

C A F R 2017

COMPREHENSIVE ANNUAL FINANCIAL REPORT * YEAR ENDED DECEMBER 31



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Office of the State Auditor

July 3, 2018

WELD COUNTY

STATE OF COLORADO



PREPARED BY THE DEPARTMENTS OF ACCOUNTING AND FINANCE.
LEADING WITH RESPONSIVE, INNOVATIVE, COST EFFECTIVE SERVICES.

INTRODUCTORY SECTION



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INTRODUCTORY SECTION

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DEPARTMENT OF FINANCE

AND ADMINISTRATION

PHONE (970) 400-4218

FAX: (970) 352-0242

P.O. BOX 758

GREELEY, COLORADO 80632

June 28, 2018

Honorable Board of Commissioners
County of Weld
1150 O Street
Greeley, CO 80631

Dear Board Members:

The Comprehensive Annual Financial Report of the County of Weld, State of Colorado for the fiscal year ended December 31, 2017, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the County. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the County. The assurance of the accuracy in the County financial report is a result of the County's internal controls. The controls have been developed to provide accurate information on an efficient and cost-effective basis. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

With the December 31, 2017 financial statements, Weld County has elected to continue a significant change in government financial reporting. The purpose of these changes, which were developed by the Governmental Accounting Standards Board (GASB), is to provide better and more complete information to the users of governmental financial statements. In addition to changes to the basic financial statements, the statements are now accompanied by an introduction, overview, and analysis, referred to as "Management's Discussion and Analysis" (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found in the Financial Section immediately following the independent auditor's report.

The County provides the full range of county services contemplated by statute or charter. These include general government functions, public protection and safety, health, social services, human resource services, public improvements, road and bridge operations, planning and zoning, and general administrative services.

Honorable Board of Commissioners

This report includes all activities for which the Board of County Commissioners is accountable to the citizens of Weld County, financially, or by State Statute or the Weld County Home Rule Charter. All applicable funds, departments, and offices are included in these financial statements as part of the “primary government” of Weld County. In addition, there are several legally separate entities that have significant operational or financial relationships with the County. These include the Weld County Housing Authority, Weld County Retirement Plan, Beebe Draw Law Enforcement Authority, Pioneer Community Law Enforcement Authority, Southwest Weld Law Enforcement authority, Weld County Finance Corporation, and E-911 Authority. These entities are also included in the County’s financial statements.

INDEPENDENT AUDIT

Colorado law requires that the County’s financial statements be audited by an independent certified public accountant or firm of certified public accountants licensed to practice in the State of Colorado. The county’s financial statements have been audited by Anderson & Whitney, a Colorado licensed Certified Public Accounting firm. The goal of the independent audit was to provide reasonable assurance that the financial statements are free of material misstatement. The independent audit involved 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 statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for issuing an unqualified opinion that the County’s financial statements for the year ended December 31, 2017, are fairly presented in conformity with GAAP. The independent auditor’s report is presented in the front of the financial section of this report.

The independent audit of the County’s financial statements was part of a broader, federally mandated “Single Audit” in accordance with provisions of the Single Audit Act of 1984, Federal Single Audit Amendment of 1996, and U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The “Single Audit” is designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government’s internal controls and compliance with legal requirements, especially as they relate to the administration of federal awards. Single audit schedules and the auditor’s reports are available in the “Single Audit” section of the document.

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PROFILE OF WELD COUNTY

Location and demographics. Weld County is located along Colorado's Front Range in the northern part of the state. Weld County covers an area of 3,999 square miles in north central Colorado. It is bordered on the north by Wyoming and Nebraska and on the south by the Denver metropolitan area. The third largest county in Colorado, Weld County has an area greater than that of Rhode Island, Delaware and the District of Columbia combined.

The climate is dry and generally mild with warm summers, mild winters and a growing season of approximately 138 days. The land surface is fairly level in the east, with rolling prairies and low hills near the western border. Elevations in the county range from 4,400 to 5,000 feet.

The South Platte River and its tributaries, the Cache la Poudre, Big Thompson, Little Thompson, Boulder, St. Vrain, and other smaller streams, flow into Weld County from the south and west, leaving the county on the east.

