	\$ 1,112,515
Less accumulated depreciation	(418,039)	(27,812)	-	(445,851)
Total Net Book Value	694,476	(27,812)	-	666,664
Grand County Housing Authority				
Non-Depreciable				
Land	64,453	-	-	64,453
Construction in Progress	14,677	235,386	(250,063)	-
Total Non-Depreciable	79,130	235,386	(250,063)	64,453
Depreciable				
Buildings, Improvements & Equipment	4,651,810	250,063	-	4,901,873
Less accumulated depreciation	(3,470,624)	(106,310)	-	(3,576,934)
Total Depreciable	1,181,186	143,753	-	1,324,939
Total Net Book Value	1,260,316	379,139	(250,063)	1,389,392
Net Book Value				
Non-Depreciable Cost	79,130	235,386	(250,063)	64,453
Depreciable Net Book Value	1,875,662	115,941	-	1,991,603
Total Net Book Value	\$ 1,954,792	\$ 351,327	\$ (250,063)	\$ 2,056,056

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-E. Capital Assets (Continued)

Total business-type activities depreciation expense for the current fiscal year is as follows:

Business-type Activities Depreciation Expense	
Colorado Sewer Enterprise	\$ 27,812
Grand County Housing Authority	
Silver Spruce Apartments	22,073
Grand Living Senior Homes	47,615
Cliffview Assisted Living Center	36,622
Total	<u>\$ 134,122</u>

3-F. Interfund Balances and Transfers –

Interfund balances represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

Interfund balances at the current fiscal year end consisted of the following amounts:

Fund payable to:	Governmental Activities Fund Payable From:					
	General	Emergency Medical Services	Major Capital	Non-Major Governmental Total	Business-type Activities	Total
Governmental Activities						
Major Funds						
General	\$ -	\$ -	\$ -	\$ 405	\$ -	\$ 405
Road & Bridge	14,228	6,064	18,151	1,557	-	40,000
EMS	29,498	-	-	-	-	29,498
Major Capital	8,950	-	-	203,314	-	212,264
Non-Major Funds	30,798	-	-	314	11,353	42,465
Total Governmental	<u>83,474</u>	<u>6,064</u>	<u>18,151</u>	<u>205,590</u>	<u>11,353</u>	<u>324,632</u>
Business-type Activities						
Silver Spruce	-	-	-	-	10,000	10,000
Grand Living	-	-	-	-	3,099	3,099
Cliffview	-	-	-	55,000	11,939	66,939
Grand Total	<u>\$ 83,474</u>	<u>\$ 6,064</u>	<u>\$ 18,151</u>	<u>\$ 260,590</u>	<u>\$ 36,391</u>	<u>\$ 404,670</u>

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-F. Interfund Balances and Transfers (Continued)

Interfund transfers are used to 1) move revenues from the fund that state statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, 3) to segregate money for anticipated capital projects, 4) to provide additional resources for current operations, and to return money to the fund from which it was originally provided once a project is completed. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

Interfund transfers for the current fiscal year consisted of the following:

	2017 Interfund Transfers Revenue and Expense						
	Governmental Activities Fund Transfer From:						
Fund transfer to:	General Fund	Road & Bridge Fund	EMS Fund	Sales Tax Fund	Non-Major Governmental Funds	Business-type Activities	Total
Governmental Activities							
Major Funds							
General Fund	\$ -	\$ -	\$ -	\$ 5,071,173	\$ -	\$ -	\$ 5,071,173
Road & Bridge Fund	-	-	250,000	-	-	-	250,000
EMS Fund	-	250,000	-	-	-	-	250,000
Sales Tax Fund	-	-	-	-	-	-	-
Major Cap. Improve. Fund	675,446	200,000	-	-	228,102	-	1,103,548
Non-Major Funds	417,957	-	-	-	586,108	10,786	1,014,851
Total Governmental Activities	1,093,403	450,000	250,000	5,071,173	814,210	10,786	7,689,572
Business-type Activities							
GCHA - Cliffview	-	-	-	-	45,929	-	45,929
GCHA - Grand Living	-	-	-	-	4,950	-	4,950
Total Business-type Activities	-	-	-	-	50,879	-	50,879
Total	\$ 1,093,403	\$ 450,000	\$ 250,000	\$ 5,071,173	\$ 865,089	\$ 10,786	\$ 7,740,451

The General Fund transferred \$675,446, the Road and Bridge Fund \$200,000 and the Non-Major Funds \$228,102 to the Major Capital Improvement Fund. Transfers to this fund purchase non-operating expense items. Purchases in excess of \$5,000 are generally capitalized. Substantially all capitalized purchases are made through the Major Capital Improvements Fund. These transfers were capital grants received by the County funds and transferred to the Major Capital Improvement Fund for these purchases.

The General Fund did not transfer any funds to the Road & Bridge Fund to comply with State statutes prohibiting such transfers.

The General Fund transferred \$417,957 to the Non Major Funds. The Airports received \$100,000 for operations, and the Dispatch Fund received \$317,957 for operations. The General Fund received \$5,071,173 from the Sales Tax Fund to close the Sales Tax Fund.

The Payment in Lieu of Taxes (PILT) Fund, which is combined by GASB 54 with the Road and Bridge Fund, transferred \$250,000 to the Emergency Medical Services (EMS) Fund to partially cover the fund's operating deficit. A similar 2016 transfer was transferred back to PILT from EMS.

The Grand County Housing Authority Administrative Fund transferred \$50,879 to Cliffview (\$45,929) and Grand Living (\$4,950) in loan and grant funding for improvements. Silver Spruce Apartments transferred \$10,786 to the GCHA Administrative Fund as part of Silver Spruce's funding agreement.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Non-Current Liabilities -

Governmental Activities – Changes in Non-Current Liabilities - Changes in the County's governmental activities long-term obligations during the current fiscal year consisted of the following:

	Balance 12/31/2016	2017		Balance 12/31/2017	Amounts Due in One Year
		Additions	Reductions		
Capital Leases					
Equipment	\$ -	\$ 113,595	\$ 22,255	\$ 91,340	\$ 22,255
Total capital leases	-	113,595	22,255	91,340	22,255
Employee benefits					
Compensated absences	573,229	513,496	482,134	604,591	368,027
Severance	645,250	211,843	146,977	710,116	162,137
Total employee benefits	1,218,479	725,339	629,111	1,314,707	530,164
Landfill costs					
Landfill post-closure costs	2,789,087	91,658	93,257	2,787,488	103,240
Total landfill costs	2,789,087	91,658	93,257	2,787,488	103,240
Total Governmental Activities	\$ 4,007,566	\$ 930,592	\$ 744,623	\$ 4,193,535	\$ 655,659

All long-term obligations of the County's Governmental Activities will be financed with the appropriate fund's future financial resources as they become due.

3-G-1. Capital leases – This year, the County entered into a lease agreement as lessee for financing the acquisition of computer network equipment valued at \$113,595. The equipment has a ten-year estimated useful life. This year, \$947 was included in depreciation expense. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of future minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of these minimum lease payments as of December 31, 2017, were as follows:

Capital Lease - Computer Network Equipment			
Fiscal Year	Principal	Interest	Payment
2018	\$ 22,255	\$ 3,771	\$ 26,026
2019	22,709	3,317	26,026
2020	22,697	3,329	26,026
2021	23,679	2,347	26,026
Total	<u>\$ 91,340</u>	<u>\$ 12,764</u>	<u>\$ 104,104</u>

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Non-Current Liabilities (Continued)

3-G-2. Employee benefits – The compensated absences (vacation leave) liability will be paid from the fund from which the employees' salaries are paid. The compensated absences (sick leave) liability will be paid from the General Fund upon separation. Of the outstanding compensated absences balance approximately \$236,564 (39%) is not expected to be used in the following year. The remaining compensated absences are expected to be paid currently.

Compensated absences paid by the governmental funds during the current year were as follows:

General Fund	\$ 227,082
Road & Bridge Fund	121,476
Emergency Medical Services Fund	88,618
Dispatch Fund	19,536
Social Services Fund	25,422
	<u>\$ 482,134</u>

Employees begin accumulating vacation time upon date of employment. Vacation leave can be used only by employees who have been in the County's employment continuously for at least 90 days.

Upon separation, employees shall be paid for the unused portion of their accumulated vacation leave provided they have been employed continuously for at least 90 days. Employees who have been separated shall not accrue vacation leave credits after their last day of work. No payment in excess of 30 working days shall be made. Vacation hours do not accrue on overtime or compensatory time earned.

The County may pay active employees for vacation leave earned but not taken during their employment with the approval of the Department Head/Elected Official and the County Manager. Unused vacation leave is paid out to employees upon separation.

The accrual rate is based upon the years of service the employee has with the County and department in which they are employed as follows:

Annual Paid Vacation Hours Earned By County Employees						
Benefit Based on Years of Service				Emergency Medical Service *	All Other Employees Hours Worked Per Week	
					37.5 Hours	40 Hours
First	to	Fifth Year		96	75	80
Sixth	to	Tenth Year		144	112.5	120
Eleventh	to	Twenty-fifth Year		192	150	160
Twenty-sixth	and	Beyond		240	187.5	200
Additional Paid Vacation Benefit						
On the First Day of the Fifth Year				48	37.5	40
On the First Day of the Tenth Year				48	37.5	40
On the First Day of the Twenty-fifth Year				48	37.5	40

*Applies only to full-time EMT field staff. Other EMT staff follow 40 Hours schedule

Employees accrue one day of sick leave for every month worked without a limit to the hours that may be accumulated. The compensated absences (sick leave) liability only accrues when an employee's un-used hours exceed three months of their annual working hours. The liability is paid upon separation at the rate of one hour paid for every two hours in excess of three months of their annual working hours.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Non-Current Liabilities (Continued)

3-G-2. Employee benefits (Continued)

The severance liability is accrued by employees at the rate of two days for each full year of employment and is payable after 5 years of employment. Appointed and Elected Officials accrue severance at the rate of four days for each full year of employment while in those positions. All employee severance costs are accrued in and paid from the General Fund. Of the outstanding severance liability, \$547,979 (77%) is not expected to be paid in the following year.

3-G-3. Landfill Closure & Post-Closure Care Costs –

Until recently, the County operated two solid waste landfills, Granby and Kremmling, on Bureau of Land Management land in Grand County. In 2007, the Granby Landfill experienced a landslide which threatened the long-term viability of the landfill and in 2009 the Kremmling Landfill had effectively reached its capacity limitation. As a result of public input, the Board of County Commissioners decided to encourage a private company to take over the solid waste disposal operations. The County stopped accepting waste at both the Granby and Kremmling landfills in April of 2010 when Waste Connections commenced operations at its transfer station in the Town of Granby.

State and federal laws and regulations require the County to provide cost estimates for the post-closure care costs associated with these landfills. Included in the landfill post-closure care costs are certain maintenance and monitoring functions extending for a period of thirty years. State regulations require the County prepare updated cost estimates every five years and cost estimates were last updated in early 2016. These amounts are based on what it would cost to perform all future post-closure care. Actual costs may be higher due to inflation, changes in technology or regulation. Cost estimates are adjusted annually by the County to account for inflation or deflation.

On May, 22, 2014, the Colorado Department of Public Health and Environment approved the Granby Landfill 2014 Addendum to the Closure/Post-Closure Plan. With this approval the County moved forward to complete closure-related field activities at the Granby Landfill as well as activities subsequent to closure. A Division determination on the completion of closure will be made following Division review and approval of the closure certification report required by Section 3.5.8 of the Regulations. The land surrounding and including the Granby Landfill continues to slide as further discussed in Note 4-B.

The County received approval of the Kremmling Landfill Closure Certification Report, dated March 2015, and moved forward to complete closure-related field activities at the Kremmling Landfill as well.

Currently the post-closure care cost estimate is \$2,787,488 (Granby \$2,274,862 and Kremmling \$512,626). This amount is reported on the Government-wide Statement of Net Position.

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G-4. Loans and Mortgages –

Governmental Activities – Changes in Non-Current Liabilities – The Pole Creek Meadows, Grand County, Colorado Public Improvement District was formed in 2012 for the construction of street improvements for the benefit of the properties within the District. The improvements were funded in 2013 with the proceeds of a bond issuance. The bond principal and interest will be repaid with a District property tax increment that began in 2014. The fund incurred and paid interest of \$15,001 in the current year. Outstanding long-term loans payable at the end of the current fiscal year are as follows:

Pole Creek Meadows Grand County, Colorado Public Improvement District Fund Loans Payable						
Bond Description	Amount of Original Issue	Date of		Interest Rate	Outstanding Balance 12/31/2017	Amounts Due in One Year
		Issue	Maturity			
General Obligation Bond						
Pole Creek Meadows PID	\$ 550,000	7/10/2013	12/1/2023	3.65%	\$ 358,000	\$ 54,000

Changes in the County's governmental activities long-term obligations for the current fiscal year consisted of the following:

Change in Balance Government-type Activities:	Balance 12/31/2016	2017		Outstanding Balance 12/31/2017	Amounts Due in One Year
		Additions	Reductions		
General Obligation Bond					
Pole Creek Meadows PID	\$ 411,000	\$ -	\$ 53,000	\$ 358,000	\$ 54,000
Total General Obligation Bonds	\$ 411,000	\$ -	\$ 53,000	\$ 358,000	\$ 54,000

Principal and interest payments related to the County's governmental activities long-term obligations are as follows:

Pole Creek Meadows PID General Obligation Bond			
Fiscal Year	Principal	Interest	Total
2018	\$ 54,000	\$ 13,067	\$ 67,067
2019	56,000	11,096	67,096
2020	59,000	9,052	68,052
2021-2023	189,000	13,944	202,944
Total	\$ 358,000	\$ 47,159	\$ 405,159

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G-4. Loans and Mortgages – (Continued)

Business-type Activities –Changes in Non-Current Liabilities - Principal and interest note payments related to the Colorado Sewer Enterprise Fund are financed from income derived from the operation of the waste water collection and disposal system. The fund incurred and paid interest of \$22,389 in the current year. Outstanding long-term loans payable at the end of the current fiscal year are as follows:

Colorado Sewer Enterprise Fund Loans Payable						
Note Description	Amount of Original Issue	Date of		Interest Rate	Outstanding Balance 12/31/2017	Amounts Due in One Year
		Issue	Maturity			
U.S. Dept of Agriculture						
Rural Development Loan	\$ 572,300	6/13/2001	6/13/2041	4.75%	\$ 451,402	\$ 10,784
State of Colorado						
Energy / Mineral Impact Assistance Loan	50,000	9/1/2001	9/1/2020	5.00%	10,926	3,466
Total Loans Payable	\$ 622,300				\$ 462,328	\$ 14,250

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Non-Current Liabilities (Continued)

3-G-4. Loans and Mortgages (Continued)

Business-type Activities –Changes in Non-Current Liabilities (Continued) –

Principal and interest note payments related to the Grand County Housing Authority are financed from income derived from the operation of the senior and low-income housing projects. Grand Living Senior Homes is eligible to receive a monthly interest subsidy for U.S. Department of Agriculture – Rural Development Rural Housing Mortgages No. 1 and No. 2 which reduces the monthly payments to a combined \$2,179. The subsidy totaled \$41,696 in 2016 is netted against interest expense. Outstanding long-term loans payable at the end of the current fiscal year are as follows:

Grand County Housing Authority Proprietary Funds Loans Payable						
Note Description	Amount of Original Issue	Date of		Interest Rate	Outstanding Balance 12/31/2017	Amounts Due in One Year
		Issue	Maturity			
Silver Spruce Senior Apartments Fund						
Colorado Housing and Finance Authority (CHFA)						
Mark-to-Market Restructuring	\$ 243,271	8/20/2004	9/1/2034	6.00%	\$ 211,554	\$ 7,564
U.S. Department of Housing and Urban Development (HUD)						
Mortgage Restructuring Deed of Trust	582,386	8/20/2004	9/1/2034	1.50%	521,301	-
Contingent Repayment Deed of Trust	21,599	8/20/2004	9/1/2034	1.50%	21,598	-
Grand Living Senior Homes Fund						
U.S. Department of Agriculture Rural Development						
Rural Housing Mortgage No. 1	486,509	9/23/1980	9/23/2030	10.75%	425,936	16,512
Rural Housing Mortgage No. 2	98,784	9/15/2004	9/23/2054	5.875%	95,386	756
Cliffview Assisted Living Center Fund						
U.S. Department of Agriculture Rural Development						
Rural Housing Construction Loan	616,953	10/11/1994	10/11/2034	5.25%	530,192	20,249
Colorado Department of Local Affairs						
Loan refinancing	14,543	6/22/2016	7/1/2046	3.50%	235,000	-
Unamortized Discount	-				(148,266)	-
Total Housing Authority Loans Payable	\$ 2,064,045				\$ 1,892,701	\$ 45,081

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-G. Non-Current Liabilities (Continued)

3-G-4. Loans and Mortgages (Continued)

Business-type Activities –Changes in Non-Current Liabilities (Continued) –

Changes in the County's business-type activities long-term obligations for the current fiscal year consisted of the following:

Business-type Activities:	Balance	2017		Balance	Amounts Due
	12/31/2016	Additions	Reductions	12/31/2017	in One Year
Colorado Sewer Enterprise Fund					
USDA - Rural Development	\$ 461,689	\$ -	\$ 10,287	\$ 451,402	\$ 10,784
State of Colorado - Mineral Impact	14,227	-	3,301	10,926	3,466
Total Colorado Sewer Enterprise Fund	475,916	-	13,588	462,328	14,250
Grand County Housing Authority					
Silver Spruce - CHFA	218,678	-	7,124	211,554	7,564
Silver Spruce - HUD Restructure	521,982	-	681	521,301	-
Silver Spruce - HUD Contingent	21,598	-	-	21,598	-
Grand Living - Rural Housing #1	440,772	-	14,836	425,936	16,512
Grand Living - Rural Housing #2	96,099	-	713	95,386	756
Cliffview - USDA Rural Development	549,411	-	19,219	530,192	20,249
Cliffview - Assisted DOLA	14,543	220,457	-	235,000	-
Unamortized Discounts	(9,286)	(141,913)	(2,933)	(148,266)	-
Total Grand County Housing Authority	1,853,797	78,544	39,640	1,892,701	45,081
Total Business-type Activities	\$ 2,329,713	\$ 78,544	\$ 53,228	\$ 2,355,029	\$ 59,331

Principal and interest payments related to the County's business-type activities long-term obligations are as follows:

Colorado Sewer Enterprise Fund Loan Payments				Grand County Housing Authority Loan Payments			
Fiscal Year	Principal	Interest	Total	Fiscal Year	Principal	Interest	Total
2018	14,250	21,858	36,108	2018	45,080	90,417	135,497
2019	14,941	21,167	36,108	2019	48,546	86,951	135,497
2020	15,666	20,442	36,108	2020	52,313	83,184	135,497
2021	12,414	19,682	32,096	2021	56,410	79,086	135,496
2022	13,011	19,085	32,096	2022	60,868	74,629	135,497
2023 - 2027	75,059	85,421	160,480	2023 - 2027	386,545	150,306	536,851
2028 - 2032	94,917	65,563	160,480	2028 - 2032	421,719	46,475	468,194
2033 - 2035	120,028	40,452	160,480	2033 - 2037	667,013	18,715	685,728
2038 - 2041	102,042	9,884	111,926	2038 - 2042	13,766	14,295	28,061
-	-	-	-	2043 - 2047	253,454	8,369	261,823
-	-	-	-	2048 - 2052	24,737	1,372	26,109
-	-	-	-	2053 - 2054	10,519	114	10,633
Total	\$ 462,328	\$ 303,554	\$ 765,882		\$ 2,040,971	\$ 653,912	\$ 2,694,883

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions and Other Post-Employment Benefits -

Defined Contribution Pension Plan - Grand County has a defined contribution pension plan. The County is a charter member of the Colorado County Officials and Employees Retirement Association (CCOERA) which operates a defined contribution retirement plan. A five member governing board of CCOERA establishes policy for the plan with the assistance of staff and association members. The County maintains influence over the plan via its input as an association member.

The plan was begun July, 1968. Effective July 1, 1991, the plan was modified to an employer before-tax plan and contributions are now tax deferred. All eligible employees are required to join the 401(a) Retirement Plan immediately upon employment. Every employee who works at least five months per year and who works at least 20 hours per week is eligible to participate. Officials may opt out of plan participation. Officials who do participate do not have to satisfy any minimum eligibility requirements. The employee can elect to make a contribution of anywhere from three percent minimum to six percent maximum of their gross eligible compensation. This is an irrevocable election until a new plan agreement is adopted (effective January 1, 2011). The amount contributed by the employee is matched by the County.

The plan is funded through the Retirement Fund which normally levies property taxes to cover the County's (employer) share. Participants are vested at the rate of twenty percent per year and are fully vested at the end of five years or age 55. Officials are always fully vested in employer contributions. Benefits at retirement are based on the accumulated account balance of each employee.

Deferred Compensation - Eligible employees participating in the 401(a) Retirement Plan may also participate in the 457 Deferred Compensation Plan also operated by CCOERA immediately upon employment. Employees may contribute up to a fixed dollar limit of \$17,500 under age 50, \$23,000 age 50+ or \$35,000 catch-up for three years.

The 2017 total County payroll was \$11,602,645 and the covered payroll for retirement plan purposes was \$10,883,860. The 2017 employer (\$635,166) and employee (\$837,664) contributions to the plan totaled \$1,472,830 or 13.6% of the covered payroll. There are no County securities or other transactions included in the plan's assets. The County has no unfunded liability under the retirement and deferred compensation plans.

COBRA - Employees will receive continued coverage of their group health and dental insurance through the last day of the calendar month in which they resign or terminate. Resignation or termination date is defined as the last day the employee is physically at work. Upon separation employees with less than fifteen years of service with Grand County will be offered continuation of their coverage under COBRA.

Post-Employment Insurance Plan - Eligible employees, elected officials and their dependents that have at least fifteen years of full time continuous service with Grand County and their age plus years of service equal 70 will be offered two options to select from upon retirement. This is a Post-Employment Insurance Plan benefit for retirees; therefore if the employee leaves Grand County employment and takes other full-time employment at any time prior to Medicare eligibility, they are not eligible for this benefit. This benefit will terminate upon Medicare eligibility.

Option A — \$500 paid per month to be used for both the employee and his/her dependent medical insurance coverage provided by an insurance carrier other than Grand County.

Option B — A retiree that qualifies as a post-employment eligible employee and his/her dependent that has been on the Grand County Medical/Dental insurance plan for at least 5 years, or an elected official may continue on the current plan until the retiree qualifies for Medicare. The cost of the coverage will be half the cost of the current COBRA coverage. Once the retiree qualifies for Medicare they will be offered COBRA at the full coverage rate for 18 months. The COBRA coverage would be secondary coverage to Medicare.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 3 - Detailed Notes on All Funds (Continued)

3-H. Pensions and Other Post-Employment Benefits (Continued)

The Board of County Commissioners will review the Post-Employment Insurance Plan on an annual basis and reserves the right to change, modify or eliminate the plan. If the County does change, modify or eliminate the plan, it will notify all eligible employees and participants in the plan within ninety (90) days of that date. If the County eliminates the plan, all retirees that are on the plan when eliminated will not lose their benefits as long as they remain eligible and only future retirees will be affected.

The number of post-employment employees, elected officials and their dependents claiming retiree benefits is negligible and the related costs of the plan benefit for retirees are immaterial. There are currently 3 retirees on Option A and 3 retirees and one spouse on Option B.

3-I. Net Investment in Capital Assets - Net investment in capital assets on the Government-Wide Statement of Net Position at the end of the current fiscal year are as follows:

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Net investment in capital assets			
Capital asset cost	\$ 92,452,620	\$ 6,078,841	\$ 98,531,461
Less: accumulated depreciation	(44,755,929)	(4,022,785)	(48,778,714)
Net capital asset book value	47,696,691	2,056,056	49,752,747
Less: capital asset related debt	(91,340)	(2,355,028)	(2,446,368)
Net investment in capital assets	<u>\$ 47,605,351</u>	<u>\$ (298,972)</u>	<u>\$ 47,306,379</u>

Note 4 – Other Notes -

4-A. Risk Management -

County Technical Services Inc. (CTSI), Workers' Compensation Pool –

The County is exposed to various risks of loss related to injuries of employees while on the job. In 1988, the County joined together with other Counties in the State of Colorado as a member of the County Worker's 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 for the 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, which is determined each policy year.

County Technical Services Inc. (CTSI), Casualty and Property Pool –

The County is exposed to various risks of loss related to property and casualty losses. During 1987, the County was unable to obtain property and liability insurance at a cost it considered to be economically justifiable.

County joined together with other Counties in the State of Colorado as a member of the CTSI 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.

Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

Note 4 – Other Notes (Continued)

4-A. Risk Management (Continued)

The intergovernmental agreement for the 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 determined each policy year.

Self-insured Health Insurance –

Grand County has its own self-insured health insurance program for its employees. The plan provides for insurance above a specific claim level and an aggregate claim level up to a maximum claim limit. The self-insurance reserve cash balance in the general fund at the end of the current fiscal year is \$1,761,878. This cash balance plus monthly contributions by the County and its employees is expected to cover any anticipated claims during the coming year.

The following table presents changes in the insurance claim payment and related liability at the end of the last three years:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claim Payments Amount</u>	<u>End of Fiscal Year Liability</u>
2015	\$ 170,111	\$ 2,204,231	\$ 2,058,846	\$ 315,497
2016	\$ 315,497	\$ 3,088,064	\$ 3,198,620	\$ 204,941
2017	\$ 204,941	\$ 3,085,505	\$ 4,067,955	\$ 223,403

There were no significant reductions in insurance coverage from prior year. There were 3 claim settlements that exceeded the County's \$150,000 stop loss insurance coverage during the current fiscal year. The year-end liability represents insurance claims incurred in the current year but paid through March of the following year. Administrative and stop loss premiums totaled \$642,360 in the current year, a decrease of 6% over 2016.

4-B. Contingent Liabilities –

The County has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

4-C. Tax, Spending and Debt Limitation –

In 1992 Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. In 1996 Grand County voters passed a ballot issue, which allows the County to exceed the revenue limits established by this Article. The Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment.

At the end of the current fiscal year the amount restricted for the primary government in accordance with TABOR is estimated to be \$850,000.

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Grand County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2017

4-D. Fund Deficits –

The following individual proprietary funds have equity deficits at the end of the current fiscal year as follows:

Silver Spruce Senior Apartments Fund	\$ (328,658)
Cliffview Assisted Living	<u>(71,522)</u>
Total	<u><u>\$ (400,180)</u></u>

The County is aware of the ongoing deficits in the above funds. The deficits are primarily due to depreciation charged against the properties. While the County continues to monitor the operations in these funds, the primary focus is on cash flow requirements rather than the net income or loss of the fund under generally accepted accounting principles. The County considers the operations of the Silver Spruce Senior Apartments, Grand Living Senior Homes and Cliffview Assisted Living Center solvent and management does not anticipate any financial difficulties as a result of the consequences of the above deficits.

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Financial Section

Required Supplementary Information

Fund Financial Statements

Major Governmental Funds

The Major Governmental Funds are those that meet the specific asset, liability, revenue or expenditure criteria. The following funds are Major Governmental Funds.

General Fund - The General Fund accounts for all financial resources except those required to be accounted for in another fund. The fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Colorado. The Retirement, Affordable Housing, Employee Insurance and Water Quality Funds have been combined with the General Fund to comply with the reporting requirements of GASB 54.

Road & Bridge Fund - This fund is used to account for a portion of County Property Taxes, State Highway User Tax Fund revenues, Federal Payments in Lieu of Taxes, National Forest Reserve Revenues and other sources of revenue legally restricted or designated (primarily Sales Taxes) by the Board of County Commissioners to the maintenance of County roads. The Payment in Lieu of Taxes Fund (PILT) has been combined with the Road and Bridge Fund to comply with the reporting requirements of GASB 54.

Emergency Medical Services Fund - This fund is used to report the collection and expenditure of two mills of the County property taxes approved by citizen vote for the County's emergency medical response and ambulance services. Revenues also include charges for services.

Grand County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues:					
Property taxes	\$ 8,085,919	\$ 8,085,919	\$ 8,244,667	\$ 158,748	\$ 8,077,193
Sales Tax	2,040,000	2,040,000	2,147,329	107,329	-
Intergovernmental	2,440,566	2,440,566	2,781,566	341,000	2,751,483
Charges for services	4,116,575	4,116,575	3,729,988	(386,587)	3,622,147
Other taxes	461,000	461,000	638,550	177,550	478,500
Investment earnings	75,000	75,000	256,296	181,296	170,800
Investment unrealized gains (losses)	-	-	(65,326)	(65,326)	27,598
Licenses and permits	424,100	424,100	617,048	192,948	428,056
Special assessments	4,500	4,500	5,500	1,000	5,500
Miscellaneous	322,415	322,415	522,937	200,522	264,014
Total Revenues	17,970,075	17,970,075	18,878,555	908,480	15,825,291
Expenditures					
Current					
General government	10,429,410	10,529,410	10,377,824	151,586	9,961,456
Public health	1,197,502	1,197,502	1,059,192	138,310	1,152,711
Public safety	4,173,870	4,173,870	3,975,336	198,534	3,961,355
Auxiliary services	813,675	813,675	875,674	(61,999)	930,125
Judicial services	771,443	771,443	734,924	36,519	679,044
Total Expenditures	17,385,900	17,485,900	17,022,950	462,950	16,684,691
Excess (Deficiency) of Revenues Over (Under) Expenditures	584,175	484,175	1,855,605	1,371,430	(859,400)
Other Financing Sources (Uses)					
Transfer in	-	5,071,173	5,071,173	-	-
Transfer out	(1,414,957)	(1,724,957)	(1,093,403)	631,554	(591,300)
Total Other Financing Sources (Uses) Net	(1,414,957)	3,346,216	3,977,770	631,554	(591,300)
Net Changes in Fund Balances	(830,782)	3,830,391	5,833,375	2,002,984	(1,450,700)
Fund Balances Beginning of Year	7,672,696	7,672,696	4,419,660	(3,253,036)	5,870,360
Fund Balances End of Year	\$ 6,841,914	\$ 11,503,087	\$ 10,253,035	\$ (1,250,052)	\$ 4,419,660

Grand County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Property taxes	\$ 210,975	\$ 210,975	\$ 218,140	\$ 7,165	\$ 203,447
Sales Tax	2,057,000	2,057,000	2,148,299	91,299	-
Intergovernmental	4,478,240	4,478,240	4,419,767	(58,473)	4,262,934
Charges for services	781,000	781,000	702,305	(78,695)	639,045
Other Taxes	49,000	49,000	31,831	(17,169)	28,323
Licenses & Permits	5,000	5,000	17,860	12,860	11,716
Micellaneous	15,000	15,000	39,680	24,680	82,191
Total Revenues	7,596,215	7,596,215	7,577,882	(18,333)	5,227,656
Expenditures					
Current					
Streets and highways	5,480,926	5,480,926	4,888,862	592,064	4,758,739
Capital Outlay					
Streets and highways	-	-	-	-	-
Total Expenditures	5,480,926	5,480,926	4,888,862	592,064	4,758,739
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,115,289	2,115,289	2,689,020	573,731	468,917
Other Financing Sources (Uses)					
Transfers in	250,000	250,000	250,000	-	250,000
Transfers out	(250,000)	(450,000)	(450,000)	-	(345,000)
Other Financing Sources (Uses) Net	-	(200,000)	(200,000)	-	(95,000)
Net Changes in Fund Balances	2,115,289	1,915,289	2,489,020	573,731	373,917
Fund Balances, Beginning of Year	4,919,769	4,919,769	5,390,897	471,128	5,016,980
Fund Balances, End of Year	\$ 7,035,058	\$ 6,835,058	\$ 7,879,917	\$ 1,044,859	\$ 5,390,897

Grand County, Colorado
Emergency Medical Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Property taxes	\$ 1,308,852	\$ 1,308,852	\$ 1,322,052	\$ 13,200	\$ 1,321,038
Intergovernmental	5,000	5,000	29,590	24,590	73,462
Charges for services	1,954,045	1,954,045	1,930,822	(23,223)	1,847,806
Other taxes	66,000	66,000	101,910	35,910	76,527
Miscellaneous	29,500	29,500	110,268	80,768	41,114
Total Revenues	3,363,397	3,363,397	3,494,642	131,245	3,359,947
Expenditures					
Current:					
Public health	3,226,890	3,501,890	3,429,690	72,200	3,306,786
Capital Outlay:					
Public health	-	-	-	-	132,862
Total Expenditures	3,226,890	3,501,890	3,429,690	72,200	3,439,648
Excess (Deficiency) of Revenues Over (Under) Expenditures	136,507	(138,493)	64,952	203,445	(79,701)
Other Financing Sources (Uses)					
Transfer in	250,000	250,000	250,000	-	250,000
Transfer out	(250,000)	(250,000)	(250,000)	-	(250,000)
Total Other Financing Sources (Uses) Net	-	-	-	-	-
Net Changes in Fund Balances	136,507	(138,493)	64,952	203,445	(79,701)
Fund Balances, Beginning of Year	319,109	319,109	418,441	99,332	498,142
Fund Balances, End of Year	\$ 455,616	\$ 180,616	\$ 483,393	\$ 302,777	\$ 418,441

Grand County, Colorado
Notes to the Required Supplementary Information
For the Year Ended December 31, 2017

Note RSI – 1 Budgetary Information

Budgets for major governmental funds are adopted on the modified accrual basis where capital outlays are treated as expenditures and depreciation is not budgeted. The operating budget includes proposed expenditures and the means of financing them. The Board of County Commissioners must approve transfers between funds or increases to a fund's budget. The basis of budgeting is the same as GAAP.

Note RSI – 2 Expenditures/Expenses in Excess of Appropriation

Colorado's budget law requires that expenditures for a fund or spending agency cannot exceed the appropriations for that fund or spending agency. Appropriations may be increased provided there is sufficient fund balance in the fund or spending agency offset them.

The legal level of appropriations for the County is by fund. Each fund may not expend more than its total budgeted appropriations for the year.

Note RSI – 3 Combining Funds for Reporting Purposes – General Fund

The General Fund accounts for all financial resources except those required to be accounted for in another fund. The fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Colorado. The Retirement, Affordable Housing, Employee Health Insurance and Water Quality Funds have been combined with the General Fund to comply with the reporting requirements of GASB Statement 54.

Note RSI – 4 Combining Funds for Reporting Purposes – Road and Bridge Fund

The Road and Bridge fund is used to account for a portion of County property taxes, State Highway User Tax Fund revenues, Federal Payments in Lieu of Taxes, National Forest Reserve revenues and other sources of revenue legally restricted or designated (primarily sales taxes) by the Board of County Commissioners for the maintenance of County roads. The Payment In Lieu of Taxes (PILT) fund has been combined with the Road and Bridge fund to comply with the reporting requirements of GASB Statement 54.

Financial Section

Other Supplementary Information

Financial Section

Non-Major Governmental Funds

Funds generally used for tax supported activities which include the Non-Major Special Revenue Funds

Special Revenue Funds

(Non-Major Governmental Funds)

The Special Revenue Funds are used by the County to account for the revenues derived from specific taxes, assessments, intergovernmental grants, and other restricted revenue which are designated to finance a particular functions or activity of the County.

- ***Airport Improvements Fund*** - This fund is used to account for airport improvements funded primarily by Federal grant revenues, with a minor grant match by the County and State. Additionally, airport operations including aviation fuel sales, hangar rentals and maintenance at the County's two airports are accounted for within the fund.
- ***Conservation Trust Fund*** - This fund is used to account for state lottery revenue allocated to the County and the related community improvements financed by these revenues.
- ***County Lodging Tax Tourism Fund*** - This fund is used to account for the County 1.8% lodging tax revenue charged to persons for accommodations and the expenditure of these funds to advertise and market county tourism.
- ***Dispatch Services Fund*** - This fund is used for the operation of a communication center for the purpose of answering emergency and non-emergency calls for public safety services within the County. Revenues are from other county responding agencies and the Grand County Emergency Telephone Service Authority, a non-major fund.
- ***Grand County Emergency Telephone Service Authority*** – The Grand County Emergency Telephone Service Authority was formed by agreement by and between Grand County, the towns, police departments, and fire districts of the County to operate the 911 telephone system for Grand County.
- ***Grand County Housing Authority Administrative Fund*** - The Authority receives and administers the resources received from the U.S. Department of Housing and Urban Development (“HUD”) and the U.S. Department of Agriculture (USDA) - Rural Development, Division of Housing Section 8 Memorandums of Understanding (“MOUs”). The Authority is responsible for the administration of Section 8 and low-income federal programs, as well as other related operations.
- ***Open Lands, Rivers and Trails Fund*** – This fund is used to account for the County .3% sales tax approved by ballot measure for the purpose of keeping water in the Colorado and other rivers; conserving agricultural lands, natural areas, scenic open lands, wildlife habitat, wetlands and river access; and maintaining hiking and biking trails. The tax became effective January 1, 2017 and is to expire after 10 years.

Special Revenue Funds

(Non-Major Governmental Funds - continued)

- ***Pole Creek Meadows, Grand County, Colorado Public Improvement District Fund*** – The District was formed in 2012 for the construction or acquisition of public improvements consisting of certain road and street improvements to and for the benefit of the properties within the boundaries of the District. The improvements were funded in 2013 with the proceeds of a bond issuance and a contribution from the County. The Board of County Commissioners constitute ex officio the board of directors of the district.
- ***Social Services Fund*** - This fund is used to account for federal and state resources received by the County for various social programs.

Grand County, Colorado
Non-Major Special Revenue Funds
Combining Balance Sheet
December 31, 2017

	Airport Improvement Fund	Conservation Trust Fund	County Lodging Tax Tourism Fund	Dispatch Fund	Grand County Emergency Telephone Service Auth. Fund	Grand County Housing Authority Admin. Fund	Open Lands, Rivers and Trails Fund	Pole Creek Meadows Public Improvement District Fund	Social Services Fund	Total Non-Major Special Revenue Funds
Assets										
Deposits and investments - unrestricted	\$ 451,682	\$ 207,681	\$ 376,332	\$ 420,613	\$ 161,757	\$ 32,951	\$ 1,054,481	\$ 12,672	\$ 1,091,987	\$ 3,810,156
Deposits and investments - restricted	-	-	-	-	-	144,330	-	-	-	144,330
Prepaid items	-	-	-	-	-	3,370	-	-	58	3,428
Receivables:							-			
Accounts - net	12,803	-	-	-	50,589	25,250	210,036	-	-	298,678
Property taxes	-	-	-	-	-	-	-	62,075	322,501	384,576
Other taxes	-	-	190,232	-	-	-	-	-	-	190,232
Intergovernmental	-	-	-	-	-	-	-	-	90,166	90,166
Interfund	-	1,920	-	-	24,270	11,353	4,608	-	314	42,465
Inventories	45,511	-	-	-	-	-	-	-	-	45,511
Total Assets	\$ 509,996	\$ 209,601	\$ 566,564	\$ 420,613	\$ 236,616	\$ 217,254	\$ 1,269,125	\$ 74,747	\$ 1,505,026	\$ 5,009,542
Liabilities, Deferred Inflows of Resources and Fund Balances										
Liabilities										
Accounts payable	\$ 31,991	\$ -	\$ 13,916	\$ 14,019	\$ 1,532	\$ 8,820	\$ 1,444	\$ -	\$ 45,550	\$ 117,272
Interfund payable	205,011	-	314	-	-	55,000	220	-	45	260,590
Total Liabilities	237,002	-	14,230	14,019	1,532	63,820	1,664	-	45,595	377,862
Deferred Inflows of Resources										
Unavailable property tax revenue	-	-	-	-	-	-	-	66,756	336,236	402,992
Deferred other revenue	-	-	-	-	-	-	-	-	263,182	263,182
Total Deferred Inflows of Resources	-	-	-	-	-	-	-	66,756	599,418	666,174
Total Liabilities and Deferred Inflows of Resources	237,002	-	14,230	14,019	1,532	63,820	1,664	66,756	645,013	1,044,036
Fund Balances										
Nonspendable	45,511	-	-	-	-	3,370	-	-	58	48,939
Restricted	-	209,601	552,334	-	235,084	144,330	1,267,461	7,991	859,955	3,276,756
Committed	227,483	-	-	406,594	-	5,734	-	-	-	639,811
Total Fund Balances	272,994	209,601	552,334	406,594	235,084	153,434	1,267,461	7,991	860,013	3,965,506
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 509,996	\$ 209,601	\$ 566,564	\$ 420,613	\$ 236,616	\$ 217,254	\$ 1,269,125	\$ 74,747	\$ 1,505,026	\$ 5,009,542

See accompanying independent auditors' report

Grand County, Colorado
Non-Major Special Revenue Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2017

	Airport Improvement Fund	Conservation Trust Fund	County Lodging Tax Tourism Fund	Dispatch Fund	Grand County Emergency Telephone Service Auth. Fund	Grand County Housing Authority Admin. Fund	Open Lands, Rivers and Trails Fund	Pole Creek Meadows Public Improvement District Fund	Social Services Fund	Total Non-Major Special Revenue Funds
Revenues										
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,765	\$ 320,130	\$ 389,895
Sales taxes	-	-	-	-	-	-	1,275,397	-	-	1,275,397
Intergovernmental	228,102	53,370	25,000	229,625	-	122,715	-	-	2,100,085	2,758,897
Charges for services	246,995	-	-	-	-	61,024	-	-	-	308,019
Other taxes	-	-	943,849	-	-	-	-	4,920	24,764	973,533
Investment earnings	-	1,920	-	-	-	-	4,612	-	-	6,532
Special assessments	-	-	-	-	311,690	-	-	-	-	311,690
Miscellaneous	1,102	-	930	-	-	19,077	-	-	-	21,109
Total Revenues	476,199	55,290	969,779	229,625	311,690	202,816	1,280,009	74,685	2,444,979	6,045,072
Expenditures										
Current										
Public safety	-	-	-	637,281	13,744	-	-	-	-	651,025
Public welfare	-	-	-	-	-	-	-	-	2,280,250	2,280,250
Auxiliary services	374,438	33,733	964,107	-	-	123,172	12,548	3,727	-	1,511,725
Capital Outlay	-	-	-	25,000	-	-	-	-	-	25,000
Debt Service										
Interest	-	-	-	-	-	-	-	15,001	-	15,001
Principal	-	-	-	-	-	-	-	53,000	-	53,000
Total Expenditures	374,438	33,733	964,107	662,281	13,744	123,172	12,548	71,728	2,280,250	4,536,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	101,761	21,557	5,672	(432,656)	297,946	79,644	1,267,461	2,957	164,729	1,509,071
Other Financing Sources (Uses)										
Transfers in	100,000	-	-	680,457	-	234,394	-	-	-	1,014,851
Transfers out	(228,102)	-	-	-	(362,500)	(274,486)	-	-	-	(865,088)
Total Other Financing Sources (Uses)	(128,102)	-	-	680,457	(362,500)	(40,092)	-	-	-	149,763
Net Changes in Fund Balances	(26,341)	21,557	5,672	247,801	(64,554)	39,552	1,267,461	2,957	164,729	1,658,834
Fund Balances, Beginning of Year	299,335	188,044	546,662	158,793	299,638	113,882	-	5,034	695,284	2,306,672
Fund Balances, End of Year	\$ 272,994	\$ 209,601	\$ 552,334	\$ 406,594	\$ 235,084	\$ 153,434	\$ 1,267,461	\$ 7,991	\$ 860,013	\$ 3,965,506