There are 31 incorporated towns in Weld County. The county seat and principal city, Greeley, is located in the west central part of the county and contains almost half the county's population. Generally, most of the remaining population resides within a 20 to 30 mile radius of Greeley; the northeastern part of the county is sparsely populated. Southwest Weld County is one of the fastest growing areas in the state due to its proximity to the north Denver metro area. The county's population in 2017 was approximately 304,600.

COUNTY GOVERNMENT

County Services. Weld County provides the full range of services contemplated by State Statute and the Weld County Home Rule Charter. Services include:

- Judicial and public safety - - consisting of the Sheriff, District Attorney, operation and maintenance of the detention center, regional communications center, and building inspection.
- Health, employment, and social services.
- Planning and zoning.
- Construction, reconstruction and maintenance of streets, highways, and bridges.
- Parks and recreation.
- Property valuation, tax collection and distribution, and vehicle licensing.
- General administrative services.

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County Operating Structure. Weld County became Colorado's first Home Rule County in 1976. The County is governed by a five-member Board of County Commissioners. Three Commissioners are elected by districts of relatively equal population and two Commissioners are elected at large. They serve staggered four-year terms and function as the County's policymaking body. Each Commissioner coordinates one of five functions of the County. The County is also served by four other elected officials: assessor, clerk and recorder, district attorney, and sheriff. Weld County also has a five-member, non-partisan, elected body that is charged to review all aspects of County government and to make periodic written reports to the public. The Commissioners appoint department heads to be responsible for the various day-to-day operations.

Budgeting. The County Commissioners annually adopt budgets by department for all governmental and proprietary funds. Budgets are controlled by the major object categories of Personnel, Operating Costs, and Capital Outlay. Control is maintained by the three categories at the division/department level in the General Fund and at the fund level in all other funds. Supplemental appropriations are approved by the Board of County Commissioners as needed during the year to provide for those items that were unknown or unforeseen at the time the budget was originally adopted.

MAJOR INITIATIVES

For the Year. In 2017, the Board identified a number of significant program changes to enhance service delivery to the citizens of Weld County. The following is a summary of significant program changes and initiatives for 2017:

- Assessed value decreased 21.4%, or \$2.443 billion, primarily from oil and gas production.
- Plan and accommodate the anticipated drop in assessed valuation in 2018 due to the dramatic drop in oil prices in 2016 with one time expenses in 2017.
- Acquire and install new voting equipment.
- Begin the third-year construction of the concrete five-lane CR 49 south corridor from U.S. Highway 34 to I-76 as part of a design/build contract.
- Design for the five-lane concrete road for the CR 47 extension from CR 60.5 to SH 392.
- Complete bridge mitigation projects resulting from the 2013 flooding.
- Reallocate four Sheriff Contract Service deputies to Patrol to increase law enforcement services in the field.
- Add 1.5 FTE to the Motor Vehicle Department to reduce customer wait time.
- Implement a new integrated public safety information system.
- Fund the oil and gas revenue fluctuation reserve in the Contingency Fund at \$37.5 million.
- Fund two radio technicians in Communications to provide all radio repair in-house instead of contracting out for the services.

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- Implement SB 15-242 which expands the Child Welfare staffing by five in reaction to the 2014 Colorado Child Welfare Workload Study.
- Medicaid caseloads have grown by 80% in the past four years, partially due to economic factors and partially due to Colorado's implementation of the Affordable Care Act to the point 25% of county residents are on Medicaid.
- Participate for the fourth year in the Title IV-E (Foster Care and Adoption Assistance Entitlement Grant) waiver project.
- Add a Program Case Manager position to work release to aid offender clientele.
- Add 0.75 FTE to implement a Court Date Notification Program.
- Continue efforts to control health care costs for county employees and their dependents.

FACTORS AFFECTING FINANCIAL CONDITION

Economic Conditions and Outlook.

The U.S. and Colorado economies are expected to continue to expand in 2018 at a moderate pace. Business activity has improved in recent months, sparking renewed optimism in U.S. economic growth prospects. The two-year downturn in the oil and gas industry appears to have ended as rig counts have begun to increase. Consumer spending remains robust and employers continue to add jobs at a moderate rate, further lowering unemployment. However, full employment and an aging population are expected to dampen economic growth. Full employment may subdue economic growth if employers cannot fill vacant positions. A tighter labor market may also fuel inflation. Finally, robust investor confidence, spurred by promises of reduced business regulations and changes to the federal corporate and individual income tax systems, have lifted key stock indices to new highs.

The U.S. labor market continued to add jobs in 2017, giving the nation eight consecutive years of job growth and falling unemployment rates. Job gains were realized across most major industries. Colorado's labor market also continues to improve, but after consistently outperforming the nation since the last recession, Colorado's employment growth is aligning closer to the nation's pace of job growth. The state still boasts one of the lowest unemployment rates in the country. Weld County's unemployment rate has stayed in the 2.1% to 3.5% range for the last year.

Lower oil production and an improving global economy have lifted oil prices from a low of \$26 a barrel in February 2016 to \$53 a barrel one year later. In Colorado, the rise in oil prices has encouraged some producers to start drilling, but activity remains modest. Meanwhile, natural gas prices have failed to gain momentum, as unanticipated warm winter weather has created a backlog. Low natural gas prices continue to depress demand for coal as fuel for electrical generation. However, U.S. coal producers are optimistic that changes in federal regulations may help the struggling industry.

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Over the last eight years, Weld County has been the epicenter of oil and natural gas production in the state, and that concentration of activity is only increasing. New drilling activity, as measured by active drilling rigs, has crept up slightly over the last year as oil prices have stabilized and trended modestly upward. While new drilling has been rising, crude oil production continues to fall, reflecting shifts made by producers to curb production in areas that are more costly to drill. In Colorado, energy industry investment has also picked up modestly and is expected to rise further with the recent rise in oil prices. The Denver-Julesburg Basin, located primarily in Weld County, is expected to experience the greatest increase in activity due to lower production costs relative to other areas in the U.S.

Residential real estate indicators remain encouraging for both the national and Colorado housing markets. However, tight inventories continue to push home prices higher, making more homes less affordable and slowing momentum in the market. The Colorado real estate market remains one of the strongest in the nation, but there are indications that rapid price appreciation is dampening growth as first-time buyers are being priced out of the market. Although mortgage interest rates remain near historical lows, rate hikes by the Federal Reserve will likely contribute to lower affordability and moderating growth in the industry. Rising prices, healthy demand, and a low supply of available properties continue to drive the U.S. housing market. The number of non-residential construction projects increased this year, but they are smaller projects with less square footage than those built last year.

Weld County's economic future is bright with a strong mix of agricultural, energy, manufacturing, and health industries. Greeley Metropolitan Statistical Area is the fourth-fastest growing area in the country and the fastest in Colorado. People are moving to Weld County because of the quality of life, housing is more affordable, low taxes, and because there are good jobs and we have a growing, healthy economy.

LONG-TERM FINANCIAL PLANNING

A cornerstone of a budget process is to convert the County's long-range and strategic plans and policies into services and programs. Once adopted by the Board of Weld County Commissioners, the budget becomes a work plan of objectives to be accomplished during the next fiscal year. As the budget process was implemented, each department head and elected official needs to examine his or her department's operations in relationship to the mission and the strategic goals of Weld County. From this examination budgets to support the programs and services to accomplish the objectives and reach these goals need to be developed.

During the recovery of the Great Recession and last few years of dealing with the volatility of oil and gas prices and production, Weld County has reinforced our commitment to maintaining the legacy of fiscal stability and operational excellence. When one stops and thinks about how County services connect with so many parts of residents' lives, it is inspiring. County employees are involved with and care about the community we serve. From disaster preparedness to human services, voting, health programs, inspections, public safety, providing a transportation system and much more, the County remains committed to upholding public trust by conducting the public's business with excellence and integrity.