Grand County, Colorado
Airport Improvement Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental	\$ 316,700	\$ 316,700	\$ 228,102	\$ (88,598)	\$ 45,075
Charges for services	269,200	269,200	246,995	(22,205)	297,670
Miscellaneous	500	500	1,102	602	3,416
Total Revenues	586,400	586,400	476,199	(110,201)	346,161
Expenditures					
Current					
Auxiliary services	440,645	440,645	374,438	66,207	416,378
Excess (Deficiency) of Revenues Over (Under) Expenditures	145,755	145,755	101,761	43,994	(70,217)
Other Financing Sources (Uses)					
Transfers in	100,000	100,000	100,000	-	195,000
Transfers out	(316,700)	(316,700)	(228,102)	88,598	(44,366)
Total Other Financing Sources (Uses) Net	(216,700)	(216,700)	(128,102)	88,598	150,634
Net Change in Fund Balances	(70,945)	(70,945)	(26,341)	44,604	80,417
Fund Balances, Beginning of Year	275,445	275,445	299,335	23,890	218,918
Fund Balances, End of Year	\$ 204,500	\$ 204,500	\$ 272,994	\$ 68,494	\$ 299,335

Grand County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental	\$ 40,000	\$ 40,000	\$ 53,370	\$ 13,370	\$ 59,728
Investment earnings	-	-	1,920	1,920	1,377
Total Revenues	<u>40,000</u>	<u>40,000</u>	<u>55,290</u>	<u>15,290</u>	<u>61,105</u>
Expenditures					
Current					
Auxiliary services	<u>180,700</u>	<u>180,700</u>	<u>33,733</u>	<u>146,967</u>	<u>18,937</u>
Net Changes in Fund Balances	(140,700)	(140,700)	21,557	162,257	42,168
Fund Balances, Beginning of Year	<u>160,830</u>	<u>160,830</u>	<u>188,044</u>	<u>27,214</u>	<u>145,876</u>
Fund Balances, End of Year	<u>\$ 20,130</u>	<u>\$ 20,130</u>	<u>\$ 209,601</u>	<u>189,471</u>	<u>\$ 188,044</u>

Grand County, Colorado
County Lodging Tax Tourism Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ 25,000
Charges for services	-	-	-	-	300
Other taxes - lodging taxes	755,000	755,000	943,849	188,849	825,065
Investment earnings	500	500	-	(500)	3,765
Miscellaneous	-	-	930	930	-
Total Revenues	780,500	780,500	969,779	189,279	854,130
Expenditures					
Current:					
Auxiliary services	989,716	989,716	964,107	25,609	937,424
Net Changes in Fund Balances	(209,216)	(209,216)	5,672	214,888	(83,294)
Fund Balances, Beginning of Year	189,293	189,293	546,662	357,369	629,956
Fund Balances (Deficits), End of Year	\$ (19,923)	\$ (19,923)	\$ 552,334	\$ 572,257	\$ 546,662

Grand County, Colorado
Dispatch Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental	\$ 229,625	\$ 229,625	\$ 229,625	\$ -	\$ 215,223
Expenditures					
Current					
Public safety	760,082	760,082	637,281	122,801	660,528
Capital Outlay					
Public safety	150,000	150,000	25,000	125,000	83,634
Total Expenditures	910,082	910,082	662,281	247,801	744,162
Excess (Deficiency) of Revenues Over (Under) Expenditures	(680,457)	(680,457)	(432,656)	247,801	(528,939)
Other Financing Sources					
Transfers in	680,457	680,457	680,457	-	602,215
Net Changes in Fund Balances	-	-	247,801	247,801	73,276
Fund Balances, Beginning of Year	154,599	154,599	158,793	4,194	85,517
Fund Balances, End of Year	\$ 154,599	\$ 154,599	\$ 406,594	\$ 251,995	\$ 158,793

Grand County, Colorado
Grand County Emergency Telephone Service Authority
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Special assessments	\$ 310,000	\$ 310,000	\$ 311,690	\$ 1,690	\$ 329,215
Total Revenues	<u>310,000</u>	<u>310,000</u>	<u>311,690</u>	<u>1,690</u>	<u>329,215</u>
Expenditures					
Current					
Public safety	15,750	18,750	13,744	5,006	15,222
Total Expenditures	<u>15,750</u>	<u>18,750</u>	<u>13,744</u>	<u>5,006</u>	<u>15,222</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>294,250</u>	<u>291,250</u>	<u>297,946</u>	<u>6,696</u>	<u>313,993</u>
Other Financing Sources (Uses)					
Transfers out	(362,500)	(362,500)	(362,500)	-	(312,500)
Net Changes in Fund Balances	<u>(68,250)</u>	<u>(71,250)</u>	<u>(64,554)</u>	<u>6,696</u>	<u>1,493</u>
Fund Balances, Beginning of Year	<u>269,968</u>	<u>269,968</u>	<u>299,638</u>	<u>29,670</u>	<u>298,145</u>
Fund Balances, End of Year	<u>\$ 201,718</u>	<u>\$ 198,718</u>	<u>\$ 235,084</u>	<u>\$ 36,366</u>	<u>\$ 299,638</u>

Grand County, Colorado
Grand County Housing Authority - Administrative Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Intergovernmental	\$ 335,292	\$ 335,292	\$ 122,715	\$ (212,577)	\$ 123,657
Charges for services	50,000	50,000	61,024	11,024	35,104
Miscellaneous	2,286	2,286	19,077	16,791	40,877
Total Revenues	387,578	387,578	202,816	(184,762)	199,638
Expenditures					
Current:					
Auxiliary services	395,084	395,084	123,172	271,912	170,981
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,506)	(7,506)	79,644	87,150	28,657
Other Financing Sources (Uses)					
Transfers in	242,366	242,366	234,394	(7,972)	-
Transfers out	(235,000)	(235,000)	(274,486)	(39,486)	(22,767)
Total Other Financing Sources (Uses) Net	7,366	7,366	(40,092)	(47,458)	(22,767)
Net Changes in Fund Balances	(140)	(140)	39,552	39,692	5,890
Fund Balances, Beginning of Year	93,910	93,910	113,882	19,972	107,992
Fund Balances, End of Year	\$ 93,770	\$ 93,770	\$ 153,434	\$ 59,664	\$ 113,882

Grand County, Colorado
Open Lands, Rivers and Trails Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Sales Taxes	\$ 1,224,000	\$ 1,224,000	\$ 1,275,397	\$ 51,397	\$ -
Investment earnings	-	-	4,612	4,612	-
Total Revenues	<u>1,224,000</u>	<u>1,224,000</u>	<u>1,280,009</u>	<u>56,009</u>	<u>-</u>
Expenditures					
Current					
Auxiliary services	<u>1,224,000</u>	<u>1,224,000</u>	<u>12,548</u>	<u>1,211,452</u>	<u>-</u>
Total Expenditures	<u>1,224,000</u>	<u>1,224,000</u>	<u>12,548</u>	<u>1,211,452</u>	<u>-</u>
Net Changes in Fund Balances	-	-	1,267,461	1,267,461	-
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,267,461</u>	<u>\$ 1,267,461</u>	<u>\$ -</u>

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Grand County, Colorado
Pole Creek Meadows, Grand County, Colorado Public Improvement District
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Property taxes	\$ 69,770	\$ 69,770	\$ 69,765	\$ (5)	\$ 63,270
Other taxes	3,500	3,500	4,920	1,420	3,864
Investment earnings	-	-	-	-	439
Total Revenues	73,270	73,270	74,685	1,415	67,573
Expenditures					
Current					
Auxiliary services	3,200	3,200	3,727	(527)	3,168
Debt Service					
Interest	15,002	15,002	15,001	1	16,863
Principal	53,000	53,000	53,000	-	51,000
Total Expenditures	71,202	71,202	71,728	(526)	71,031
Net Changes in Fund Balances	2,068	2,068	2,957	889	(3,458)
Fund Balances, Beginning Of Year	2,984	2,984	5,034	2,050	8,492
Fund Balances, End Of Year	\$ 5,052	\$ 5,052	\$ 7,991	\$ 2,939	\$ 5,034

Grand County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Property taxes	\$ 318,051	\$ 318,051	\$ 320,130	\$ 2,079	\$ 320,768
Intergovernmental	2,325,953	2,325,953	2,100,085	(225,868)	2,330,914
Other taxes	-	-	24,764	24,764	18,596
Total Revenues	<u>2,644,004</u>	<u>2,644,004</u>	<u>2,444,979</u>	<u>(199,025)</u>	<u>2,670,278</u>
Expenditures					
Current					
Public welfare	<u>2,630,891</u>	<u>2,630,891</u>	<u>2,280,250</u>	<u>350,641</u>	<u>2,513,319</u>
Net Changes in Fund Balances	13,113	13,113	164,729	151,616	156,959
Fund Balances, Beginning of Year	<u>834,823</u>	<u>834,823</u>	<u>695,284</u>	<u>(139,539)</u>	<u>538,325</u>
Fund Balances, End of Year	<u>\$ 847,936</u>	<u>\$ 847,936</u>	<u>\$ 860,013</u>	<u>\$ 12,077</u>	<u>\$ 695,284</u>

Capital Improvement Funds

(Major Governmental Funds)

The capital improvements funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

- ***Major Capital Improvement Fund*** - This fund is used to account for major capital expenditures (those in excess of \$5,000) financed primarily from sales tax revenues or capital leases and all other major capital asset transactions of the County.
- ***Sales Tax Fund*** - This fund is used to account for sales tax revenues received and non-operating expenditures financed primarily from sales tax revenues.

Grand County, Colorado
Major Capital Improvements Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Property taxes	\$ -	\$ -	\$ 3,227	\$ 3,227	\$ 82
Total Revenues	-	-	3,227	3,227	82
Expenditures					
Current					
General government	-	-	1,186	(1,186)	301
Capital Outlay					
General government	195,759	392,759	211,528	181,231	15,015
Streets and highways	1,492,000	1,562,000	1,184,304	377,696	320,526
Public safety	188,000	431,000	399,224	31,776	366,883
Auxiliary services	353,400	353,400	238,875	114,525	75,098
Total Capital Outlay	2,229,159	2,739,159	2,033,931	705,228	777,522
Debt Service					
Capital lease interest	-	-	3,774	(3,774)	-
Capital lease principal	-	-	22,255	(22,255)	-
Total Debt Service	-	-	26,029	(26,029)	-
Total Expenditures	2,229,159	2,739,159	2,061,146	678,013	777,823
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,229,159)	(2,739,159)	(2,057,919)	681,240	(777,741)
Other Financing Sources (Uses)					
Transfers in	1,313,700	1,823,700	1,103,549	(720,151)	239,951
Proceeds on the sale of capital assets	55,000	55,000	102,382	47,382	66,833
Capital lease proceeds	-	-	113,595	113,595	-
Total Other Financing Sources (Uses) Net	1,368,700	1,878,700	1,319,526	(559,174)	306,784
Net Changes in Fund Balances	(860,459)	(860,459)	(738,393)	122,066	(470,957)
Fund Balances, Beginning of Year	1,337,840	1,337,840	1,496,099	158,260	1,967,056
Fund Balances, End of Year	\$ 477,381	\$ 477,381	\$ 757,706	\$ 280,326	\$ 1,496,099

Grand County, Colorado
Sales Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Revenues					
Sales taxes	\$ -	\$ -	\$ -	\$ -	\$ 3,912,637
Miscellaneous	-	-	-	-	390
Total Revenues	-	-	-	-	3,913,027
Expenditures					
Current					
General government	-	-	-	-	1,303,991
Streets and highways	-	-	-	-	5,970
Public safety	-	-	-	-	38,739
Public welfare	-	-	-	-	1,239
Auxiliary services	-	-	-	-	5,049
Judicial services	-	-	-	-	8,975
Total Expenditures	-	-	-	-	1,363,963
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	2,549,064
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	6,000
Transfers out	-	(5,071,173)	(5,071,173)	-	-
Total Other Financing Sources (Uses) Net	-	(5,071,173)	(5,071,173)	-	6,000
Net Changes in Fund Balances	-	(5,071,173)	(5,071,173)	-	2,555,064
Fund Balances, Beginning of Year	1,278,748	5,071,173	5,071,173	-	2,516,109
Fund Balances, End of Year	\$ 1,278,748	\$ -	\$ -	\$ -	\$ 5,071,173

Financial Section

Major Proprietary Enterprise Funds

In general proprietary funds comprise two fund types. Enterprise funds are used to account for services provided on a total or partial cost-recovery basis to parties outside the government (e.g., water, mass transit, hospitals). Internal service funds are used to allocate overhead costs (e.g., data processing, motor pool) within the government itself. Grand County's proprietary funds are all enterprise funds.

The Colorado Sewer Enterprise Fund – This fund is used to account for the County's one-third interest in the operation of the sewage collection infrastructure and treatment plant for an unincorporated area of Grand County known as Tabernash.

The following enterprise funds are included in the County financial statements by the blending of the Grand County Housing Authority.

Silver Spruce Senior Apartments Fund – This facility, located in Kremmling includes 20 single bedroom apartments in a secured building with after-hours keyed entry designed for low income seniors 62 years of age or disabled who maintain this as their sole residence.

Grand Living Senior Homes Fund – This facility, located in Granby, includes 24 single bedroom apartments with individual entrances and patios designed for low income seniors 62 years of age or disabled who maintain this as their sole residence.

Cliffview Assisted Living Center Fund – This facility, located in Kremmling is designed for up to 25 seniors who need a supportive setting while maintaining their independence and choices in life.

Grand County, Colorado
Colorado Sewer Enterprise Fund
Schedule of Revenues, Expenses and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Operating revenues					
Charges for services	\$ 112,290	\$ 112,290	\$ 116,752	\$ 4,462	\$ 107,773
Special assessments	36,128	36,128	36,229	101	34,565
Other revenue	125	125	690	565	555
Investment earnings	-	-	-	-	1,571
Total Revenues	<u>148,543</u>	<u>148,543</u>	<u>153,671</u>	<u>5,128</u>	<u>144,464</u>
Operating expenses					
Depreciation	27,812	27,812	27,812	-	27,812
Insurance	4,458	4,458	3,329	1,129	4,481
Interest	23,618	23,618	23,637	(19)	25,597
Maintenance	9,540	9,540	14,593	(5,053)	29,371
Materials and supplies	10,464	10,464	9,169	1,295	8,324
Professional fees	5,099	5,099	6,558	(1,459)	6,794
Salaries and benefits	53,598	53,598	45,530	8,068	61,897
Utilities	11,476	11,476	9,039	2,437	10,513
Principal payment	13,590	13,590	13,588	2	12,961
Total Expenses	<u>159,655</u>	<u>159,655</u>	<u>153,255</u>	<u>6,400</u>	<u>187,750</u>
Income (loss) before capital contributions-budget basis	(11,112)	(11,112)	416	11,528	(43,286)
Capital contribution-tap fees	-	-	15,065	15,065	28,880
Change in Net Position - budget basis	<u>\$ (11,112)</u>	<u>\$ (11,112)</u>	15,481	<u>\$ 26,593</u>	(14,406)
Reconciliation from budget to GAAP basis:					
Principal payment			13,588		12,961
Change in net position - GAAP basis			29,069		(1,445)
Net Position (Deficit) - Beginning			371,965		373,410
Net Position (Deficit) - Ending			<u>\$ 401,034</u>		<u>\$ 371,965</u>

Grand County, Colorado
Grand County Housing Authority - Silver Spruce Senior Apartments Fund
Schedule of Revenues, Expenses and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Operating revenues					
Gross potential rents	\$ 64,373	\$ 64,373	\$ 62,278	\$ (2,095)	\$ 67,790
Tenant assistance payments	169,022	169,022	169,628	606	167,791
Laundry and vending revenue	1,500	1,500	1,232	(268)	1,484
Other revenue	1,000	1,000	3,820	2,820	2,314
Total Revenues	<u>235,895</u>	<u>235,895</u>	<u>236,958</u>	<u>1,063</u>	<u>239,379</u>
Operating expenses					
Administrative	64,066	64,066	48,549	15,517	60,169
Interest expense	20,052	20,052	21,250	(1,198)	25,285
Operations and maintenance	43,334	58,334	60,782	(2,448)	74,414
Taxes and insurance	22,013	32,013	12,665	19,348	17,896
Utilities	64,115	64,115	53,854	10,261	50,087
Total Expenses	<u>213,580</u>	<u>238,580</u>	<u>197,100</u>	<u>41,480</u>	<u>227,851</u>
Income (loss) before transfers					
in(out)-budget basis	22,315	(2,685)	39,858	42,543	11,528
Transfers out	-	-	(10,786)	(10,786)	(7,366)
Change in Net Position - budget basis	<u>\$ 22,315</u>	<u>\$ (2,685)</u>	29,072	<u>\$ 31,757</u>	4,162
Reconciliation from budget to GAAP basis:					
Depreciation			(22,073)		(22,072)
Change in net position - GAAP basis			6,999		(17,910)
Net Position (Deficit) - Beginning			(335,657)		(317,747)
Net Position (Deficit) - Ending			<u>\$ (328,658)</u>		<u>\$ (335,657)</u>

Grand County, Colorado
Grand County Housing Authority - Grand Living Senior Homes Fund
Schedule of Revenues, Expenses and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Operating revenues					
Gross potential rents	\$ 78,872	\$ 78,872	\$ 81,698	\$ 2,826	\$ 80,397
Tenant assistance payments	110,728	110,728	105,013	(5,715)	115,565
Laundry and vending revenue	1,000	1,000	805	(195)	597
Other revenue	8,655	8,655	10,499	1,844	11,337
Total Revenues	<u>199,255</u>	<u>199,255</u>	<u>198,015</u>	<u>(1,240)</u>	<u>207,896</u>
Operating expenses					
Administrative	45,420	45,420	47,674	(2,254)	45,349
Interest expense	26,146	26,146	10,460	15,686	11,642
Operations and maintenance	52,211	82,211	44,271	37,940	78,707
Taxes and insurance	25,349	25,349	21,215	4,134	18,512
Utilities	50,075	50,075	50,331	(256)	48,314
Total Expenses	<u>199,201</u>	<u>229,201</u>	<u>173,951</u>	<u>55,250</u>	<u>202,524</u>
Income (loss) before transfers					
in(out)-budget basis	54	(29,946)	24,064	54,010	5,372
Transfers in	-	-	4,950	4,950	-
Change in Net Position - budget basis	<u>\$ 54</u>	<u>\$ (29,946)</u>	29,014	<u>\$ 58,960</u>	5,372
Reconciliation from budget to GAAP basis:					
Depreciation			(47,615)		(47,896)
Change in net position - GAAP basis			(18,601)		(42,524)
Net Position (Deficit) - Beginning			57,569		100,093
Net Position (Deficit) - Ending			<u>\$ 38,968</u>		<u>\$ 57,569</u>

Grand County, Colorado
Grand County Housing Authority - Cliffview Assisted Living Center Fund
Schedule of Revenues, Expenses and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2017
With Comparative Actual Amounts for the Year Ended December 31, 2016

	2017				2016
	Original Budget	Final Budget	Actual	Variance	Actual
Operating revenues					
Gross potential rents	\$ 630,388	\$ 630,388	\$ 486,433	\$ (143,955)	\$ 500,273
Medicaid reimbursements	97,200	97,200	218,075	120,875	196,904
Other revenue	9,815	9,815	8,977	(838)	6,043
Total Revenues	<u>737,403</u>	<u>737,403</u>	<u>713,485</u>	<u>(23,918)</u>	<u>703,220</u>
Operating expenses					
Activities	349,301	349,301	367,296	(17,995)	352,127
Administrative	147,838	147,838	155,889	(8,051)	153,389
Interest expense	47,604	47,604	31,263	16,341	29,804
Operations and maintenance	260,084	285,084	45,848	239,236	27,451
Taxes and insurance	120,889	120,889	110,802	10,087	108,825
Utilities	46,222	46,222	51,686	(5,464)	43,386
Total Expenses	<u>971,938</u>	<u>996,938</u>	<u>762,784</u>	<u>234,154</u>	<u>714,982</u>
Income (loss) before transfers					
in(out)-budget basis	(234,535)	(259,535)	(49,299)	210,236	(11,762)
Transfers in	235,000	235,000	45,929	(189,071)	30,133
Change in Net Position - budget basis	<u>\$ 465</u>	<u>\$ (24,535)</u>	(3,370)	<u>\$ 21,165</u>	18,371
Reconciliation from budget to GAAP basis:					
Depreciation			(36,622)		(31,588)
Change in net position - GAAP basis			(39,992)		(13,217)
Net Position (Deficit) - Beginning			(31,530)		(18,313)
Net Position (Deficit) - Ending			<u>\$ (71,522)</u>		<u>\$ (31,530)</u>

Financial Section

Fiduciary (Agency) Funds

Financial Section

Fiduciary (Agency) Funds

In general fiduciary funds consist of four fund types: private-purpose trust funds (escheat property), pension and other employee benefit trust funds, investment trust funds (intergovernmental investment pools), and agency funds (resources held in a temporary and essentially custodial capacity).

The County Fiduciary Funds are Agency Funds used to account for assets that the County holds in a fiduciary capacity but belong to third parties.

- ***The Treasurer's Fund*** is used to account for resources received and disbursed by the County Treasurer on behalf of other government agencies primarily the county special taxing districts and certain County operations. The Public Trustee activity is included in the Treasurer's Fund.
- ***The Clerk's Fund*** is used to account for resources received and disbursed by the County Clerk on behalf of other government agencies primarily the State of Colorado
- ***The Sheriff's Fund*** consists of the forfeiture fund used to account for proceeds from the seizure of contraband available to the Sheriff for law enforcement activities. Additionally, the Sheriff holds money for jail inmates and collects monies from jail inmates for the district and county courts and also charges jail inmates for goods and services.
- ***The Colorado State Highway 9 Fund*** is a temporary fund used to account for resources held in escrow by North American Title Company restricted for use as part of the RAMP agreement for the CDOT Colorado State Highway 9 project scheduled for completion in 2017.