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Although the financial health of Weld County government is currently excellent, it is important to look to the future issues, possible problems, and alternative solutions to these problems. Besides the traditional role of budgeting to responsibly manage available current year funding, there must be a continued emphasis of long-term planning, recognition of the cumulative of individual decisions, an awareness of changing realities, flexibility, citizen input in setting priorities, and a focus of goals and objectives consistent with the core services philosophy and mission statement.

Weld County is a leader in innovative approaches to better government and service delivery. We are constantly working to advance our organization and strengthen government in innovative and financially responsible ways that improve the lives of our residents. As we prepared the 2018 budget, we strived for a budget that outlines our plan to optimize the resources we have available to deliver county services and shows the areas of funding challenges facing the county, but also demonstrates our commitment to organizational excellence, our organizational goals and our core values. The 2018 budget is built on several strategies that our organization has implemented over the past few years which continue to make us stronger, more nimble and more focused as a team working toward common goals. The 2018 budget supports strategies for both short-term and long-term success for our organization and for our residents' future. The foundation for our strategies began with creating an aligned county structure that pursues collaboration, cooperation, engagement and accountability in developing common strategies and goals. We are one organization, with aligned strategies to enhance flexibility and communication, reduce duplication of effort, encourage continuous improvement and nurture innovation. We have created this organizational foundation and culture to focus on serving residents in a responsive and compassionate manner with strong stewardship of our valuable resources.

Weld County was recently recognized as the fourth-fastest growing area in the country. The question that we as an organization need to address is how can we keep up with and sustain the level of services and types of growth we are seeing. We must continue to be proactive in our efforts to redesign, innovate, and demand accountability for better outcomes. Weld County is always reinventing what government looks like and acts like, while providing the necessary services mandated by state and federal governments. This is the value proposition. The 2018 budget process represents an opportunity to be proactive in health and human services, workforce development, land use planning, energy development, transportation, and criminal justice with a goal to improve the lives of residents by reducing reliance on government for basic needs. A great example of promoting self-reliance is investing public and private funds to give our young high school graduates through the Bright Futures program the needed skills to be successful in the future Weld County workforce. Through this self-reliance, people can thrive.

In the 2018 budget, besides addressing the growing program service needs the county's capital budget continues to be robust, as we manage our current assets, modernize our buildings and plan new buildings for the future. The county's footprint of owned and managed space is approximately 1.5 million square feet. Given the number of staff, clients and visitors the annual maintenance and day-to-day operations for the county's real estate is significant. In addition, we are looking over the next five years to spend nearly \$50 million on new facilities and equipment, including a \$44.5 million jail expansion, which increases maintenance and operational costs. There are major costs associated with preservation of our existing facilities. Weld County properties and buildings are important assets, ones we are proud of and that are critical to maintain. In 2017, we celebrated our beautiful Courthouse's 100th anniversary. It is still functioning well as a viable court facility due to the care and investment in it over the years. Another capital investment is in our continued effort to keep our technology involving the development, maintenance, and use of computer systems, software, networks, and

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telecommunications for the processing and distribution of data support services to Weld County at a state of the art level.

The greatest asset we have in this organization is our employees. The 2018 funding recommendations for 2018 reflect the value and commitment to our staff and demonstrate the core values of continuous improvement, customer service, diversity and inclusion, employee engagement and workforce development. The core values directly impact how we provide high-quality, cost-effective, result-focused services and outcomes, and they start with each of our employees. We all need to thank Weld County employees for the work they do and their commitment to serving residents.

As has been true in the past few years there are a number of future issues and concerns that will be impacting Weld County's budget in 2018 and subsequent fiscal years. The continued impact of oil and gas development in the county touches on many aspects of Weld County currently, and in planning for the future. The energy development presents both challenges and opportunities for Weld County government. As has been the case for the last six to seven years, growth and development activity directly, or indirectly, related to oil and gas exploration seems to be the main economic driver in the majority of positive economic activities in Weld County. The County has seen several compressor stations, injection wells, new pipelines, and other oil and gas support and service industries developments. Given the commitments of the large oil and gas companies in Weld County, the County seems primed to see considerable long-term investment and development in the oil and gas arena, even at the lower oil price levels. Although the future of energy development in Weld County appears bright, it is not without risks. Oil and gas production in Colorado has risks associated with the potential of more government regulations and voter initiatives trying to restrict or limit fracking in Colorado communities. These regulatory risks, if implemented, could dramatically impact future oil and gas development in Colorado.

The volatility of the oil and gas assessed values continues to be a major impact to the County's budget planning. The county's assessed value from oil and gas values peaked in the 2016 budget when oil and gas assessed valuation was close to two-thirds of the county's total assessed valuation. Since November 2014, due to the oversupply of oil worldwide the price of oil has dropped from over \$100 a barrel to a low of around \$26 per barrel in 2015. As we look at the prices in 2017, they seemed to have stabilized in the price range of \$45-55 per barrel. Because of the volatility of production levels and price fluctuations of the oil and gas values, the County must continue to prudently manage the property tax base created by the energy development. As we developed the 2016 budget, we prepared for a significant drop in the assessed valuation for the 2017 and 2018 budgets. The drop in assessed valuation for the 2017 budget lowered the Weld County assessed valuation 21% below the 2016 budget level for property tax. Looking forward to the 2018 budget the assessed value is very near the same level as the 2017 budget due to oil and gas price stabilization and the reappraisal year's increase values from the other classes of property, even with the drop in the residential property assessment ratio to 7.2% from 7.96%. In anticipation of the drop in the county's assessed valuation, the 2016 budget had \$62 million in one-time budget items, and for the 2017 budget there was nearly \$29 million in one-time budget items, so the net operational spending requires around \$130 million in property tax revenue to maintain the current spending levels in 2018. Based upon the price recovery of oil and gas, the 2019 budget should see a 10-15% increase in overall assessed valuation.

The financial planning done by Weld County the last six years has funded the unfunded liability of the retirement plan, a fluctuation contingency reserve of \$36.0 million, and has reserves in the Public Works Fund and Capital Fund. The \$36.0 million contingency fund will provide the financial

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flexibility to adjust to the volatile property tax revenue patterns in future years without having to make significant reductions to basic operational spending. The capital reserve will leave the County on track to be able to construct the \$44.5 million jail expansion in 2018-2020. The fund balance in the Public Works Fund should be adequate to complete the major capital improvements to the CR 49/47 Corridor, north from CR 60.5 (SH 263) to SH 392 in 2018, leaving the property tax at \$16.5 million in 2018 to fund the road improvements. To finish the \$160 million CR 49/47 Corridor project, a funding level of \$25 million will be required in 2018. In the 2018 budget there is nearly \$18 million in one-time expenses.

The other challenge for 2018 will be the funding levels of state and federal programs due to the many unknowns about the direction the Trump administration and Congress will take as they develop the federal budget for domestic programs. In addition, the State of Colorado continues to have funding issues due to TABOR limits, and the state-federal funding relationship.

In light of the challenges faced by departments, the 2018 budget development process must continue to be a collaborative effort by staff, department heads, and elected officials. The strategic plan, core values, and the financial policies of Weld County provide the cornerstone for the financial plan to achieve the county's goals and objectives. The Board of Weld County Commissioners provide the consistent leadership and fiscal oversight that maintains Weld County's financial stability and reputation. In support of this fiscal management, the team of department heads, elected officials, and finance staff provide the foundation of the system. The Weld County team continues to mitigate challenging budget obstacles, the fluctuation of energy prices, and the state and federal fiscal realignments to insure strong leadership and stewardship of Weld County's long-term fiscal and operational integrity.

RELEVANT FINANCIAL POLICIES

As stated earlier, as Weld County begins 2018 the County is in excellent financial condition with no debt, no sales tax, one of the lowest mill levies among all Colorado counties, a significant cash reserve, and a fully funded pension plan. The major factors impacting the 2018 budget continue to be dominated by the oil and gas development in Weld County, population growth, state and federal budget issues, service restructuring in Weld County government, and the execution of the *Strategic Investment Plan for the Future of Weld County*.