Grand County, Colorado
Fiduciary (Agency) Funds
Combining Statement of Changes in Fiduciary Assets and Liabilities
For the Year Ended December 31, 2017

Treasurer's Fund	Balance 12/31/2016	2017		Balance 12/31/2017
		Additions	Deductions	
Fiduciary Assets				
Cash and investments	<u>\$ 1,811,353</u>	<u>\$ 38,986,054</u>	<u>\$ (36,647,405)</u>	<u>\$ 4,150,002</u>
Liabilities				
Due to others	\$ 1,307,665	\$ 4,017,875	\$ (3,281,813)	\$ 2,043,727
Due to other governmental units	156,996	34,433,858	(33,018,900)	1,571,954
Outstanding warrants	346,692	534,321	(346,692)	534,321
Total Liabilities	<u>\$ 1,811,353</u>	<u>\$ 38,986,054</u>	<u>\$ (36,647,405)</u>	<u>\$ 4,150,002</u>
Clerk's Fund	Balance 12/31/2016	2017		Balance 12/31/2017
		Additions	Deductions	
Fiduciary Assets				
Cash and investments	<u>\$ 432,349</u>	<u>\$ 6,821,930</u>	<u>\$ (6,789,841)</u>	<u>\$ 464,438</u>
Liabilities				
Due to other governmental units	<u>\$ 432,349</u>	<u>\$ 6,821,930</u>	<u>\$ (6,789,841)</u>	<u>\$ 464,438</u>
Sheriff's Fund	Balance 12/31/2016	2017		Balance 12/31/2017
		Additions	Deductions	
Fiduciary Assets				
Cash and investments	<u>\$ 38,166</u>	<u>\$ 328,887</u>	<u>\$ (310,130)</u>	<u>\$ 56,923</u>
Liabilities				
Due to others	\$ 38,030	\$ 328,887	\$ (309,995)	\$ 56,922
Due to County Sheriff	136	-	(135)	1
Total Liabilities	<u>\$ 38,166</u>	<u>\$ 328,887</u>	<u>\$ (310,130)</u>	<u>\$ 56,923</u>
Colorado State Highway 9	Balance 12/31/2016	2017		Balance 12/31/2017
		Additions	Deductions	
Fiduciary Assets				
Cash and investments	<u>\$ 163,416</u>	<u>\$ 16</u>	<u>\$ (153,089)</u>	<u>\$ 10,343</u>
Liabilities				
Due to other governmental units	<u>\$ 163,416</u>	<u>\$ 16</u>	<u>\$ (153,089)</u>	<u>\$ 10,343</u>
Total Agency Funds	Balance 12/31/2016	2017		Balance 12/31/2017
		Additions	Deductions	
Fiduciary Assets				
Cash and investments	<u>\$ 2,445,284</u>	<u>\$ 46,136,887</u>	<u>\$ (43,900,465)</u>	<u>\$ 4,681,706</u>
Liabilities				
Due to others	\$ 1,345,695	\$ 4,346,762	\$ (3,591,808)	\$ 2,100,649
Due to other governmental units	752,761	41,255,804	(39,961,830)	2,046,735
Outstanding warrants	346,692	534,321	(346,692)	534,321
Due to County Sheriff	136	-	(135)	1
Total Liabilities	<u>\$ 2,445,284</u>	<u>\$ 46,136,887</u>	<u>\$ (43,900,465)</u>	<u>\$ 4,681,706</u>

Special Reports Section

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

LOCAL HIGHWAY FINANCE REPORT	CITY OR COUNTY	Grand County
	STATE:	Colorado
	YEAR ENDING (mm/yy):	12/17

This Information From The Records Of County of Grand, Colorado

Prepared By: Cathy Henderson, Assistant Finance Director
Phone: (970) 725-3138**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	0	0	0	0
2. Minus amount used for collection expenses	0	0	0	0
3. Minus amount used for nonhighway purposes	0	0	0	0
4. Minus amount used for mass transit	0	0	0	0
5. Remainder used for highway purposes	0	0	0	0

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	0
1. Local highway-user taxes	0
a. Motor Fuel (from Item I.A.5.)	0
b. Motor Vehicle (from Item I.B.5.)	0
c. Total (a.+b.)	0
2. General fund appropriations	505,097
3. Other local imposts (from page 2)	2,889,785
4. Miscellaneous local receipts (from page 2)	680,895
5. Transfers from toll facilities	-
6. Proceeds of sale of bonds and notes:	-
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	
7. Total (1 through 6)	4,075,777
B. Private Contributions	
C. Receipts from State government (from page 2)	2,882,740
D. Receipts from Federal Government (from page 2)	1,598,117
E. Total receipts (A.7 + B + C + D)	8,556,634
0	0
0	0
0	0

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	0
1. Capital outlay (from page 2)	698,076
2. Maintenance:	4,017,177
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	847,264
c. Other	-
d. Total (a. through c.)	847,264
4. General administration & miscellaneous	-
5. Highway law enforcement and safety	505,097
6. Total (1 through 5)	6,067,614
B. Debt service on local obligations:	-
1. Bonds:	-
a. Interest	
b. Redemption	
c. Total (a. + b.)	
2. Notes:	-
a. Interest	
b. Redemption	
c. Total (a. + b.)	
3. Total (1.c + 2.c)	
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	6,067,614

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	5,390,897	8,556,634	6,067,614	7,879,917	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		CITY OR COUNTY	Grand County
		STATE:	Colorado
		YEAR ENDING (mm/yy):	12/17
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	218,140	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,621,954	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	0	d. Parking Meter Fees	
3. Liens	0	e. Sale of Surplus Property	
4. Licenses	17,860	f. Charges for Services	641,216
5. Specific Ownership &/or Other	31,831	g. Other Misc. Receipts	39,680
6. Total (1. through 5.)	2,671,645	h. Other	
c. Total (a. + 6.)	2,889,785	i. Total (a. through h.)	680,895
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,821,651	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	61,090	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	1,598,117
f. Total (a. through e.)	61,090	g. Total (a. through f.)	1,598,117
4. Total (1. + 2. + 3.f)	2,882,740	3. Total (1. + 2.g)	
		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			
b. Engineering Costs		24,419	24,419
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		673,657	673,657
(4). System Enhancement & C		0	0
(5). Total Construction (1) + (		673,657	673,657
d. Total Capital Outlay (Lines 1.a.		698,076	698,076
		(Carry forward to page 1)	
Notes and Comments:			

Statistical Section

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

	<u>Section - Page</u>
Financial Trends	H - 1 to H- 9
These tables and schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	H - 10 to H- 15
These tables and schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.	
Debt Capacity	H - 16 to H- 18
These tables and schedules present information to help the reader to assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. The County has not issued any bonded debt within the last ten years and therefore, has omitted any required tables relating to bonded debt.	
Demographic and Economic Information	H - 19 to H- 29
These tables and schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	H - 30 to H- 35
These tables and schedules offer information about the County's operations and resources to help the reader understand the County's financial relates to the services the County provides and the activities it performs.	

Sources: *Unless otherwise noted, the information in these tables is derived from the Comprehensive Annual Financial Reports for the relevant year.*

Statistical Section

Financial Trends

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

Section - Page

Government-Wide

Expenses, Program Revenues and Net (Expense) Revenue By Function	H - 1
Net Position By Component	H - 2
Changes in Net Position - Page 1 of 2	H - 3
Changes in Net Position - Page 2 of 2	H - 4
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Governmental Funds

Revenues By Source, Expenditures, Other Financing and Net Changes in Fund Balances	H - 6
Revenues By Source	H - 7
Expenditures by Function	H - 8
Excess (Deficiency) of Revenue Over (Under) Expenditures, Other Financing and Net Changes in Fund Balances	H - 9

Grand County, Colorado
Government-Wide Expenses, Program Revenue and Net (Expense) Revenue By Function
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses										
Governmental Activities:										
General government	\$ 10,435,302	\$ 11,391,607	\$ 12,030,809	\$ 7,153,952	\$ 7,017,280	\$ 7,152,875	\$ 7,442,268	\$ 7,597,684	\$ 7,519,569	\$ 7,105,696
Public health	4,122,252	4,017,355	6,842,207	5,473,148	5,816,828	5,528,710	4,982,571	6,022,416	6,081,926	5,899,335
Streets and highways	5,475,181	5,402,084	6,731,585	7,424,755	6,765,629	6,719,479	7,291,559	6,647,802	6,677,395	6,184,216
Public safety	4,929,047	4,951,708	5,067,135	5,689,614	5,149,322	5,214,607	4,651,474	4,847,427	4,887,369	4,084,104
Public welfare ⁽¹⁾	2,011,919	2,214,398	2,726,515	2,753,706	2,320,422	1,026,499	955,075	1,046,919	930,722	916,445
Auxiliary services	2,888,764	2,948,243	2,811,084	2,963,465	3,014,528	2,488,121	2,222,979	1,556,491	1,183,917	1,124,886
Judicial	941,892	894,989	1,035,339	958,555	907,098	869,136	886,586	798,019	832,800	722,086
Interest on long-term debt	-	-	-	-	-	-	-	239,474	793,525	739,028
Total Expenses	\$ 30,804,357	\$ 31,820,384	\$ 37,244,674	\$ 32,417,195	\$ 30,991,107	\$ 28,999,427	\$ 28,432,512	\$ 28,756,232	\$ 28,907,223	\$ 26,775,796
Program Revenues										
Government Activities:										
General government	\$ 2,084,824	\$ 1,689,933	\$ 4,251,451	\$ 1,949,916	\$ 1,917,198	\$ 1,833,098	\$ 3,355,740	\$ 3,118,285	\$ 2,801,782	\$ 3,425,405
Public health	2,771,431	2,649,155	2,305,663	2,288,052	2,165,388	1,938,370	2,022,799	2,879,702	3,307,223	4,249,053
Streets & highways	4,740,351	4,500,611	3,778,125	4,112,744	5,246,628	4,631,331	3,813,532	3,490,209	3,372,213	3,526,077
Public safety	1,246,540	1,606,250	1,383,840	892,135	2,399,394 ⁽²⁾	1,023,690	1,017,264	1,015,544	1,509,048	1,196,389
Public welfare ⁽¹⁾	2,100,085	2,330,914	2,525,866	2,411,293	2,108,290	827,617	785,030	903,667	830,182	728,210
Auxiliary services	1,283,325	1,275,647	1,543,682	2,347,892	933,355	1,275,335	1,155,875	986,980	4,663,623	2,817,801
Judicial	76,831	70,788	67,619	60,432	108,946	110,796	57,543	194,733	151,104	634,743
Total Program Revenue	\$ 14,303,387	\$ 14,123,298	\$ 15,856,246	\$ 14,062,464	\$ 14,879,199	\$ 11,640,237	\$ 12,207,783	\$ 12,589,120	\$ 16,635,175	\$ 16,577,678
Net (Expense) / Revenue										
Governmental Activities:										
General government	\$ (8,350,478)	\$ (9,701,674)	\$ (7,779,358)	\$ (5,204,036)	\$ (5,100,082)	\$ (5,319,777)	\$ (4,086,528)	\$ (4,479,399)	\$ (4,717,787)	\$ (3,680,291)
Public health	\$ (1,350,821)	(1,368,200)	(4,536,544)	(3,185,096)	(3,651,440)	(3,590,340)	(2,959,772)	(3,142,714)	(2,774,703)	(1,650,282)
Streets and highways	\$ (734,830)	(901,473)	(2,953,460)	(3,312,011)	(1,519,001)	(2,088,148)	(3,478,027)	(3,157,593)	(3,305,182)	(2,658,139)
Public safety	\$ (3,682,507)	(3,345,458)	(3,683,295)	(4,797,479)	(2,749,928)	(4,190,917)	(3,634,210)	(3,831,883)	(3,378,321)	(2,887,715)
Public welfare	\$ 88,166	116,516	(200,649)	(342,413)	(212,132)	(198,882)	(170,045)	(143,252)	(100,540)	(188,235)
Auxiliary services	\$ (1,605,439)	(1,672,596)	(1,267,402)	(615,573)	(2,081,173)	(1,212,786)	(1,067,104)	(569,511)	3,479,706	1,692,915
Judicial	\$ (865,061)	(824,201)	(967,720)	(898,123)	(798,152)	(758,340)	(829,043)	(603,286)	(681,696)	(87,343)
Interest on long-term debt		-	-	-	-	-	-	(239,474)	(793,525)	(739,028)
Total Net (Expense) Revenue	\$ (16,500,970)	\$ (17,697,086)	\$ (21,388,428)	\$ (18,354,731)	\$ (16,111,908)	\$ (17,359,190)	\$ (16,224,732)	\$ (16,167,112)	\$ (12,272,048)	\$ (10,198,118)

⁽¹⁾ Includes reporting of Social Services pass through benefits for county residents.

⁽²⁾ Includes one time grant/ donation to Grand County Dispatch fund for establishment of 6 mountain top dedicated radio repeater stations to enhance emergency communications.

Grand County, Colorado
Government-Wide - Net Position By Component
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities Net Position										
Net investment in capital assets	\$ 47,605,351	\$ 49,600,323	\$ 52,217,265	\$ 52,227,967	\$ 51,866,648	\$ 51,441,693	\$ 52,302,499	\$ 54,984,662	\$ 47,025,134	\$ 35,620,745
Net position - restricted for open lands, rivers and trails	1,267,461	-	-	-	-	-	-	-	-	-
Net position - restricted for social programs	859,955	695,284	538,325	730,002	1,025,825	960,047	877,427	292,931	261,367	-
Net position - restricted for TABOR amendment	850,000	850,000	850,000	801,500	801,500	801,500	801,500	730,500	743,277	759,732
Net position - restricted for other purposes	1,246,949	408,090	674,062	1,049,297	317,370	390,647	1,860,466	205,902	191,812	79,567
Net position - unrestricted	14,769,026	12,879,503	12,103,185	16,206,666	19,813,315	19,396,680	18,845,840	13,816,956	17,376,366	24,507,092
Subtotal Government Activities Net Position	66,598,742	64,433,200	66,382,837	71,015,432	73,824,658	72,990,567	73,084,732	70,030,951	65,597,956	60,967,136
% change from prior year	3%	-9%	-10%	-3%	1%	0%	6%	6%	8%	14%
Business-type Activities Net Position										
Net investment in capital assets	(298,972)	(374,921)	(315,517)	(445,480)	(369,595)	(520,880)	(343,820)	(458,794)	334,199	352,755
Net position - restricted	292,831	260,051	250,578	199,534	183,673	152,389	134,696	198,923	32,096	-
Net position - unrestricted	45,963	177,217	202,380	220,226	(1,803,615)	(1,522,407)	(1,774,231)	(1,785,196)	89,989	110,370
Subtotal Business-type Activities Net Position	39,822	62,347	137,441	(25,720)	(1,989,537)	(1,890,898)	(1,983,355)	(2,045,067)	456,284	463,125
% change from prior year	-36%	-342%	-107%	-99%	5%	-5%	-3%	-548%	-1%	-1%
Total Primary Government Activities Net Position	<u>\$ 66,638,564</u>	<u>\$ 64,495,547</u>	<u>\$ 66,520,278</u>	<u>\$ 70,989,712</u>	<u>\$ 71,835,121</u>	<u>\$ 71,099,669</u>	<u>\$ 71,101,377</u>	<u>\$ 67,224,184</u>	<u>\$ 66,054,240</u>	<u>\$ 61,430,261</u>
Primary Government										
Net investment in capital assets	47,306,379	49,225,402	51,901,748	51,782,487	51,497,053	50,920,813	51,958,679	54,525,868	47,359,333	35,973,500
Net position - restricted for open lands, rivers and trails	1,267,461	-	-	-	-	-	-	-	-	-
Net position - restricted for social programs	859,955	695,284	538,325	730,002	1,025,825	960,047	877,427	292,931	261,367	-
Net position - restricted for TABOR amendment	850,000	850,000	850,000	801,500	801,500	801,500	801,500	730,500	743,277	759,732
Net position - restricted for other purposes	1,539,780	668,141	924,640	1,248,831	501,043	543,036	1,995,162	404,825	223,908	79,567
Net position - unrestricted	14,814,989	13,056,720	12,305,565	16,426,892	18,009,700	17,874,273	17,071,609	12,031,760	17,466,355	24,617,462
Total Primary Government Net Position	<u>\$ 66,638,564</u>	<u>\$ 64,495,547</u>	<u>\$ 66,520,278</u>	<u>\$ 70,989,712</u>	<u>\$ 71,835,121</u>	<u>\$ 71,099,669</u>	<u>\$ 71,101,377</u>	<u>\$ 67,224,184</u>	<u>\$ 66,054,240</u>	<u>\$ 61,430,261</u>
Change in Net Position										
Government Activities	2,165,538	(1,695,801)	(4,632,595) *	(3,532,676)	834,091	(94,165)	3,053,781	3,671,295	4,630,820	7,598,394
Business Activities	(22,525)	(75,095)	163,160	1,963,817	(98,639)	92,457	61,712	(2,501,351)	(6,841)	(4,078)
Total Primary Government Change	<u>\$ 2,143,013</u>	<u>\$ (1,770,896)</u>	<u>\$ (4,469,435)</u>	<u>\$ (1,568,859)</u>	<u>\$ 735,452</u>	<u>\$ (1,708)</u>	<u>\$ 3,877,193</u>	<u>\$ 1,169,944</u>	<u>\$ 4,623,979</u>	<u>\$ 7,594,316</u>
% change from prior year	3%	-2%	-6%	-2%	1%	0%	6%	2%	8%	14%

Notes: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; net position restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal governments, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.

* 2013 restated in 2014

Grand County, Colorado
Government-Wide - Changes in Net Position - Page 1 of 2
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

	2017	2016*	2015	2014	2013	2012	2011	2010	2009	2008
Program Expenses										
<i>Government Activities:</i>										
General Government	\$ 10,435,302	\$ 11,391,607	\$ 12,030,809	\$ 7,153,952	\$ 7,017,280	\$ 7,152,875	\$ 7,442,268	\$ 7,597,684	\$ 7,519,569	\$ 7,105,696
Public Health	4,122,252	4,017,355	6,842,207	5,473,148	5,816,828	5,528,710	4,982,571	6,022,416	6,081,926	5,899,335
Streets and Highways	5,475,181	5,402,084	6,731,585	7,424,755	6,765,629	6,719,479	7,291,559	6,647,802	6,677,395	6,184,216
Public Safety	4,929,047	4,951,708	5,067,135	5,689,614	5,149,322	5,214,607	4,651,475	4,847,427	4,887,369	4,084,104
Public Welfare	2,011,919	2,214,398	2,726,515	2,753,706	2,320,422	1,026,499	955,076	1,046,919	930,722	916,445
Auxiliary Services	2,888,764	2,948,243	2,811,084	2,963,465	3,014,528	2,488,121	2,222,979	1,556,491	1,183,917	1,124,886
Judicial	941,892	894,989	1,035,339	958,555	907,098	869,136	886,587	798,019	832,800	722,086
Interest	-	-	-	-	-	-	-	239,474	793,525	739,028
Total Government Activities Expenses	30,804,357	31,820,384	37,244,674	32,417,195	30,991,107	28,999,427	28,432,515	28,756,232	28,907,223	26,775,796
<i>Business-type Activities:</i>										
Colorado Sewer Enterprise	139,666	174,789	185,759	181,917	155,262	145,181	140,311	141,114	137,956	139,125
Grand County Housing Authority	1,240,145	1,246,913	1,152,117	1,168,330	1,246,266	1,168,362	1,194,426	1,162,898	-	-
Total Business-type Activities Expenses	1,379,811	1,421,702	1,337,876	1,350,247	1,401,528	1,313,543	1,334,737	1,304,012	137,956	139,125
Total Primary Government Expenses	32,184,168	33,242,086	38,582,550	33,767,442	32,392,635	30,312,970	29,767,252	30,060,244	29,045,179	26,914,921
Program Revenues:										
<i>Governmental Activities:</i>										
Charges for services										
General Government	1,129,876	851,871	2,699,808	792,062	988,008	885,741	790,183	1,053,825	901,141	2,680,681
Public Health	2,427,836	2,234,362	1,834,179	1,818,656	1,775,472	1,616,516	1,692,435	2,101,118	2,897,105	3,864,932
Streets and Highways	320,584	237,677	423,307	444,606	1,258,611	565,832	726,420	421,684	324,169	768,650
Public Safety	359,392	321,639	602,612	266,554	251,570	242,102	223,937	230,243	291,390	359,264
Public Welfare	-	-	-	-	-	-	-	-	-	-
Auxiliary Services	728,232	888,042	703,259	870,037	646,528	749,257	763,189	414,325	443,338	462,558
Judicial	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	9,109,365	9,166,146	9,512,700	8,222,161	8,358,778	7,329,735	7,609,646	7,606,279	7,365,842	5,515,153
Capital grants and contributions	228,102	89,031	595,943	1,648,388	1,600,232	251,054	401,973	761,646	4,412,190	2,926,440
Total Government Activities Program Revenues	14,303,387	13,788,768	16,371,808	14,062,464	14,879,199	11,640,237	12,207,783	12,589,120	16,635,175	16,577,678
<i>Business-type Activities:</i>										
Charges for services	1,240,387	1,237,047	1,293,719	783,137	852,032	842,059	752,781	729,376	99,476	102,317
Operating grants and contributions	1,528	1,527	1,527	434,727	415,192	386,673	374,549	359,788	-	-
Capital grants and contributions	15,065	28,880	7,880	-	9,920	15,434	-	-	-	-
Total Business-type Gov Program Revenues	1,256,980	1,267,454	1,303,126	1,217,864	1,277,144	1,244,166	1,127,330	1,089,164	99,476	102,317
Total Primary Government Program Revenues	15,560,367	15,056,222	17,674,934	15,280,328	16,156,343	12,884,403	13,335,113	13,678,284	16,734,651	16,679,995
Net Program (Expenses) Revenues										
<i>Government Activities</i>	(16,500,970)	(18,031,616)	(20,872,866)	(18,354,731)	(16,111,908)	(17,359,190)	(16,224,732)	(16,167,112)	(12,272,048)	(10,198,118)
<i>Business-type Activities</i>	(122,830)	(154,248)	(34,750)	(132,383)	(124,384)	(69,377)	(207,407)	(214,848)	(38,480)	(36,808)
Total Primary Government Net (Expenses)	<u>\$ (16,623,800)</u>	<u>\$ (18,185,864)</u>	<u>\$ (20,907,616)</u>	<u>\$ (18,487,114)</u>	<u>\$ (16,236,292)</u>	<u>\$ (17,428,567)</u>	<u>\$ (16,432,139)</u>	<u>\$ (16,381,960)</u>	<u>\$ (12,310,528)</u>	<u>\$ (10,234,926)</u>

Notes: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; net position restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal governments, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.