As has been the case for the last six or seven years, growth and development activity directly, or indirectly, related to oil and gas exploration seems to be the main economic driver in the majority of positive economic activities in Weld County. The County has seen several compressor stations, injection wells, new pipelines, and other oil and gas support and service industries seeking permits. Given the commitments of the large oil and gas companies in Weld County, the County seems primed to see considerable long-term investment and development in the oil and gas arena. As discussed earlier the volatility of the oil and gas assessed values continues to be a major impact to the County's budget planning the last seven years, and will continue to be going forward with all the long-term energy development planned in the county by energy companies.

Two significant long-term capital projects will be the construction of a \$44.5 million addition to the jail in 2018-2020, and the completion in 2018 of the four-year project for capital improvements to the CR 49/47 Corridor, south from Highway 34 to I-76, and north from CR 60.5 (SH 263) to SH 392. The road project will require over \$25 million in 2018.

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On May 20, 2014, the Board approved the design/build option for the CR 47/49 Corridor at a total cost of approximately \$160 million. The first section of the project from Highway 34 to CR 60.5 was completed in November 2015 at a cost of \$25 million. A design/build contract of \$109 million for the section from Highway 34 to I-76 was awarded in August 2015, with construction was completed in November, 2017. The last section of the project from CR 60.5 to SH 392 is estimated to cost \$25 million in 2018. Savings have been realized by doing a design/build. The schedule is as follows:

CIP	2014	2015	2016	2017	2018	2019
CR 49 South						
US 34 to I-76 (20 miles)	Design/ROW	Design/ROW	Construction	Construction		
Optional Bid CR 47 North						
CR 60.5 - SH 392 (3.5 miles)			Design/ROW	Construction	Construction	

The project has been funded within the resources of the Public Works Fund over the period of 2013-2018. The property tax for the Public Works Fund has been increased \$10 million the last five years from \$6.5 million in 2013, to \$16.5 million in 2018. No debt has been incurred, nor have funds had to be advanced from other county funds to accomplish this project.

Finally, for the sixth year the *Strategic Investment Plan for the Future of Weld County* recommendations are incorporated into the 2018 Budget. The plan calls for developing a long-term strategy of investment in the County's infrastructure, technology and innovation, staff and workforce development, economic development for diversification of the local economy, and establishing a fluctuation reserve to deal with the volatility of the peaks and valleys in energy prices and production. In addition, in 2018 the county will initiate a "lean" government process program. *Lean government* refers to the application of *lean* production (also known as "*Lean*") principles and methods to both identify and then implement the most efficient, value added way to provide *government* services. Resources for the Technology Projects budget unit will also be used for this effort.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2016. This was the thirty-fifth year that the County has received this prestigious award. In order to be awarded a Certificate of Achievement, the County published an easily readable and efficiently organized Comprehensive Annual Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. 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 another certificate.

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In addition, the County also received the GFOA's Award for Distinguished Budget Presentation for its 2017 annual appropriated budget for over thirty-five consecutive years. In order to qualify for the Distinguished Budget Presentation Award, the County's budget document was judged to be proficient in several categories including policy documentation, financial planning, and organization.

Financial reports are valuable in that they provide a permanent historical record of a governmental agency's operation to the management and the general public. It is our belief that this is a comprehensive report of the 2017 financial transactions under our control and that the following statements present an accurate, informative record of the financial activities of the County of Weld and its financial condition at December 31, 2017. The preparation of this report could not be accomplished without the efficient and dedicated services of the entire staff of the Accounting/Finance Department. I should like to express my appreciation to all members of the department who assisted and contributed to its preparation. I would also like to thank the members of the Board of County Commissioners for their interest and support in planning and conducting financial operations of the County in a responsible and progressive manner.

Respectfully submitted,

A handwritten signature in black ink, reading "Donald D. Warden". The signature is fluid and cursive, with the first name "Donald" and last name "Warden" clearly distinguishable.

Donald D. Warden,
Director of Finance and Administration



Government Finance Officers Association

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

Presented to

**County of Weld
Colorado**

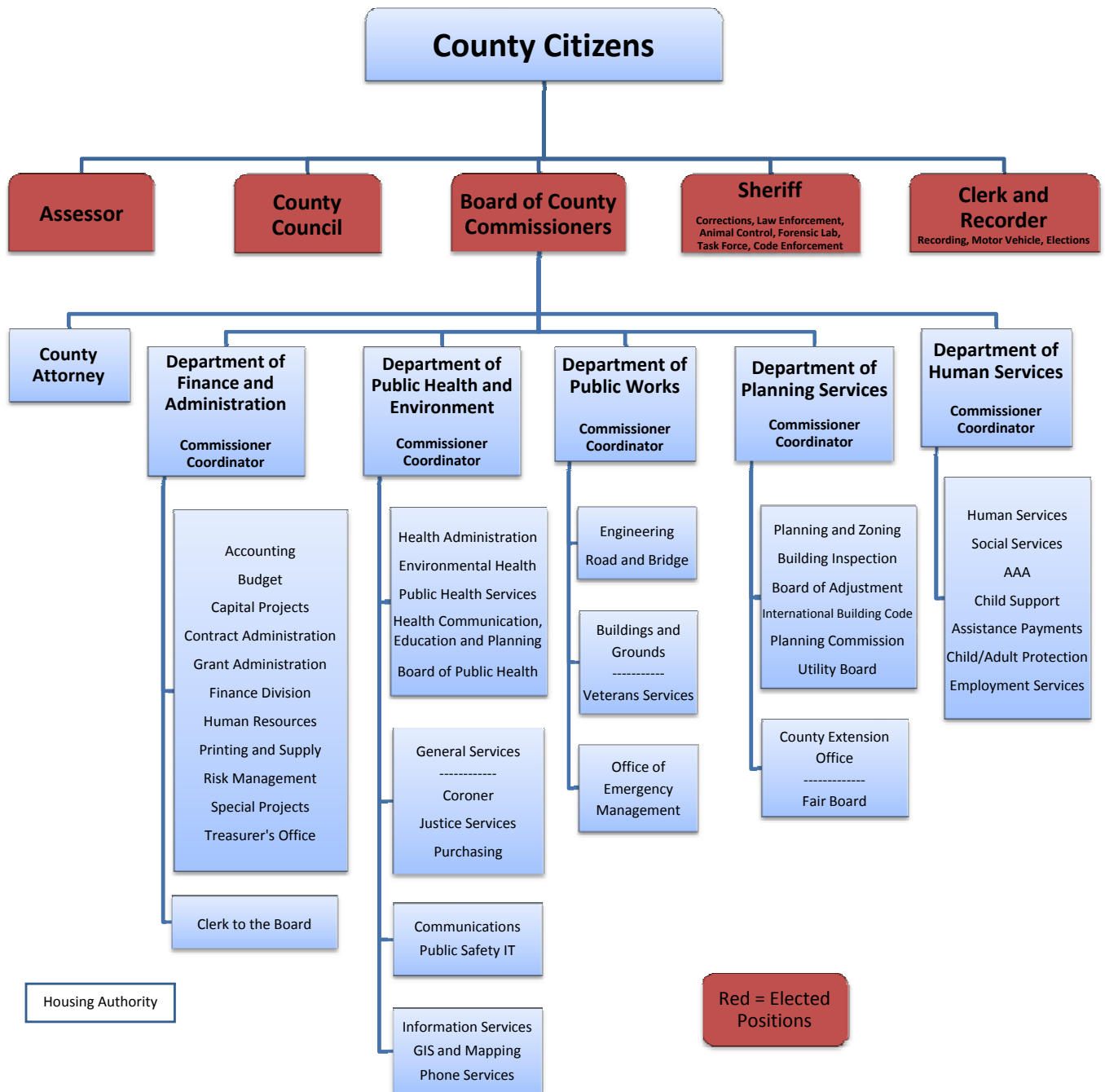
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2016

Christopher P. Morill

Executive Director/CEO

WELD COUNTY HOME RULE GOVERNMENT



COUNTY OF WELD
STATE OF COLORADO
PRINCIPAL COUNTY OFFICIALS

December 31, 2017

Board of County Commissioners

Julie Cozad
Steve Moreno
Mike Freeman
Barbara Kirkmeyer
Sean Conway

County Clerk and Recorder

Carly Koppes

County Assessor

Christopher M. Woodruff

County Sheriff

Steve Reams

Director of Finance & Administration

Don Warden

Controller

Barbara Connolly

Treasurer

John R. Lefebvre, Jr.