* restated

Grand County, Colorado
Government-Wide - Changes in Net Position - Page 2 of 2
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Net Program (Expenses) Revenues (from page H-3)										
<i>Government Activities</i>	\$ (16,500,970)	\$ (18,031,616)	\$ (20,872,866) *	\$ (18,014,232)	\$ (16,111,908)	\$ (17,359,190)	\$ (16,224,732)	\$ (16,167,112)	\$ (12,272,048)	\$ (10,198,118)
<i>Business-type Activities</i>	(122,830)	(154,248)	(34,750)	(132,383)	(124,384)	(69,377)	(207,407)	(214,848)	(38,480)	(36,808)
Total Primary Government Net (Expenses)	(16,623,800)	(18,185,864)	(20,907,616)	(18,146,615)	(16,236,292)	(17,428,567)	(16,432,139)	(16,381,960)	(12,310,528)	(10,234,926)
General Revenues and other changes in Net Position										
<i>Governmental Activities:</i>										
Taxes										
Property	10,177,981	9,985,798	10,404,966	10,599,816	12,217,105	12,330,318	14,839,294	14,670,338	12,876,106	12,086,040
Sales	5,571,025	3,912,637	3,673,216	3,332,877	3,121,596	2,860,397	2,832,609	2,953,891	2,759,602	3,260,491
Other	2,063,014	1,765,590	1,306,541	1,244,647	1,182,889	1,130,902	1,070,523	550,839	630,237	661,444
Investment earnings - net	197,502	203,979	148,132	128,348	50,587	150,661	201,283	294,286	478,550	1,434,065
Miscellaneous	697,077	490,578	944,986	659,342	384,508	921,842	369,449	322,599	188,373	384,472
Special item		-	-	(1,492,272)	-	-	-	-	-	-
Transfers	(40,091)	(22,767)	(182,823)	8,798	(10,686)	(129,095)	(34,645)	(39,483)	(30,000)	(30,000)
Total Government Activities General Revenues	18,666,508	16,335,815	16,295,018	14,481,556	16,945,999	17,265,025	19,278,513	18,752,470	16,902,868	17,796,512
<i>Business-type Activities:</i>										
Investment Earnings & Miscellaneous	23,986	21,820	15,089	13,725	15,059	32,739	234,474	21,747	1,639	2,730
Special item	36,229		-	2,091,273	-	-	-	-	-	-
Transfers & Capital Contribution	40,091	57,332	182,823	(8,798)	10,686	129,095	34,645	39,483	30,000	30,000
Total Business-type General Activities	100,306	79,152	197,912	2,096,200	25,745	161,834	269,119	61,230	31,639	32,730
Total Primary Government General Activities	18,766,814	16,414,967	16,492,930	16,577,756	16,971,744	17,426,859	19,547,632	18,813,700	16,934,507	17,829,242
Change in Net Position										
<i>Government Activities</i>	2,165,538	(1,695,801)	(4,577,848)	(3,532,676)	834,091	(94,165)	3,053,781	2,585,358	4,630,820	7,598,394
<i>Business Activities</i>	(22,524)	(75,096)	163,162	1,963,817	(98,639)	92,457	61,712	(153,618)	(6,841)	(4,078)
Total Primary Government excess (deficiency)	2,143,014	(1,770,897)	(4,414,686)	(1,568,859)	735,452	(1,708)	3,115,493	2,431,740	4,623,979	7,594,316
Beginning net position	64,495,547	66,266,444	70,989,712	72,558,571	71,099,669	71,101,377	67,985,884	64,792,444	61,430,261	53,835,945
Ending net position	\$ 66,638,561	\$ 64,495,547	\$ 66,575,026	\$ 70,989,712	\$ 71,835,121	\$ 71,099,669	\$ 71,101,377	\$ 67,224,184	\$ 66,054,240	\$ 61,430,261

Notes: Accounting standards require that net position be reported in three components in the financial statements: net investment in capital assets; net position restricted; and unrestricted. Net position is considered restricted only when an external party, such as the state or federal governments, places a restriction on how the resources may be used, or through enabling legislation enacted by the County.

*2013 restated in 2014

Grand County, Colorado
Government-Wide Program Revenue - Charges for Services, Grants and Sales by Function
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

Calendar Year	General Government	Public Health	Streets & Highways	Public Safety	Public Welfare	Auxiliary Services	Judicial	Total	% Inc (Dec) From Prior Year
2017	\$ 2,084,824	\$ 2,771,431	\$ 4,740,351	\$ 1,246,540	\$ 2,100,085	\$ 1,283,325	\$ 76,831	\$ 14,303,387	1%
2016	1,689,933	2,649,155	4,500,611	1,606,250	2,330,914	1,275,647	70,788	14,123,298	-11%
2015	4,251,451 ⁽⁵⁾	2,305,663	3,778,125	1,383,840	2,525,866	1,543,682	67,619	15,856,241	13%
2014	1,949,916	2,288,052	4,112,744	892,135	2,411,293	2,347,892	60,432	14,062,464	-5%
2013	1,917,198	2,165,388	5,246,628 ⁽⁴⁾	2,399,394	2,108,290	933,355	108,946	14,879,195	21%
2012	1,833,098	1,938,370	4,631,331	1,023,690	827,617	1,275,335	110,796	11,640,237	-3%
2011	3,355,740	2,022,799	3,813,532	1,017,264	785,030	1,155,875 ⁽³⁾	57,543	12,207,780	-1%
2010	3,118,285	2,879,702	3,490,209	1,015,544	903,667	986,980	194,733	12,589,120	-13%
2009	2,801,782 ⁽²⁾	3,307,223	3,372,213	1,509,048	830,182	4,663,623	151,104	16,635,173	-40%
2008	3,425,405	4,249,053	3,526,077	1,196,389 ⁽¹⁾	728,210	2,817,801	634,743	16,577,677	-7%
% Change Since 2008	-39%	-35%	34%	4%	188%	-54%	-88%	-14%	

Notes:

⁽¹⁾ From 2008 on Dispatch services charged to other local governments classified as intergovernmental operating revenue.

⁽²⁾ From 2009 on Treasurer fees charged to other local governments classified as intergovernmental operating revenue.

⁽³⁾ From 2011 on Auxillary Services includes the Middle Park Fair and 4H Livestock Sale revenue.

⁽⁴⁾ 2013 includes reimbursement for crusher services provided for Estes Park flood recovery.

⁽⁵⁾ 2015 includes charges for services in the Employee Insurance Fund.

Grand County, Colorado
Governmental Funds - Revenues By Source, Expenditures, Other Financing and Net Change in Fund Balances
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues by Source										
Taxes										
Property & other	\$ 11,923,805	\$ 11,416,673	\$ 11,711,507	\$ 11,844,463	\$ 13,399,994	\$ 13,461,220	\$ 15,909,817	\$ 15,221,177	\$ 13,506,343	\$ 12,747,484
Sales	5,571,025	3,912,637	3,673,216	3,332,877	3,121,596	2,860,397	2,832,609	2,953,891	2,759,602	3,260,491
Intergovernmental	9,989,820	9,887,476	10,656,878	10,534,718	10,670,311	8,292,719	8,853,037	9,206,345	12,521,655	9,941,593
Charges for services	6,671,134	6,442,072	6,105,960	4,665,109	5,151,878	4,592,783	7,172,311	6,621,186	6,886,898	9,410,504
Investment earnings	197,502	203,979	148,132	128,348	(9,290) #	93,877	200,518	294,286	478,550	1,434,065
Licenses & permits	634,908	439,772	367,086	307,101	203,275	243,810	324,129	361,131	371,702	548,623
Special assessments	317,190	334,715	317,636	328,686	5,500	6,000	7,500	5,000	7,500	194,000
Miscellaneous	693,994	432,003	850,043	659,343	384,508	921,842	369,449	331,477	350,039	384,472
Total Revenues	35,999,378	33,069,327	33,830,458	31,800,645	32,927,772	30,472,648	35,669,370	34,994,493	36,882,289	37,921,232
% Change from prior year	9%	-2%	6%	-3%	8%	-15%	2%	-5%	-3%	30%
Expenditures										
Current:										
General government	10,379,010	11,265,748	11,989,406	7,142,335	7,084,546	7,370,570	10,387,691	9,983,431	9,943,293	10,855,303
Public health	4,488,882	4,459,497	5,249,926	6,077,639	5,476,039	5,193,087	5,023,416	6,175,926	5,496,399	5,501,967
Streets & highways	4,888,862	4,764,709	5,564,840	6,501,762	5,860,168	5,760,439	5,910,924	5,540,001	5,032,823	5,304,179
Public safety	4,626,361	4,675,844	4,513,780	5,266,517	4,773,610	4,834,603	4,368,882	4,488,215	4,660,219	4,098,132
Public welfare	2,280,250	2,514,558	2,718,474	2,729,526	2,316,108	1,020,624	950,779	1,059,192	1,019,507	964,764
Auxilliary services	2,387,399	2,482,062	2,278,687	2,439,841	2,553,662	1,993,119	1,791,960	1,186,017	973,310	1,007,967
Judicial	734,924	688,019	828,370	751,586	693,142	653,588	672,592	680,916	724,807	649,078
Debt Service:										
Principal retirement	75,255	51,000	49,000	39,000	-	-	-	9,827,368	4,575,313	1,485,607
Interest and fiscal charges	18,775	16,863	18,652	28,384	-	-	-	440,307	616,279	741,489
Capital Outlay	2,058,931	994,018	4,100,553	4,153,770	4,389,481	2,821,711	1,327,389	2,226,260	10,685,092	15,125,952
Total Expenditures	31,938,649	31,912,318	37,311,688	35,130,360	33,146,756	29,647,741	30,433,633	41,607,633	43,727,042	45,734,438
% change from prior year	-14%	-9%	13%	18%	12%	-3%	-27%	-5%	-4%	41%
Special Item				934,390						
Excess of Revenues										
Over Expenditures	4,060,729	1,157,009	(3,481,230)	(4,264,105)	(218,984)	824,907	5,235,737	(6,613,140)	(6,844,753)	(7,813,206)
Other Financing Sources (Uses)										
Transfers in	7,689,573	1,543,166	14,188,342	18,921,033	4,141,120	2,660,346	5,046,109	11,766,318	20,825,426	12,496,545
Transfer out	(7,729,664)	(1,565,933)	(14,335,912)	(19,084,734)	(4,151,806)	(2,789,441)	(5,080,754)	(11,805,801)	(20,855,426)	(12,526,545)
Issuance of long term debt	-	-	-	-	550,000					
Sale of capital assets	102,382	66,833	366,562	31,300	682,735	113,016	499,693	-	126,491	408,260
Proceeds from capital leases	113,595	-	-	-	-	-	-	535,000	216,764	2,095,146
Net other financing sources (uses)	175,886	44,066	218,992	(132,401)	1,222,049	(16,079)	465,048	495,517	313,255	2,473,406
Net Change in Fund Balances	\$ 4,236,615	\$ 1,201,075	\$ (3,262,238)	\$ (4,208,773)	\$ 1,003,065	\$ 808,828	\$ 5,700,785	\$ (6,117,623)	\$ (6,531,498)	\$ (5,339,800)
Total expenditures	\$ 31,938,649	\$ 31,912,318	\$ 37,311,688	\$ 35,130,360	\$ 33,146,756	\$ 29,647,741	\$ 30,433,633	\$ 41,607,633	\$ 43,727,042	\$ 45,734,438
Capital outlay	(2,058,931)	(994,018)	(4,100,553)	(4,153,770)	(4,389,481)	(2,821,711)	(1,327,389)	(2,226,260)	(10,685,092)	(15,812,216)
Total non-capital expenditures	\$ 29,879,718	\$ 30,918,300	\$ 33,211,135	\$ 30,976,590	\$ 28,757,275	\$ 26,826,030	\$ 29,106,244	\$ 39,381,373	\$ 33,041,950	\$ 29,922,222
Total debt service	\$ 94,030	\$ 67,863	\$ 67,652	\$ 67,384	\$ -	\$ -	\$ -	\$ 10,267,675	\$ 5,191,592	\$ 2,227,096
Debt service as a percentage of non-capital expenditures	0.3%	0.2%	0.2%	0.2%	0%	0%	0%	26%	16%	7%

Grand County, Colorado
Governmental Funds - Revenues By Source ⁽¹⁾
For the Years Ended December 31,
(modified accrual basis of accounting)
(Unaudited)

Calendar Year	Property & Other Taxes	Sales Taxes	Licenses & Permits	Inter-governmental Grants & Contributions	Charges for Services	Investment Earnings	Special Assessments	Miscellaneous	Total	% Inc (Dec) From Prior Year
2017	\$ 11,923,805	\$ 5,571,025	\$ 634,908	\$ 9,989,820	\$ 6,671,134	\$ 197,502	\$ 317,190	\$ 693,994	\$ 35,999,378	10%
2016	11,416,673	3,912,637	439,772	9,449,190	6,441,887	203,979	334,715	432,003	32,630,856	-4%
2015	11,711,507	3,673,216	367,086	10,656,878	6,105,960	(7) 148,132	317,636	850,043	33,830,458	6%
2014	11,844,463	3,332,877	307,101	10,534,718	4,665,109	128,348	328,686 (6)	659,343	31,800,639	-3%
2013	13,399,994	3,121,596	203,275	10,670,311 (5)	5,151,878	(9,290)	5,500	384,508	32,927,772	0%
2012	13,461,220	2,860,397	243,810	8,292,719	4,592,783	93,877	6,000	921,842 (4)	30,472,648	-15%
2011	15,909,817	2,832,609	324,129	8,853,037	7,172,311	200,518	7,500	369,449	35,669,370	2%
2010	15,221,177	2,953,891	361,131	9,206,345	6,621,186	294,286	5,000	331,477	34,994,493	-5%
2009	13,506,343	2,759,602	371,702	12,521,655 (3)	6,886,898	478,550	7,500	350,039	36,882,289	-3%
2008	12,747,484 (2)	3,260,491	548,623	9,941,593 (2)	9,410,504	1,434,065	194,000	384,472	37,921,232	30%

Notes: ⁽¹⁾ Revenues By Source - includes General, Special Revenues, Capital Projects and Debt Service Funds.

⁽²⁾ Includes \$2.9 million (32%) increase in Property Tax based on the reassessment of real property; \$2.3 million in intergovernmental capital grants received for the Granby Airport;

⁽³⁾ Includes \$4.2 million in intergovernmental capital grants received for the Granby Airport

⁽⁴⁾ Includes \$376,579 in Jones CDOT donation and \$262,927 in Freeport-McMoRan donation for CR 3.

⁽⁵⁾ From 2013 on, the Social Services Fund switched to a more widely accepted accounting method recording pass-through revenues and expenditures

⁽⁶⁾ From 2014 on, the Grand County Emergency Telephone Service Authority is reported as a special revenue fund which includes an assessment for emergency response.

⁽⁷⁾ 2015 includes charges for services in the Employee Insurance Fund.

Grand County, Colorado
Governmental Funds - Expenditures by Function
For the Years Ended December 31,
(modified accrual basis of accounting)
(Unaudited)

Calendar Year	General Government		Public Health	Streets & Highways	Public Safety	Public Welfare	Auxiliary Services	Judicial	Debt Service		Capital Outlay	Total	% Inc (Dec) From Prior Year
									Principal	Interest			
2017	\$	10,379,010	\$ 4,488,882	\$ 4,888,862	\$ 4,626,361	\$ 2,280,250	\$ 2,387,399	\$ 734,924	\$ 75,255	\$ 18,775	\$ 2,058,931	\$ 31,938,649	1%
2016		10,827,462	4,459,497	4,764,709	4,675,844	2,514,558	2,482,062	688,019	51,000	16,863	994,018	31,474,032	-16%
2015		11,989,406	⁽⁹⁾ 5,249,926	5,564,840	4,513,780	2,718,474	2,278,687	828,370	49,000	18,652	4,100,553	37,311,688	6%
2014		7,142,335	6,077,639	6,501,762	5,266,517	2,729,526	2,439,841	751,586	39,000	⁽⁷⁾ 28,384	4,153,770	35,130,353	6%
2013		7,084,546	5,476,039	5,860,168	4,773,610	2,316,108	⁽⁸⁾ 2,553,662	751,586	-	-	4,389,481	33,146,756	9%
2012		7,370,570	5,193,087	5,760,439	4,834,603	1,020,624	1,993,119	653,588	-	-	2,821,711	29,647,741	-3%
2011		10,387,691	⁽⁶⁾ 5,023,416	⁽⁵⁾ 5,910,924	4,368,882	950,779	1,791,960	672,592	-	-	1,327,389	30,433,621	-27%
2010		9,983,431	6,175,926	5,540,001	4,488,215	1,059,192	1,186,017	680,916	9,827,368	⁽⁴⁾ 440,307	2,226,260	41,607,633	-5%
2009		9,943,293	5,496,399	5,032,823	4,660,219	1,019,507	973,310	724,807	4,575,313	⁽²⁾ 616,279	10,685,092	⁽⁴⁾ 43,727,042	-4%
2008		10,855,303	5,501,967	5,304,179	4,098,132	964,764	1,007,967	649,078	1,485,607	⁽¹⁾ 741,789	15,125,952	⁽³⁾ 45,734,738	41%

Source: Expenditures by Function - includes General, Special Revenues, Capital Projects and Debt Service Funds.

Notes: ⁽¹⁾ 2008 Includes first year of the Grand County Judicial Center lease purchase agreement payment \$1 million

⁽²⁾ 2009 Includes the repayment of all Road & Bridge and Solid Waste heavy equipment leases

⁽³⁾ 2008 Includes the construction of the Grand County Judicial Center \$5.9 million and Grand County Administrative Services Center remodel \$1.6 million and Granby Airport \$2.1 million

⁽⁴⁾ 2010 Includes payoff of all EMS ambulance equipment leases and Grand County Judicial Center lease

⁽⁵⁾ 2011 Includes Landfill Stabilization costs

⁽⁶⁾ 2013 Includes \$550,000 for Pole Creek Meadows Grand County, Colorado Public Improvement District as a blended component unit

⁽⁷⁾ From 2014 on, Debt Service includes Pole Creek Meadows Grand County, Colorado bond payments for infrastructure improvements

⁽⁸⁾ From 2013 on, the Social Services Fund switched to a more widely accepted accounting method recording pass-through revenues and expenditures

⁽⁹⁾ From 2015 on includes activity in the Employee Insurance Fund.

Grand County, Colorado
Governmental Funds - Excess (Deficiency) Revenue Over (Under) Expenditures, Other Financing and Net Changes in Fund Balance
For the Years Ended December 31,
(modified accrual basis of accounting)
(Unaudited)

Calendar Year	Excess (Deficiency) Revenue over (under) Expenditures	Other Financing						Net Changes in Fund Balances	Beginning Fund Balance	Fund Balance Restatements and Transfers	Ending Fund Balance	% Inc (Dec) From Prior Year
		Transfers In	Transfers Out	Sale of Capital Assets	Proceeds from Capital Leases	Issuance of Long Term Debt	Total Other Financing Sources (Uses)					
2017	\$ 4,060,729	\$ 7,689,573	\$ (7,729,664)	\$ 102,382	\$ 113,595	\$ -	\$ 175,886	\$ 4,236,615	\$ 19,102,942	\$ -	\$ 23,339,557	22%
2016	1,156,824	1,543,166	(1,565,933)	66,833	-	-	44,066	1,200,890	17,901,866	-	19,102,756	7%
2015	(3,391,230)	14,098,342	(14,281,165)	366,562	-	-	183,739	(3,207,491)	21,109,357	-	17,901,866	-15%
2014	(4,264,105)	17,253,433	(17,244,634)	31,300	-	-	40,099	(4,224,006)	24,746,381	586,982 ⁽⁸⁾	21,109,357	-15%
2013	(218,984)	4,141,120	(4,151,806)	682,735	-	550,000 ⁽¹⁾	1,222,049	1,003,065	23,743,316	-	24,746,381	4%
2012	824,907	2,660,346	(2,789,441)	113,016	-	-	(16,079)	808,828	22,845,355	89,133 ⁽⁷⁾	23,743,316	4%
2011	5,235,737	5,046,109	(5,080,754)	499,693	-	-	465,048	5,700,785	16,859,371	374,332 ⁽⁶⁾	22,845,355	36%
2010	(6,613,140)	11,766,318	(11,805,801)	-	535,000 ⁽⁵⁾	-	495,517	(6,117,623) ⁽³⁾	21,955,190	1,021,804 ⁽⁴⁾	16,859,371	-23%
2009	(6,844,753)	20,825,426	(20,855,426)	126,491	216,764 ⁽²⁾	-	313,255	(6,531,498) ⁽³⁾	28,486,688	-	21,955,190	-23%
2008	(7,813,206)	12,496,545	(12,526,545)	408,260	2,095,146	-	2,473,406	(5,339,800) ⁽³⁾	33,826,488	-	28,486,688	-16%

Notes: ⁽¹⁾ 2013 Pole Creek Meadows, Grand County, Colorado Public Improvement District reported as a blended component unit, issued bonds for infrastructure improvements.
⁽²⁾ 2007 Includes proceeds of the Grand County Judicial Center lease purchase agreement
⁽³⁾ 2009 one new lease entered into. This and all existing leases for Road & Bridge and Solid Waste paid off in 2009
⁽⁴⁾ 2007, 2008 and 2009 The County was spending down accumulated fund balances for capital projects and in 2009 and 2010 to pay down debt.
⁽⁵⁾ 2010 was restated as a result of including the Grand County Housing Authority as a blended component unit.
⁽⁶⁾ 2010 one new lease entered into and paid off in the same year.
⁽⁷⁾ 2011 was restated as a result of including the County Lodging Tax Tourism Fund as a non-major special revenue fund.
⁽⁸⁾ 2012 was restated as a result of combining the Affordable Housing, Debt Service, Retirement and Water Quality Funds with the General Fund and combining the PILT Fund with the Road & Bridge Fund as per GASB 54.
⁽⁹⁾ 2014 was restated as a result of including the Grand County Emergency Telephone Service Authority as a non-major special revenue fund.

Statistical Section

Revenue Capacity

These tables and schedules contain information to help the reader assess the factors affecting the County's ability to generate its property and sales taxes.

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Direct and Overlapping Property Tax Rates and Revenues	H - 12
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Grand County, Colorado
Taxable Assessed Value and Estimated Full Value of Property ⁽¹⁾
For the Years Ended December 31,
(Unaudited)

Year		Real Property		Personal Property		Total		Assessed Value as a Percentage of Actual Value		Total Direct Tax Rate ⁽³⁾
		Assessed Value	Actual Value	Assessed Value	Actual Value	Assessed Value	Actual Value	Real Property	Personal Property	
Levied	Collected									
2017	2018	\$ 631,983,990	\$ 6,144,593,750	\$ 27,495,850	\$ 94,813,110	\$ 659,479,840	\$ 6,239,406,860	10.29% ⁽²⁾	29.00%	16.61
2016	2017	624,173,090	5,535,362,910	36,863,450	220,918,750	661,036,540	5,756,281,660	11.28% ⁽²⁾	16.69%	15.155
2015	2016	644,332,700	5,433,312,720	36,711,500	126,591,770	681,044,200	5,559,904,490	11.86% ⁽²⁾	29.00%	15.155
2014	2015	641,493,490	5,242,429,370	44,828,480	154,581,060	686,321,970	5,397,010,430	12.24% ⁽²⁾	29.00%	15.155
2013	2014	659,629,370	5,272,336,690	45,169,890	155,758,530	704,799,260	5,428,095,220	12.51% ⁽²⁾	29.00%	15.155
2012	2013	754,841,510	5,842,999,053	54,069,800	186,447,586	808,911,310	6,029,446,639	12.92% ⁽²⁾	29.00%	15.155
2011	2012	761,878,990	5,827,766,543	55,121,050	190,072,586	817,000,040	6,017,839,129	13.07% ⁽²⁾	29.00%	15.155
2010	2011	923,680,990	7,200,193,742	58,756,910	202,610,034	982,437,900	7,402,803,776	12.83% ⁽²⁾	29.00%	15.155
2009	2010	913,465,160	7,092,637,959	59,419,850	204,896,034	972,885,010	7,297,533,993	12.88% ⁽²⁾	29.00%	15.155
2008	2009	819,541,340	6,513,420,844	37,293,970	128,599,897	856,835,310	6,642,020,741	12.58% ⁽²⁾	29.00%	15.155

Source: ⁽¹⁾ Grand County Assessor as of 4/27/17

Notes: ⁽²⁾ Real property residential classification assessed values are at 7.96% of actual value and all other classifications are at 29% of value.

⁽³⁾ Tax rates are per \$1,000 of assessed value.

**Assessed Valuation By Property Classification
At Time of Final Certification of Valuation
For the Years Ended December 31,
(Unaudited)**

Property Classification	(1)	Year Assessed Over Year Collected									
		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
		2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Vacant	(2)										
Land		\$ 92,001,530	\$ 90,502,620	\$ 93,557,190	\$ 103,379,890	\$ 105,660,720	\$ 143,896,240	\$ 145,575,830	\$ 192,399,630	\$ 188,811,550	\$ 190,862,590
Minor Structures		923,860	781,840	763,110	674,580	649,320	743,570	654,180	599,880	571,790	510,030
Total		92,925,390	91,284,460	94,320,300	104,054,470	106,310,040	146,230,010	146,230,010	192,999,510	189,383,340	191,372,620
Residential											
Land		58,561,660	61,161,750	59,898,450	62,110,190	61,607,720	76,555,830	76,176,910	94,829,220	94,752,610	91,756,960
Improvements		310,400,320	286,786,510	281,024,900	260,362,060	267,295,680	281,123,980	277,944,690	345,685,350	337,826,420	312,807,280
Personal Property		407,460	440,760	583,380	718,180	987,820	1,212,240	1,332,750	434,070	446,000	342,300
Total		369,369,440	348,389,020	341,506,730	323,190,430	329,891,220	355,454,350	355,454,350	440,948,640	433,025,030	404,906,540
Commercial											
Land		23,904,010	22,213,500	21,812,960	18,754,290	24,419,860	23,382,550	29,042,390	28,569,650	35,020,900	26,204,290
Improvements		54,150,460	51,769,330	51,842,030	56,694,320	50,526,980	55,514,650	49,259,250	67,135,530	60,573,650	56,222,710
Personal Property		9,889,840	10,320,750	10,027,470	10,017,990	10,106,600	10,748,330	11,679,070	12,906,330	13,556,850	11,838,800
Total		87,944,310	84,303,580	83,682,460	85,466,600	85,053,440	89,980,710	89,980,710	108,611,510	109,151,400	94,265,800
Industrial											
Land		402,890	294,670	294,670	337,140	556,120	376,200	376,200	446,950	446,950	410,240
Improvements		22,699,780	34,212,650	34,212,650	44,658,630	44,384,350	55,111,240	55,111,240	59,450,720	59,440,580	32,826,670
Personal Property		17,195,620	26,099,010	26,097,720	34,089,380	34,072,350	42,106,110	42,106,110	45,413,240	45,413,240	25,105,700
Total		40,298,290	60,606,330	60,605,040	79,085,150	79,012,820	97,593,550	97,593,550	105,310,910	105,300,770	58,342,610
Agricultural											
Land		4,460,020	4,272,930	4,258,350	3,821,880	3,823,470	3,613,270	3,859,910	3,483,710	3,522,790	3,143,150
Improvements		15,516,900	15,492,120	16,021,810	14,072,540	3,973,830	4,120,900	3,986,690	3,795,080	3,700,340	3,476,700
Total		19,976,920	19,765,050	20,280,160	17,894,420	7,797,300	7,846,600	7,846,600	7,278,790	7,223,130	6,619,850
Natural Resources											
Land		427,500	407,720	300,190	273,640	249,480	321,930	333,910	228,920	282,370	316,550
Personal Property		2,930	2,930	2,930	2,930	3,120	3,120	3,120	3,270	3,760	7,170
Total		430,430	410,650	303,120	276,570	252,600	337,030	337,030	232,190	286,130	323,720
Producing Mines		4,621,060	11,473,050	35,861,490	36,492,330	57,384,640	74,465,050	83,657,790	95,232,150	97,944,710	73,599,670
Public Utilities		43,914,000	44,804,400	44,484,900	39,862,000	39,097,200	35,616,100	35,900,000	31,824,200	30,570,500	27,404,500
Total Assessed Valuation		659,479,840	661,036,540	681,044,200	686,321,970	704,799,260	808,911,310	817,000,040	982,437,900	972,885,010	856,835,310
Total Exempt Property		72,027,890	62,714,840	60,490,780	61,274,060	63,874,450	70,116,290	69,555,880	77,152,730	89,957,160	79,241,020
Total Assessed & Exempt Valuation		\$ 731,507,730	\$ 723,751,380	\$ 741,534,980	\$ 747,596,030	\$ 768,673,710	\$ 879,027,600	\$ 886,555,920	\$ 1,059,590,630	\$ 1,062,842,170	\$ 936,076,330
Real Property		\$ 631,983,990	\$ 624,173,090	\$ 644,332,700	\$ 641,493,490	\$ 659,629,370	\$ 754,841,510	\$ 761,878,990	\$ 923,680,990	\$ 913,465,160	\$ 819,541,340
Personal Property		27,495,850	36,863,450	36,711,500	44,828,480	45,169,890	54,069,800	55,121,050	58,756,910	59,419,850	37,293,970
Total Assessed Valuation		\$ 659,479,840	\$ 661,036,540	\$ 681,044,200	\$ 686,321,970	\$ 704,799,260	\$ 808,911,310	\$ 817,000,040	\$ 982,437,900	\$ 972,885,010	\$ 856,835,310

Source: Grand County Assessor, Abstract of Assessment 11/28/17
(1) Year Assessed
(2) Year Collected

Grand County, Colorado
Direct and Overlapping Property Tax Rates and Revenues
For the Years Ended December 31,
(Unaudited)

Year		Grand County			Other		All	Grand	% Total
		General	Special	Total	County-wide	Special			
Levied	Collected	Fund	Revenue	County	Districts	Districts	Other	Total ⁽¹⁾	Grand County to Grand Total
		Property Tax Rates Per \$1,000 (Mill Levy Rates)							
2017	2018	12.281	4.329	16.610	3.911	⁽³⁾	67.692	88.213	19%
2016	2017	11.250	3.905	15.155	3.668	⁽³⁾	67.850	86.673	17%
2015	2016	11.250	⁽²⁾ 3.905	⁽²⁾ 15.155	2.708	⁽³⁾	64.458	82.321	18%
2014	2015	10.486	⁽²⁾ 4.669	⁽²⁾ 15.155	2.720	⁽³⁾	70.946	88.821	17%
2013	2014	10.486	⁽²⁾ 4.669	⁽²⁾ 15.155	2.720		70.971	88.846	17%
2012	2013	10.161	4.994	15.155	2.708		67.781	85.644	18%
2011	2012	10.161	4.994	15.155	2.690		67.633	85.478	18%
2010	2011	10.161	4.994	15.155	2.654		61.875	79.684	19%
2009	2010	10.153	5.002	15.155	2.632		46.912	64.699	23%
2008	2009	10.370	4.785	15.155	2.671		49.525	67.351	23%
		Property Tax Levies							
2017	2018	\$ 8,099,072	\$ 2,854,888	\$ 10,953,960	\$ 2,579,225	\$ 30,994,402	\$ 44,527,587		25%
2016	2017	7,436,661	2,581,348	10,018,009	1,796,036	29,744,794	41,558,839		24%
2015	2016	7,661,747	⁽²⁾ 2,659,478	⁽²⁾ 10,321,225	1,842,906	29,329,838	41,493,969		25%
2014	2015	7,196,772	⁽²⁾ 3,204,437	⁽²⁾ 10,401,209	1,866,109	29,068,088	41,335,406		25%
2013	2014	7,390,525	⁽²⁾ 3,290,708	⁽²⁾ 10,681,233	1,917,054	29,262,353	41,860,640		26%
2012	2013	8,219,348	4,039,703	12,259,051	2,190,532	31,774,424	46,224,007		27%
2011	2012	8,301,537	4,080,099	12,381,636	2,200,998	31,747,768	46,330,402		27%
2010	2011	9,982,552	4,906,294	14,888,846	2,607,390	36,826,506	54,322,742		27%
2009	2010	9,877,702	4,866,370	14,744,072	2,560,634	31,669,803	48,974,509		30%
2008	2009	8,888,026	4,101,176	12,989,202	2,289,288	30,883,836	46,162,326		28%

Source: Certifications of Levies and Revenue for the years indicated.

Notes: ⁽¹⁾ Average per Assessor's office

⁽²⁾ Includes reallocation of Social Services Fund mills to the General Fund

⁽³⁾ Includes Grand County Library District, Middle Park Water Conservation District, and Colorado River Conservation District

Grand County, Colorado
Principal Property Tax Revenue Taxpayers
For the Year Ended December 31, 2017
(amounts expressed in thousands)

Taxpayer / Type of Business	2016 - 2017 Taxable Assessed Value	2016 - 2017		Taxpayer / Type of Business	2008 - 2009 Taxable Assessed Value	2008 - 2009	
		Rank Tax Paid	Percent Assessed Value Total			Rank Tax Paid	Percent Assessed Value Total
Freeport - McMoRan Copper & Gold, Inc. Molybdenum Mining and Processing	\$ 44,322,900	1	6.7%	Climax Molybdenum Company Molybdenum Mining and Processing	\$ 132,061,610	1	15.4%
Union Pacific Corp. Transportation - Railroad	17,670,200	2	2.7%	US West Communications Telephone Utility	7,466,290	2	0.9%
IntraWest/Winter Park Operations Ski Area Operator	7,059,110	3	1.1%	YMCA of the Rockies Lodging and Recreation	6,734,400	3	0.8%
Public Service Company of Colorado Gas Utility	7,035,200	4	1.1%	Silver Creek Holding Co. Land Development	5,445,300	4	0.6%
Colorado Mountain Resorts Investors Land Development and Recreation	6,351,990	5	1.0%	Union Pacific Railroad	5,385,220	5	0.6%
Mountain Parks Electric Inc Electric Utility	6,098,500	6	0.9%	Tri-State Electric Electric Utility	5,122,200	6	0.6%
Tri-State Generation and Trans. Electric Utility	4,992,600	7	0.8%	Fairways at Pole Creek Dev Land Development	4,663,260	7	0.5%
Qwest Corp. Telephone Utility	4,925,300	8	0.7%	Public Service Co of CO Natural Gas Utility	4,455,060	8	0.5%
Granby Realty Holdings, LLC Land Development and Recreation	2,656,260	9	0.4%	Winter Park Village Inc Ski Area	3,496,500	9	0.4%
Rendezvous Colorado LLC Land Development and Recreation	1,730,720	10	0.3%	Zephyr Mountain Dev, LLC Land Development	2,833,900	10	0.3%
Total Top Ten Taxpayers Taxable Assessed Value	102,842,780		15.6%	Total Top Ten Taxpayers Taxable Assessed Value	177,663,740		20.7%
All Other Taxpayers Taxable Assessed Value	558,193,760		84.4%	All Other Taxpayers Taxable Assessed Value	679,426,490		79.3%
Total Taxable Assessed Value	<u>\$ 661,036,540</u>		<u>100.0%</u>	Total Taxable Assessed Value	<u>\$ 857,090,230</u>		<u>100.0%</u>

Source: Grand County Assessor

Grand County, Colorado
Property Tax Levies and Collections
For the Years Ended December 31,
(Unaudited)

Year		Property Taxes ⁽¹⁾		Percentage of Levy Collected	Delinquent Tax Collected (Refunded)	Total Collections		Total of Three Year's Uncollected Taxes at Year End	
Levied	Collected	Levied	Collected			Collected	Percentage of Levy Collected	Amount	Percentage Of Levy
2016	2017	\$ 10,087,683	\$ 10,007,226	99%	\$ 27,649	\$ 10,034,875	99%	\$ 205,475	2.04%
2015	2016	10,321,225	10,229,828	99%	880	10,230,708	99%	157,825	1.53%
2014	2015	10,401,209	10,339,059	99%	15,564	10,323,495	99%	194,021	1.87%
2013	2014	10,681,233	10,606,342	99%	(85,297)	10,691,639	100%	203,004	1.90%
2012	2013	12,259,051	12,271,804	100%	(13,381)	12,258,423	100%	269,154	2.20%
2011	2012	12,381,636	12,362,095	100%	(4,037)	12,358,058	100%	230,370	1.86%
2010	2011	14,888,846	14,834,510	100%	4,784	14,839,294	100%	255,589	1.72%
2009	2010	14,744,072	14,635,239	99%	35,099	14,670,338	99%	176,337	1.20%
2008	2009	12,989,202	12,875,968	99%	139	12,876,107	99%	175,087	1.35%
2007	2008	12,190,915	11,829,293	97%	(2,432)	11,826,861	97%	174,669	1.43%

Notes: ⁽¹⁾ Includes General Fund and Special Revenue Funds.

Grand County, Colorado
Property Tax & Sales Tax Direct Rate
For the Years Ended December 31,
(Unaudited)

		Property Taxes			Sales Taxes ⁽¹⁾		
Year		Property Taxes	Assessed	Weighted Avg	Total	Sales Tax	Weighted
Levied	Collected	Levied	Value	Direct Mill	County	Revenue	Average Direct
		Calendar Year		Rate Applied	Taxable Sales		Rate Applied
2017	2018	\$ 10,953,960	\$ 659,479,840	16.61	\$ 557,102,451	\$ 5,571,025	1.00%
2016	2017	\$ 10,018,009	\$ 661,036,540	15.155	\$ 391,263,700	\$ 3,912,637	1.00%
2015	2016	10,321,225	681,044,200	15.155	365,601,500	3,673,216	1.00%
2014	2015	10,401,209	686,321,970	15.155	327,496,200	3,274,962	1.00%
2013	2014	10,681,233	704,799,260	15.155	312,159,600	3,121,596	1.00%
2012	2013	12,259,051	808,911,310	15.155	286,039,700	2,860,397	1.00%
2011	2012	12,381,636	817,000,040	15.155	283,260,900	2,832,609	1.00%
2010	2011	14,888,846	982,437,900	15.155	295,389,100	2,953,891	1.00%
2009	2010	14,744,072	972,885,010	15.155	275,960,200	2,759,602	1.00%
2008	2009	12,989,202	856,835,310	15.155	326,049,100	3,260,491	1.00%

⁽¹⁾ Sales Taxes are collected in year indicated in "Levied" column

Statistical Section

Debt Capacity

These tables and schedules present information to help the reader to assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future. The County has not issued any bonded debt within the last ten years and therefore, has omitted any required tables relating to bonded debt.

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Grand County, Colorado
Ratios of Total Primary Government Debt to Personal Income and Per Capita
For the Years Ended December 31,
(Unaudited)

Year	Primary Government Debt								
	Governmental Activities		Business-type	Total Primary Government Debt	Total Grand County Personal Income ⁽⁵⁾	Government Debt as a Percentage of Personal Income	Total Grand County Population	Government Debt Per Capita	
	Capital Leases Payable	General Obligation Bond Payable	Loans						
									Activities
2017	\$ 91,340	\$ 358,000 ⁽¹⁾	\$ 2,355,028	\$ 2,804,368	\$ 625,317	0.4%	15,321	\$ 183.04	
2016	-	411,000 ⁽¹⁾	2,329,713	2,740,713	598,691	0.5%	15,008	182.62	
2015	-	462,000 ⁽¹⁾	2,397,960	2,859,960	564,767	0.5%	14,615	195.69	
2014	-	511,000 ⁽¹⁾	2,457,542	2,968,542	536,616	0.6%	14,546	204.08	
2013	-	550,000 ⁽¹⁾	2,457,542	3,007,542	517,147	0.6%	14,289	210.48	
2012	-	-	2,823,764	2,823,764	555,081	0.5%	14,195	198.93	
2011	-	-	2,652,042	2,652,042	560,156	0.5%	14,548	182.30	
2010	- ⁽³⁾	-	2,692,996 ⁽⁴⁾	2,692,996	551,453	0.5%	14,843	181.43	
2009	9,292,368 ⁽²⁾	-	2,978,241 ⁽⁴⁾	12,270,609	542,849	2.3%	13,911	882.08	
2008	13,650,917	-	573,090	14,224,007	572,999	2.5%	13,775	1,032.60	

Sources: US Dept. of Commerce, Bureau of Economic Analysis, report CA1-3 "Population, personal income by county" released Mar 2012.

Notes: ⁽¹⁾ Pole Creek Meadows, Grand County, Colorado Public Improvement District
⁽²⁾ 2009 reflects the repayment of all Road and Bridge and Solid Waste equipment leases
⁽³⁾ 2010 reflects the repayment of the Grand County Judicial Center Lease and all EMS equipment leases
⁽⁴⁾ 2009 reflects the blending of the Grand County Housing Authority previously reported as a descretly presented component unit
⁽⁵⁾ In thousands

Grand County, Colorado
Computation of Legal Debt Margin
For the Years Ended December 31,
(Unaudited)

Year Levied	Year Collected	Assessed Valuation			Legal Debt Margin Calculation:		
		Total Taxable Assessed Valuation	Total Tax Exempt Property Valuation	Total Valuation	Debt Limitation 10% of Total Assessed Valuation (000)	Total Debt Applicable to Limitation	Legal Debt Margin
2017	2018	659,479,840	72,027,890	731,507,730	73,150,773	358,000 ⁽²⁾	72,792,773
2016	2017	661,036,540	62,714,840	723,751,380	72,375,138	411,000	71,964,138
2015	2016	681,044,200	60,490,780	741,534,980	74,153,498	462,000	73,691,498
2014	2015	686,321,970	61,274,060	747,596,030	74,759,603	511,000	74,248,603
2013	2014	704,799,260	63,874,450	768,673,710	76,867,371	550,000 ⁽¹⁾	76,317,371
2012	2013	808,911,310	70,116,290	879,027,600	87,902,760	-	87,902,760
2011	2012	817,000,040	69,555,880	886,555,920	88,655,592	-	88,655,592
2010	2011	982,437,900	77,152,730	1,059,590,630	105,959,063	-	105,959,063
2009	2010	972,885,010	89,957,160	1,062,842,170	106,284,217	-	106,284,217
2008	2009	856,835,310	79,241,020	936,076,330	93,607,633	-	93,607,633
2007	2008	804,415,380	76,697,080	881,112,460	88,111,246	-	88,111,246

Note: (1) Pole Creek Meadows, Grand County, Colorado Public Improvement District

Note: (2) Pole Creek Meadows, Grand County, Colorado Public Improvement District and Capital Leases

Grand County, Colorado
Direct and Overlapping Governmental Activities Debt
For the Year Ended December 31, 2017
(Unaudited)

Governmental Unit ⁽²⁾	Net General Bonded Debt Outstanding	Estimated Percentage Applicable to Grand County ⁽¹⁾	Estimated Share of Direct and Overlapping Debt
Fire Protection Districts			
Grand Fire Protection District No. 1	\$ 3,770,000	100.0%	\$ 3,770,000
Grand Lake Fire Protection District No. 2	1,232,050	100.0%	1,232,050
Total Fire Protection Districts			5,002,050
Recreation District			
Grand Lake Metropolitan Recreation District	2,725,000	100.0%	2,725,000
Fraser Valley Metropolitan Recreation District	17,260,000	100.0%	17,260,000
Total Recreation Districts			19,985,000
Sanitary Districts			
Tabernash Meadows Water & Sanitation District	3,665,000	100.0%	3,665,000
Three Lakes Water & Sanitation District	1,882,485	100.0%	1,882,485
Winter Park Water & Sanitation District	405,000	100.0%	405,000
Columbine Lake Water District	628,757	100.0%	628,757
North Shore Water District	27,772	100.0%	27,772
Total Sanitary Districts			5,952,485
School Districts			
East Grand School District	23,260,000	100.0%	23,260,000
West Grand School District	5,905,000	94.9%	5,605,756
Total School Districts			28,865,756
Local Improvement Districts			
Grand Elk Ranch General Improvement District	7,250,000	100.0%	7,250,000
Rendezvous Residential Metropolitan District	12,015,000	100.0%	12,015,000
Pole Creek Meadows PID	358,000	100.0%	358,000
Total Local Improvement Districts			19,623,000
Subtotal, Overlapping debt			79,070,291
Total direct debt - Pole Creek Meadows Public Improvement District			358,000
Total direct and overlapping debt			\$ 79,428,291

Sources: Assessed value data used to estimate applicable percentages provided by the County Assessor. Net debt outstanding (general obligation debt only) provided by the respective taxing districts.

Note 1 - The percentage of overlapping debt applicable is estimated using the taxable assessed property values. Applicable percentages were estimated by determining the portion of the taxing districts taxable assessed value that is within the County's boundaries and dividing it by the taxing district's total taxable assessed value.

Note 2 - Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the County. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident and therefore responsible for repaying the debt, of each overlapping government.

Statistical Section

Demographic and Economic Information

These tables and schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments..

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Grand County, Colorado
County & State Population and Per Capita Personal Income
For the Years Ended December 31,
(Unaudited)

Year	State of Colorado				
	Total Population	Percentage Change	Total Personal Income (\$thou)	Per Capita Personal Income	Percentage Change
2017	5,607,154	(3) 1.2%	\$ 300,006,049	\$ 53,504	3%
2016	5,540,545	(2) 1.5%	288,433,000	52,059	3%
2015	5,456,574	(2) 1.9%	275,107,000	50,410	3%
2014	5,355,866	1.7%	262,103,562	48,930	5%
2013	5,268,367	(3) 1.6%	245,556,232	46,610	3%
2012	5,187,582	(3) 1.4%	234,142,330	45,135	2%
2011	5,116,796	(3) 1.7%	225,591,393	44,088	3%
2010	5,029,196	(3) -0.9%	215,258,570	42,802	3%
2009	5,074,528	2.8%	210,512,969	41,484	-5%
2008	4,935,213	1.9%	214,976,720	43,560	3%

Year	Grand County, Colorado ⁽¹⁾				
	Total Population	Percentage Change	Total Personal Income ⁽⁴⁾	Per Capita Personal Income ⁽⁴⁾	Percentage Change
2017	15,321	(2) 2.1%	\$ 625,317,000	\$ 41,666	2%
2016	15,008	(3) 2.7%	598,681,000	40,963	6%
2015	14,615	(3) 0.5%	564,767,445	38,643	5%
2014	14,546	(3) 1.8%	536,616,486	36,891	2%
2013	14,289	(3) 0.7%	517,147,488	36,192	-7%
2012	14,195	(3) -2.4%	555,081,280	39,104	2%
2011	14,548	(3) -1.6%	560,156,192	38,504	3%
2010	14,791	(3) 6.3%	551,452,853	37,283	-4%
2009	13,911	(3) 1.0%	542,848,953	39,023	-6%
2008	13,775	1.5%	572,998,675	41,597	2%

Year	Grand County		State of Colorado	
	Avg Hourly Wage ⁽⁵⁾	Average Annual Wage	Avg Hourly Wage ⁽⁵⁾	Average Annual Wage
2017	\$ 22.75 (7)	\$ 47,320	\$ 25.99 (6)	\$ 54,050
2016	22.65 (7)	47,110	25.34 (6)	52,710
2015	17.78	45,310	24.61 (6)	51,180
2014	15.70	32,656	24.55 (6)	51,064
2013	15.43	32,084	23.53 (6)	48,950
2012	14.43	30,004	23.40 (6)	48,803
2011	14.62	30,420	23.70	49,296
2010	14.15	29,432	22.45	46,696

Sources: U.S. Census Bureau <http://factfinder.census.gov>

⁽¹⁾ It is estimated the Grand County, Colorado population doubles during the winter ski season.

Notes: ⁽²⁾ census.gov/quickfacts

⁽³⁾ US Dept. of Commerce, Bureau of Economic Analysis
bea.gov/regional/bearfacts

⁽⁴⁾ Colorado LMI Gateway -Labor Market Services, Quarterly Census of Employment.

⁽⁵⁾ U.S. Dept. of Labor, Bureau of Labor Statistics

⁽⁶⁾ Assumes a 40 hour week worked the year round.

Grand County, Colorado
East Grand School District Student Population
For the Years Ended December 31,
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
East Grand School District ⁽¹⁾										
Fraser Valley Elementary School	261	248	269	274	241	231	227	250	271	263
Change - Amount	13	-21	-5	33	10	4	-23	-21	8	23
Change - Percent	5%	-8%	-2%	14%	4%	2%	-9%	-8%	3%	10%
Granby Elementary School	360	345	355	341	323	318	307	297	291	260
Change - Amount	15	-10	14	18	5	11	10	6	31	-10
Change - Percent	4%	-3%	4%	6%	2%	4%	3%	2%	12%	-4%
Grand Lake Elementary School ⁽²⁾	0	0	0	0	0	0	0	60	60	76
Change - Amount							-60	0	-16	18
Change - Percent							-100%	0%	-21%	31%
Indian Peaks Charter School	25	25	29	32	37	33	53	44	51	57
Change - Amount	0	-4	-3	-5	4	-20	9	-7	-6	20
Change - Percent	0%	-13%	-8%	-15%	12%	-38%	20%	-14%	-11%	54%
East Grand Middle School	305	313	293	289	276	269	276	269	268	322
Change - Amount	-8	20	4	13	7	-7	7	1	-54	-20
Change - Percent	-3%	7%	1%	5%	3%	-3%	3%	0%	-17%	-6%
Middle Park High School	375	366	374	363	356	342	344	357	416	428
Change - Amount	9	-8	11	7	14	-2	-13	-59	-12	5
Change - Percent	2%	-2%	3%	2%	4%	-1%	-4%	-14%	-3%	1%
Total East Grand School District	1326	1297	1320	1,299	1,233	1,193	1,207	1,277	1,357	1,406
Change - Amount	29	-23	21	66	40	-14	-70	-80	-49	36
Change - Percent	2%	-2%	2%	6%	3%	-1%	-5%	-6%	-3%	3%
County Population	15,321	15,008	14,615	14,546	14,289	14,195	14,584	14,843	13,911	13,775
Change - Amount	313	393	69	257	94	-389	-259	932	136	200
Change - Percent	2%	3%	0%	2%	1%	-3%	-2%	7%	1%	1%

Source: ⁽¹⁾ East Grand School District

Notes: ⁽²⁾ Grand Lake Elementary School was closed in 2011 due to declining enrollment

Grand County, Colorado
West Grand School District Student Population
For the Years Ended December 31,
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
West Grand School District ⁽¹⁾										
Elementary and Middle School										
Kindergarten	33	27	33	38	27	32	33	33	35	41
Grade 1	25	30	36	27	34	34	31	31	43	37
Grade 2	28	33	25	40	34	31	28	38	37	32
Grade 3	35	24	43	26	33	38	36	36	35	32
Grade 4	25	40	28	34	37	37	36	36	35	44
Grade 5	34	27	35	31	34	36	34	31	45	39
Grade 6	32	31	36	35	36	33	30	41	37	30
Grade 7	25	32	33	42	34	30	40	35	30	43
Grade 8	30	38	40	36	34	43	35	34	46	32
Total	267	282	309	309	303	314	303	315	343	330
Change - Amount	-15	-27	0	6	-11	11	-12	-28	13	-1
Change - Percent	0%	0%	0%	2%	-4%	4%	-4%	-8%	4%	0%
West Grand High School										
Grade 9	38	45	34	32	39	29	32	43	29	33
Grade 10	46	30	33	38	26	29	42	23	27	30
Grade 11	27	29	41	23	28	39	24	27	24	31
Grade 12	37	37	24	20	36	23	22	21	28	33
Total	148	141	132	113	129	120	120	114	108	127
Change - Amount	7	9	19	-16	9	0	6	6	-19	-24
Change - Percent	5%	7%	17%	-13%	8%	0%	5%	6%	-15%	-16%
Total West Grand School District	415	423	441	422	432	434	423	429	451	457
Change - Amount	-8	-18	19	-10	-2	11	-6	-22	-6	-25
Change - Percent	-2%	-4%	5%	-2%	0%	3%	-1%	-5%	-1%	-5%
County Population	15,321	15,008	14,615	14,546	14,289	14,195	14,584	14,843	13,911	13,775
Change - Amount	313	393	69	257	94	-389	-259	932	136	200
Change - Percent	2%	3%	0%	2%	1%	-3%	-2%	7%	1%	1%

Source: ⁽¹⁾ West Grand School District

Grand County, Colorado
County & State Labor Force and Percent Unemployed ⁽¹⁾
For the Years Ended December 31,
(Unaudited)

Year	Grand County		Colorado ⁽²⁾		United States
	Labor Force	Percent Unemployed	Labor Force	Percent Unemployed	Percent Unemployed ⁽¹⁾
2017	9,598	2.2%	2,992,307	2.8%	4.1%
2016	9,374	2.1%	2,933,275	2.6%	4.7%
2015	9,737	2.5%	2,819,144	3.5%	5.0%
2014	8,656	5.1%	2,813,284	4.9%	5.6%
2013	8,622	5.8%	2,801,667	6.0%	6.3%
2012	7,500	7.7%	2,740,005	7.3%	7.5%
2011	8,644	8.2%	2,720,673	8.2%	8.9%
2010	8,624	9.0%	2,687,396	8.9%	9.6%
2009	8,820	6.6%	2,701,026	7.7%	9.3%
2008	9,775	4.7%	2,727,616	4.9%	5.8%

Sources: U.S. Department of Labor, Bureau of Labor Statistic, Databases

(1) Figures are subject to periodic revision. Annual average (not seasonally adjusted).

Figures for County and State are not seasonally adjusted, Colorado LMI Gateway

(2) Reflects revised population controls and model reestimation by Bureau of Labor Statistics

**Grand County, Colorado
County Top 10 Employers By District
For the Year Ended December 31, 2017
(Unaudited)**

District 1 - Winter Park/ Fraser

Intrawest / Winter Park Resort

Devils Thumb Ranch Resort and Spa

Fraser Valley Metropolitan Recreation District

District 2 - Granby / Grand Lake

Granby Ranch

YMCA of the Rockies / Snow Mountain Ranch Resort

Inn at Silver Creek

City Market Food & Pharmacy

District 3 - Kremmling/Hot Sulphur Springs

Grand County Government

C Lazy U Ranch

Source: Colorado LMI Gateway
& Colorado LMI Gateway
Actual employee numbers unavailable

Grand County, Colorado
County Miscellaneous Statistics
For the Years Ended December 31,
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Average Household Size	2.26	2.69	2.26	2.22	2.26	2.68	2.76	2.71	2.38	2.38
Births	127	139	123	117	192	108	106	138	155	156
Deaths	63	96	68	61	45	53	47	49	47	60
Marriages	203	175	170	171	127	n/a	n/a	n/a	n/a	n/a
Civil Unions	0	1	0	2	3	0	0	0	0	0
Percent Living in Poverty	8.2%	8.3%	10.4%	11.1%	8.6%	8.6%	8.3%	6.6%	n/a	n/a

	2016		2015			2017		2016	
	Number	Percent	Number	Percent		Estimate	Percent	Estimate	Percent
OCCUPANCY STATUS					HOUSEHOLDS BY TYPE				
Total housing units	16,670	100%	16,518	100%	Total occupied housing units	6,552	100%	6,360	100%
Occupied housing units	6,552	39%	6,360	39%	With 1 adult	1,435	22%	1,422	22%
Vacant housing units	10,118	61%	10,158	61%	65 years and over	594	9%	551	9%
					With more than 1 adult	2,057	31%	2,029	32%
					65 years and over	918	14%	852	13%
TRANSACTION INFO	2017		2016		With 1 adult and children	235	4%	233	4%
Real estate sales volume	Amount	% chg	Amount	% chg	With more than 1 adult and children	1,458	22%	1,441	23%
Transaction count	1,799	25%	1,438	22%					
Avg single family price / sq ft	\$ 254	25%	\$ 203	5%					
Avg vacant land price / acre	\$ 129,537	24%	\$ 104,863	-6%					

Notes:	
Household Size	State of Colorado, Department of Local Affairs, State Demography Office, census.gov/quickfacts
Births & Deaths	State of Colorado, Department of Local Affairs, State Demography Office
Marriages & Civil Unions	Grand County Clerk & Recorder Office
Poverty Information	State of Colorado, Department of Local Affairs, State Demography Office
2017 Poverty Guideline	\$24,600 for a family of 4 as published in the <i>Federal Register</i> 2/31/2017
Household Information	State of Colorado, Department of Local Affairs, State Demography Office
Transaction Info	Land Title Guarantee Company, Leslie Larkins
n/a	not available at the time of publication

**Grand County, Colorado
Visitor Information
For the Years Ended December 31,
(Unaudited)**

Year	Rocky Mountain National Park											
	Grand County Tourism Tax ^(A)			Grand Lake Entrance Visitor Count ^(B)			Current Colorado Ski Country USA Member Resorts ^(D)					
	Lodging Tax	Change		Visitor	Change				Skier	Change		
	Collections	Amount	Percentage	Count ⁽¹⁾	Amount	Percent			Visits ⁽²⁾	Amount	Percent	
2017	\$ 943,849	\$ 418,784	80%	556,352	(21,077)	-4%	2016	-	2017	n/a		
2016	525,065	188,902	30%	577,429	(15,734)	-3%	2016	-	2017	n/a		
2015	636,163	29,115	5%	593,163	149,677	34%	2015	-	2016	n/a		
2014	607,048	52,686	10%	443,486	52,251	13%	2014	-	2015	7,100,000	(132,000)	-2%
2013	554,362	18,042	3%	391,235	(40,156) ^(C)	-9%	2013	-	2014	7,232,000	832,000	13%
2012	536,320	54,460	11%	431,391	13,391	3%	2012	-	2013	6,400,000	236,722	4%
2011	481,860	65,643	16%	418,000	14,869	4%	2011	-	2012	6,163,278	(783,548)	-11%
2010	416,217	(37,711)	-8%	403,131	30,252	8%	2010	-	2011	6,946,826	206,348	3%
2009	453,928	(40,136)	-8%	372,879	12,441	3%	2009	-	2010	6,740,478	31,175	0%
2008	494,064	(4,452)	-1%	360,438	(43,428)	-11%	2008	-	2009	6,709,303	(583,935)	-8%

Source: ⁽¹⁾ Rocky Mountain National Park

⁽²⁾ Colorado Ski Country USA Website ten years of skier visit history / Current year estimate at time of publication, member resort visits

⁽³⁾ Not available until June, 2016. www.coloradoski.com posted 1/12/16 "For the 2015/16 season to date, defined as opening day through December 31, 2015, visitation at CSCUSA resorts was up by 10 percent compared to the same time last season."

Notes: ^(A) The 1.8% lodging tax, collected by retail lodging establishments for the benefit of the marketing Grand County tourism, is a good measure of the change in the volume and pricing of County tourism and reflects both State and National events.

^(B) Rocky Mountain National Park and Grand Lake are the major summer attractions in Grand County. The Grand Lake Entrance Visitor Count is a good indication of Grand County's summer season economy as skier visits reflect the winter season.

^(C) Federal National Parks shutdown and major flooding in the Estes Park area reduced visits

^(D) Grand County alpine ski areas, Winter Park Resort and Ski Granby Ranch are Colorado Ski Country USA Member Resorts

Grand County, Colorado
County Sales Tax Collections By District
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

Calendar Year	Winter Park/Fraser Valley		Three Lakes		Mainstem		Unallocated	Correction	Total	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change	Amount	Amount	Amount	Percent Change
2017	\$ 2,723,632	45%	\$ 2,274,111	51%	\$ 573,282	25%	\$ -	-	5,571,025	45%
2016	1,883,418	11%	1,508,627	5%	457,218	-1%	-	-	3,849,263	7%
2015	1,689,754	10%	1,432,074	8%	462,674	11%	-	-	3,584,502	9%
2014	1,536,943	9%	1,321,922	6%	416,097	4%	-	-	3,274,962	7%
2013	1,408,835	7%	1,243,538	5%	399,957	3%	-	-	3,052,329	6%
2012	1,312,058	-2%	1,181,036	9%	387,879	2%	-	-	2,880,973	3%
2011	1,334,104	11%	1,081,429	5%	381,155	4%	6,281	-	2,802,969	-4%
2010	1,198,455	-5%	1,034,744	-2%	367,914	-4%	97,208	220,629 (1)	2,918,950	4%
2009	1,262,288	-17%	1,058,366	-14%	383,640	-10%	99,464	-	2,803,759	-15%
2008	1,517,857		1,231,970		428,382		110,427	12,522	3,301,158	-3%

Note: Sales tax collections and year over year changes are a good indicator of size of the population, commercial activity and tourism growth.

Source: Sales tax reports from the Colorado Department of Revenue and from Grand County Clerk & Recorder

(1) County portion of sales taxes collected in Grand County but remitted to another county in prior years. Corrected by the Colorado Department of Revenue.

Grand County, Colorado
Sales Tax Rates By Taxing Authority
For the Years Ended December 31,
(accrual basis of accounting)
(Unaudited)

Calendar Year	Grand County	State of Colorado	Town of					
			Fraser	Granby	Grand Lake	Hot Sulphur Springs	Kremmling	Winter Park
2017	1.3%	2.9%	5%	4%	5%	4%	4%	7%
2016	1%	2.9%	5%	4%	5%	4%	4%	7%
2015	1%	2.9%	5%	4%	4%	4%	4%	7%
2014	1%	2.9%	4%	4%	4%	4%	4%	5%
2013	1%	2.9%	4%	4%	4%	4%	4%	5%
2012	1%	2.9%	4%	4%	4%	4%	4%	5%
2011	1%	2.9%	4%	4%	4%	4%	4%	5%
2010	1%	2.9%	4%	4%	4%	4%	4%	5%
2009	1%	2.9%	4%	4%	4%	4%	4%	5%
2008	1%	2.9%	4%	4%	4%	4%	4%	5%

Grand County, Colorado
Construction Permits and Permit Valuations ⁽¹⁾
For the Years Ended December 31,
(Unaudited)

Year	Number of Construction Permits					Increase/Decrease	
	Single Family	Multi-Family	Commercial ⁽¹⁾	All Other ⁽²⁾	Total	Amount	Percent
2017	101	0	35	519	655	75	13%
2016	82	0	14	484	580	31	6%
2015	59	2	19	469	549	-19	-3%
2014	56	2	0	510	568	58	11%
2013	44	0	3	463	510	-97	-16%
2012	52	0	0	555	607	-15	-2%
2011	26	3	3	590	622	132	27%
2010	54	0	20	416	490	-41	-8%
2009	43	1	8	479	531	-154	-22%
2008	116	6	10	553	685	-239	-26%
YEAR	Total Valuation					Increase/Decrease	
	Single Family	Multi-Family	Commercial ⁽¹⁾	All Other ⁽²⁾	Total	Amount	Percent
2017	\$ 34,340,379	\$ -	\$ 6,876,140	\$ 13,756,189	\$ 54,972,708	\$ 12,655,461	30%
2016	28,986,522	-	1,409,792	11,920,933	42,317,247	8,572,182	25%
2015	19,837,747	372,872	2,452,759	11,081,687	33,745,065	5,231,376	18%
2014	15,690,218	848,083	-	11,975,388	28,513,689	610,187	2%
2013	14,213,451	-	728,356	12,961,695	27,903,502	2,142,435	8%
2012	14,313,376	-	-	11,447,691	25,761,067	(3,795,975)	-13%
2011	9,511,937	321,552	7,288,377	12,435,176	29,557,042	(16,613,161)	-36%
2010	16,873,821	-	17,779,221	11,517,161	46,170,203	13,624,369	42%
2009	14,552,697	365,631	2,891,583	14,735,923	32,545,834	(10,142,267)	-24%
2008	26,987,537	4,951,434	8,352,813	2,396,317	42,688,101	(69,908,089)	-62%
YEAR	Valuation Per Permit					Increase/Decrease	
	Single Family	Multi-Family	Commercial ⁽¹⁾	All Other ⁽²⁾	Total	Amount	Percent
2017	340,004	\$ -	196,461	26,505	83,928	10,967	15%
2016	353,494	-	100,699	24,630	72,961	11,494	19%
2015	336,233	186,436	129,093	23,628	61,466	11,266	22%
2014	280,182	424,042	-	23,481	50,200	(4,513)	-8%
2013	323,033	-	242,785	27,995	54,713	12,273	29%
2012	275,257	-	-	20,626	42,440	(5,079)	-11%
2011	365,844	107,184	2,429,459	21,077	47,519	(46,706)	-50%
2010	312,478	-	888,961	27,685	94,225	32,933	54%
2009	338,435	365,631	361,448	30,764	61,292	(1,027)	-2%
2008	232,651	825,239	835,281	4,333	62,318	(59,539)	-49%

Source: Grand County Building Department

Note: ⁽¹⁾ Commercial includes new and remodel

⁽²⁾ All Other includes - Reroof, Additions, Garages, Remodels Etc.

Grand County, Colorado
Taxable Assessed Property Value and New Construction
For the Years Ended December 31,
(Unaudited)

Year	Taxable Assessed Property Value			New Construction		
	Property Value	Change		Construction ⁽¹⁾	Change	
		Amount	Percentage		Amount	Percentage
2017	\$ 659,479,840	(1,556,700)	-0.2%	\$ 5,371,550	(234,970)	-4%
2016	661,036,540	(20,007,660) ⁽³⁾	-3%	5,606,520	1,608,410	40%
2015	681,044,200	(5,277,770) ⁽³⁾	-1%	3,998,110	61,990	2%
2014	686,321,970	(18,477,290) ⁽³⁾	-3%	3,936,120	94,020	2%
2013	704,799,260	(104,111,740) ⁽²⁾	-13%	3,842,100	98,660	3%
2012	808,911,000	(8,089,040) ⁽³⁾	-1%	3,743,440	(13,340)	0%
2011	817,000,040	(165,471,800) ⁽²⁾	-17%	3,756,780	(5,208,650)	-58%
2010	982,471,840	9,586,830	1%	8,965,430	(9,379,300)	-51%
2009	972,885,010	115,794,780	14%	18,344,730	(8,792,440)	-32%
2008	857,090,230	52,674,850	7%	27,137,170	7,908,460	41%

Source: Grand County Assessor's Office

Note: ⁽¹⁾ Construction is one of the largest industries in the County and an indicator of commercial activity.

⁽²⁾ Reduction primarily a result of reduction in the resale value of property

⁽³⁾ Reduction is a result of the change in the value of molybdenum production at the Henderson Mill of Freeport-McMoRan.

Statistical Section

Operating Information

These tables and schedules offer information about the County's operations and resources to help the reader understand the County's financial relates to the services the County provides and the activities it performs.

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Grand County, Colorado
Personnel
County Full-time Equivalent Employees (FTE) By Function
For the Years Ended December 31,
(Unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Grand County Employees:										
Governmental Activities:										
General government	56	60	63	61	57	58	57	57	56	57
Public health	64	64	71	59	62	63	68	70	72	72
Streets and highways	41	43	52	51	51	50	50	48	50	50
Public safety	57	59	58	60	58	61	55	57	61	54
Public welfare	16	16	16	14	13	12	12	12	11	11
Auxiliary services	8	9	10	11	11	11	10	10	9	9
Judicial	1	1	3	1	2	0	3	3	3	2
Total Grand County Employees	<u>243</u>	<u>252</u>	<u>273</u>	<u>257</u>	<u>254</u>	<u>255</u>	<u>255</u>	<u>257</u>	<u>262</u>	<u>255</u>

Full time equivalent employees (FTEs) are budgeted and calculated on the department level. Total weekly hours paid are divided by 40 for departments with a standard 40 hour work week or 37.5 for departments with a 37.5 hour work week. EMS FTEs are calculated on a 112.00 hr work week because of the 24/7 nature of their operation and staffing.

Grand County, Colorado
Capital Investment
Net Book Value of Capital Assets By Function
For the Years Ended December 31,
(Unaudited)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Net Book Value Capital Assets:										
General government	7,278,889	7,278,889	\$ 8,121,685	\$ 8,025,959	\$ 7,996,046	\$ 7,619,339	\$ 8,668,270	\$ 8,946,799	\$ 9,028,418 ⁽¹⁾	\$ 5,621,015
Public health	1,595,827	1,595,827	2,088,668	1,913,721	2,142,207	1,844,709	1,319,235 ⁽⁴⁾	3,112,622	2,742,558	3,468,286
Streets and highways	18,497,060	18,497,060	20,464,538	20,604,098	21,158,514	21,513,246	21,286,501	21,449,860	22,706,213	22,606,148
Public safety	3,478,007	3,478,007	3,732,707	3,310,933	3,459,561	2,220,319	2,363,569	2,360,799	2,472,508	2,205,009
Public welfare	40,897	40,897	48,795	52,744	44,234	48,185	54,244	60,303	67,882	83,493
Auxiliary services	9,211,790	9,211,790	10,014,052	9,983,072	9,203,981	9,558,865	9,759,059	9,988,069	10,019,123 ⁽²⁾	5,924,969
Judicial	<u>7,620,488</u>	<u>7,620,488</u>	<u>8,096,456</u>	<u>8,337,440</u>	<u>8,423,074</u>	<u>8,637,030</u>	<u>8,851,620</u>	<u>9,066,210</u>	<u>9,280,800</u>	<u>9,362,742</u> ⁽³⁾
Total Capital Assets	<u><u>47,722,958</u></u>	<u><u>49,600,323</u></u>	<u><u>\$ 52,566,901</u></u>	<u><u>\$ 52,227,967</u></u>	<u><u>\$ 52,427,617</u></u>	<u><u>\$ 51,441,693</u></u>	<u><u>\$ 52,302,498</u></u>	<u><u>\$ 54,984,662</u></u>	<u><u>\$ 56,317,502</u></u>	<u><u>\$ 49,271,662</u></u>

Source County Comprehensive Annual Financial Reports for the years indicated.

Notes: ⁽¹⁾ 2009 General government includes the capitalization of the major remodel of the County Administrative Services building

⁽²⁾ 2009 Auxiliary services includes the capitalization of the major remodel of the Grand County Airport in Granby

⁽³⁾ 2008 Judicial includes the capitalization of the new construction of the Grand County Judicial Center

⁽⁴⁾ 2010 the County stopped accepting waste at the Granby and Kremmling landfills

**Grand County, Colorado
Streets and Highways Function
Road & Bridge Department
For the Years Ended December 31,
(Unaudited)**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Miles of County Road ⁽²⁾										
Maintained - HUTF Eligible	779	779	781	780	785	785	785	785	783	783
Non-Maintained	83	83	83	93	87	89	88	87	83	83
Total Miles	862	862	864	873	872	874	873	872	866	866
Paved	74	74	80	86	87	85	85	85	81	82
Unpaved	788	788	783	787	785	789	788	787	785	784
Vehicle Registrations ⁽³⁾	28,309	27,450	26,943	26,239	25,097	24,742	24,416	23,636	23,951	21,481
Streets & Highways Employees	41	46	52	52	51	52	50	48	50	50
Local Highway Finance Report										
State Funding - Highway User Tax	\$ 2,821,651	\$ 2,814,434	\$ 2,782,225	\$ 2,674,243	\$ 2,605,767	\$ 2,609,473	\$ 2,584,692	\$ 2,711,511	\$ 2,225,082	\$ 2,224,874
All Other Receipts	5,734,983	1,841,810	5,621,352	8,042,683	5,732,786	5,101,287	5,483,698	4,228,893	6,340,973	5,451,670
Total Receipts	8,556,634	4,656,244	8,403,577	10,716,926	8,338,553	7,710,760	8,068,390	6,940,404	8,566,055	7,676,544
Total Disbursements	6,067,614	5,605,114	7,760,503	8,998,118	7,860,521	8,458,379	7,362,352	6,260,679	10,612,032 ⁽¹⁾	6,741,439
Net Receipts (Disbursements)	\$ 2,489,020	\$ (948,870)	\$ 643,074	\$ 1,718,808	\$ 478,032	\$ (747,619)	\$ 706,038	\$ 679,725	\$ (2,045,977)	\$ 935,105
State Funding - Highway User Tax /Mile	\$ 3,622	\$ 3,613	\$ 3,562	\$ 3,429	\$ 3,319	\$ 3,324	\$ 3,293	\$ 3,454	\$ 2,842	\$ 2,841
All Other Receipts Per Mile	6,653	2,137	6,506	9,213	6,574	5,837	6,281	4,849	7,322	6,295
Total Receipts Per Mile	9,926	5,402	9,726	12,276	9,563	8,822	9,242	7,959	9,891	8,864
Total Disbursements Per Mile	7,039	6,502	8,982	10,307	9,014	9,678	8,433	7,180	12,255	7,785
Net Receipts (Disbursements) Per Mile	\$ 2,887	\$ (1,101)	\$ 744	\$ 1,969	\$ 548	\$ (855)	\$ 809	\$ 780	\$ (2,364)	\$ 1,079
Net Book Value of R&B Capital Assets	\$ 18,497,060	\$ 18,497,060	20,464,538	\$ 20,604,098	\$ 21,158,514	\$ 21,513,246	\$ 21,286,501	\$ 21,449,860	\$ 22,706,213	\$ 22,606,148
Notes payable R&B Equipment Leases	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ - ⁽¹⁾	\$ 2,652,983

Notes: ⁽¹⁾ Paid off Equipment Leases in 2009

⁽²⁾ Source: Grand County Road & Bridge Department

⁽³⁾ Source: Grand County Clerk & Recorder / Dept of Revenue

Grand County, Colorado
Public Safety Function
County Sheriff Department and County Jail
For the Years Ended December 31,
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Number of:										
Offenses ⁽¹⁾						165	137	184	215	205
Incidents ⁽¹⁾	1,096	1,024	1,232	1,664	1,280					
Arrests ⁽¹⁾	294	354	298	143	206	170	95	71	149	207
County Public Safety Employees	57	59	58	60	58	61	55	57	61	54
Sheriff Dept & Jailors only ⁽²⁾	40	40	41	42	40	43	39	43	45	40
Animal Control Employees	3	3	3	3	3	3	3	3	3	3
Animals Impounded	323	283	265	303	263	312	324	350	409	n/a
Animals Adopted	148	124	116	126	108	136	134	121	177	n/a
County Population	15,321	15,008	14,615	14,546	14,289	14,500	14,584	14,843	13,911	13,775
Change - Amount	313	393	69	257	94	-389	-259	932	136	200
Change - Percent	2%	3%	0%	2%	1%	-3%	-2%	7%	1%	1%
Number per County Resident of:										
Offenses ⁽¹⁾						0.0114	0.0094	0.0124	0.0155	0.0149
Incidents ⁽¹⁾	0.0715	0.0682	0.0843	0.1144	0.0896					
Arrests ⁽¹⁾	0.0192	0.0236	0.0204	0.0098	0.0144	0.0117	0.0065	0.0048	0.0107	0.0150
County Public Safety Employees	0.0037	0.0039	0.0039	0.0041	0.0041	0.0042	0.0038	0.0038	0.0044	0.0039

Source: ⁽¹⁾ Grand County Sheriff / Colorado Bureau of Investigations / Using National Incident Based Reporting System (NIBRS) starting in 2013

Notes: ⁽²⁾ Excludes animal control, juvenile service, dispatch, court security and coroner employees included in total public safety employees, full time equivalents

n/a Information is not available at time of publication

Grand County, Colorado
General Government Function
County Clerk & Recorder Departments - Motor Vehicle & Recording
For the Years Ended December 31,
(Unaudited)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Number of:										
Vehicle Registrations ⁽¹⁾	28,309	27,450	26,943	26,239	25,097	24,742	24,416	23,636	23,951	21,481
Change - Amount	859	507	704	1,142	355	326	780	-315	2,470	-2,516
Change - Percent	3%	2%	3%	5%	1%	1%	3%	-1%	11%	-10%
Recording Transactions ⁽¹⁾	11,230	10,272	9,788	8,908	10,692	10,241	9,648	10,526	12,108	12,151
Change - Amount	958	484	880	-1,784	451	593	-878	-1,582	-43	-399
Change - Percent	9%	5%	10%	-17%	4%	6%	-8%	-13%	0%	-3%
County Population ⁽²⁾										
	15,321	15,008	14,615	14,546	14,289	14,195	14,584	14,843	13,911	13,775
Change - Amount	313	393	69	257	94	-389	-259	932	136	200
Change - Percent	2%	3%	0%	2%	1%	-3%	-2%	7%	1%	1%
Number per County Resident of:										
Vehicle Registrations	1.8477	1.8290	1.8435	1.8039	1.7564	1.7430	1.6742	1.5924	1.7217	1.5594
Change - Amount	0.02	-0.01	0.04	0.05	0.01	0.07	0.08	-0.13	0.16	-0.21
Change - Percent	1%	-1%	2%	3%	1%	4%	5%	-8%	10%	-12%
Recording Transactions	0.7330	0.6844	0.6697	0.6124	0.7483	0.7215	0.6615	0.7092	0.8704	0.8821
Change - Amount	0.05	0.01	0.06	-0.14	0.03	0.06	-0.05	-0.16	-0.01	-0.04
Change - Percent	7%	2%	8%	-19%	4%	9%	-7%	-19%	-1%	-5%

Source: ⁽¹⁾ Grand County Clerk & Recorder / Colorado Department of Revenue

Source: ⁽²⁾ <http://quickfacts.census.gov>

Grand County, Colorado
Public Health Function
County Emergency Medical Services Department
For the Years Ended December 31,
(Unaudited)

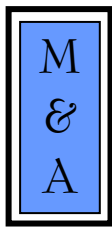
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Number of:										
Calls / Responses (1)	2,224	2,160	2,095	2,028	1,928	1,647	1,783	1,812	1,929	2,009
Change - Amount	64	65	67	100	281	-136	-29	-117	-80	23
Change - Percent	3%	3%	3%	5%	17%	-8%	-2%	-6%	-4%	1%
County EMS Employees*		46	38	41	35	39	42	41	41	41
County Population ⁽²⁾	15,321	15,008	14,615	14,546	14,289	14,195	14,584	14,843	13,911	13,775
Change - Amount	313	393	69	257	94	-389	-259	932	136	200
Change - Percent	2%	3%	0%	2%	1%	-3%	-2%	7%	1%	1%
Number per County Resident of:										
Calls	0.1452	0.1439	0.1433	0.1394	0.1349	0.1160	0.1223	0.1221	0.1387	0.1458
Change - Amount	0.0012	0.0006	0.0039	0.0045	0.0189	-0.0062	0.0002	-0.0166	-0.0072	-0.0005
Change - Percent	1%	0%	3%	3%	16%	-5%	0%	-12%	-5%	0%

Source: ⁽¹⁾ Grand County EMS

⁽²⁾ <http://quickfacts.census.gov>

* Average Full Time Equivalent Employees

Federal Financial Awards Section



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INDEPENDENT AUDITOR'S 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 Grand County, Colorado

We have audited, 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, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Grand County, Colorado (the "County") as of and for the year ended December 31, 2017, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 28, 2018.

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the County'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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County'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 and correct 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 County'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 charged with governance.

Our consideration of internal control 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.

Member: American Institute of Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Grand County, Colorado**

Compliance and Other Matters

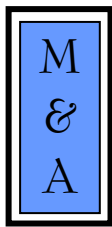
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect 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 or other matters 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 control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
June 28, 2018**



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

**To the Board of County Commissioners
Grand County, Colorado**

Report on Compliance for Each Major Program

We have audited the compliance of Grand County, Colorado (the "County") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2017. The County'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.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County'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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Those standards and the Uniform Guidance 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 County'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 County's compliance with those requirements.

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**INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Grand County, Colorado**

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance 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, 2017.

Report on Internal Control Over Compliance

Management of the County 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 County's internal control over compliance with 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 an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A 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 a combination of 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, or 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 the internal control over compliance was for the 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 the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
June 28, 2018**

Grand County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017

Part I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards:

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor’s report issued on compliance for major program	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200	No
Major programs:	
School and Roads – Grants to States and Counties Containing Federal Lands Section 221(d)(3) Mortgage Insurance	CFDA #10.665 CFDA #14.155
Dollar threshold used to identify Type A from Type B programs	\$750,000
Identified as low-risk auditee	Yes

Part II – Findings Related to Financial Statements

Findings related to financial statements as required by <i>Government Auditing Standards</i>	None noted
Auditor-assigned reference number	Not applicable

Part III – Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

Grand County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2017

Note: There were no findings for the fiscal year ended December 31, 2016.

Grand County, Colorado
Schedule of Expenditures of Federal Awards - Page 1 of 3
For the Year Ended December 31, 2017

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	GRANTOR'S IDENTIFICATION NUMBER	FEDERAL CFDA NUMBER	2017 DISBURSEMENTS EXPENDITURES	
U.S. DEPARTMENT OF AGRICULTURE				
Schools and Roads - Grants to States and Counties		10.665	1,192,049	F
Rural Business Development Grant		10.351	33,500	
Rural Rental Housing Loans		10.415	41,696	
Rural Rental Assistance Payments		10.427	105,013	
Passed Through Colorado Department of Public Health and Environment:				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) - Cash		10.557	44,757	
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) -Non Cash		10.557	70,946	
Subtotal Colorado Department of Public Health and Environment			115,703	
Passed Through Colorado Department of Human Services:				
State Administrative Matching Grant for the Supplemental Nutrition Assistance Program		10.561	79,803	E
Subtotal Colorado Department of Human Services			79,803	
TOTAL U.S. DEPARTMENT OF AGRICULTURE			1,567,764	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed Through Colorado Department of Public Health and Environment				
Immunization Cooperative Agreements	KA16H	93.268	3,665	
Public Health Emergency Preparedness	HW17J	93.074	19,680	
Preventable Health Services Block Grant CHAPS	HC16A	93.758	8,750	
Maternal and Child Health Services Block Grant	ND16L	93.994	10,859	
Subtotal Colorado Department of Public Health and Environment			\$ 42,954	
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (Continued)				
Passed Through Colorado Department of Human Services:				
Special Programs for the Aging-Title III (C1,C2) Congregate & Home Delivered Meals		93.045	15,239	C
NSIP-Nutrition Services Incentive Program		93.053	4,190	C
Promoting Safe and Stable Families		93.556	20,363	
Medical Assistance Program - Title XIX Medicaid		93.778	173,033	D
TANF- Temporary Assistance for Needy Families		93.558	138,141	A
IV-D Child Support Enforcement		93.563	106,167	
Child Care Mandatory and Matching funds of the Child Care and Development Fund		93.596	29,452	B
Child Care and Development Block Grant		93.575	66,292	B
Stephanie Tubbs Jones Child Welfare Services Program- IV-B		93.645	1,203	
IV-E Foster Care		93.658	96,654	
IV-E Adoption Assistance		93.659	28,373	
IV-E Guardianship Assistance		93.090	782	
Social Services Block Grant -Title XX		93.667	49,684	
Subtotal Colorado Department of Human Services			729,573	
TOTAL U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES			772,527	

Grand County, Colorado
Schedule of Expenditures of Federal Awards - Page 2 of 3
For the Year Ended December 31, 2017

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	GRANTOR'S IDENTIFICATION NUMBER	FEDERAL CFDA NUMBER	2017 DISBURSEMENTS EXPENDITURES
U.S. DEPARTMENT OF JUSTICE			
Passed through Colorado Division of Justice			
Edward Byrne Memorial Justice Assistance Grant Program	2016-MU-BX0115	16.738	13,151
TOTAL U.S. DEPARTMENT OF JUSTICE			13,151
U.S. DEPARTMENT OF TRANSPORTATION			
Direct Programs - Federal Aviation Administration:			
Airport Improvement Program - Granby Master Plan	3.08.0034-14-2017	20.106	215,012
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			\$ 215,012
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
Section 8 Housing Assistance Payments Program		14.195	169,628
Section 211(d)(3) Mortgage Insurance		14.155	543,581
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			713,209
U.S. DEPARTMENT OF INTERIOR			
Passed through Bureau of Land Management			
Invasive and Noxious Plant Management	L14AC00084	15.230	50,000
TOTAL U.S. DEPARTMENT OF INTERIOR			50,000
U.S. DEPARTMENT OF HOMELAND SECURITY			
Passed through Colorado Department of Public Safety Division of Homeland Security and Emergency Management:			
EMPG - Local Emergency Management Support	17EM-18-26	97.042	59,550
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			59,550
TOTAL FEDERAL FINANCIAL ASSISTANCE			\$ 3,391,213

Additional Information for Clusters:

A	- TANF Cluster	138,141
B	- CCDF Cluster	95,744
C	- Aging Cluster	19,429
D	- Medicaid Cluster	173,033
E	- SNAP Cluster	79,803
F	- Forest Service Schools and Roads Cluster	1,192,049
G	- Section 8 Project-Based Cluster	169,628

Grand County, Colorado
Schedule of Expenditures of Federal Awards - Page 3 of 3
For the Year Ended December 31, 2017

Notes to the Schedule of Federal Awards For the Year Ended December 31, 2017

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Grand County, Colorado, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, US Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the basis financial statements.

Note 2. Pass Through Subrecipients

Grand County provided awards as follows:

	FEDERAL CFDA NUMBER	2017 DISBURSEMENTS PASS THROUGH
U.S. DEPARTMENT OF AGRICULTURE		
Schools and Roads - Grants to States and Counties Containing Federal Lands		
East Grand School District	School district	\$ 889,388
West Grand School District	School district	302,661
	10.665	<u><u>\$ 1,192,049</u></u>

Note 3. Indirect Facilities and Administration Costs

The County has elected to use the 10% de minimis cost rate allowed in 200.414, *Indirect (F&A) Costs*, of the Uniform Guidance.

Note 4. Loans Outstanding

The County, through its component unit, Grand County Housing Authority, had the following direct loan balances outstanding at December 31, 2017:

	FEDERAL CFDA NUMBER	Balance of Loan
Rural Rental Housing Loans	10.455	\$ 521,322
Section 221(d)(3) Mortgage Insurance	14.155	\$ 543,581

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