FINANCIAL

SECTION





A Professional Corporation of
Certified Public Accountants

Independent Auditors' Report

Board of County Commissioners
Weld 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 discretely presented component units and remaining fund information of Weld County, Colorado, 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 the accounting principles generally accepted in the United States; this includes the design, implementation, and maintenance of the 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 did not audit the financial statements of Weld County Housing Authority (the Authority), whose assets totaled \$2,445,467 and whose revenues totaled \$3,008,220 of the aggregate discretely presented component units and remaining fund information. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Authority, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinion

In our opinion, based on our audit and the report of the other auditors, 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 discretely presented component units and remaining fund information of Weld County, Colorado, as of December 31, 2017, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States.

Other Matters

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The combining and individual nonmajor fund financial statements and schedules, the Local Government Highway Report, and the schedule of expenditures of federal awards required by the Uniform Guidance listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements of Weld County, Colorado. Such information is the responsibility of the management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the information is fairly stated in all material respects in relation to the basic financial statements as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

Accounting principles generally accepted in the United States require that management discussion and analysis, supplementary pension information, budgetary comparison schedules and information on the modified approach for reporting infrastructure 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 and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States, 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 the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other 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 Weld County, Colorado's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Weld County, Colorado's internal control over financial reporting and compliance.

Anderson & Whitney, P.C.

June 28, 2018

Management Discussion and Analysis

This section of the report provides readers with a narrative overview and analysis of the financial activities of Weld County for the fiscal year ended December 31, 2017. We encourage readers to consider the information presented here in conjunction with the letter of transmittal and basic financial statements to enhance their understanding of the County's financial performance.

FINANCIAL HIGHLIGHTS

- Weld County's assets exceeded liabilities and deferred inflows of resources by \$662.3 million at the end of 2017. Of this amount, \$126.8 million may be used to meet the government's ongoing obligations to citizens and creditors. The remaining \$535.5 million is invested in capital assets or restricted by law.
- The County's General Fund balance was \$53.4 million as of December 31, 2017. Of this amount, \$1.3 million for non-spendable assets, \$24.6 million is restricted; \$11.3 million committed for economic development; \$1.9 million for encumbrances. The remaining \$14.3 is available to meet the ongoing obligation to citizens and creditors.
- The 2017 General Fund balance of \$53.4 million is 38.8% of 2017 General Fund operating expenditures plus net operating transfers. The County Commissioners' goal is to keep fund balance at no less than 5%. The Board has not budgeted any expenditures from the fund balance in 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The basic financial statements contain three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. In addition to the basic statements, this report also contains other supplementary information including combining statements for non-major funds, a statistical section, and information regarding federal grant programs.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the County's finances in a manner similar to a private sector business.

The *statement of net position* presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the remaining difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the County's financial position is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in the statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Weld County's governmental activities include general government, public safety, streets and highways, health and welfare, auxiliary, culture and recreation, and economic assistance. The County has one business type activity — operation of the regional forensic laboratory.

The government-wide financial statements include not only Weld County itself (known as the primary government), but also legally separate entities which have a significant operational or financial relationship with the County. These entities, known as blended component units, include local improvement districts, Finance Corporation, Weld County Retirement Plan, Pioneer Law Enforcement Authority, and Beebe Draw Law Enforcement Authority. Discretely presented component units are Housing Authority and E-911 Emergency. More information on the functions of these entities can be found in Note 1 to the financial statements.

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

Governmental Funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources, as well as on balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Weld County maintains eleven individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the General Fund, Public Works Fund, Social Services Fund, Human Services Fund, Capital Expenditures, and Contingent Fund, all of which are considered to be major funds. Data from the other five funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of *combining statements* elsewhere in this report.

The basic governmental fund financial statements can be found on page 28 of this report.

Proprietary funds. Weld County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. Weld County has one enterprise fund, the Northern Colorado Regional Forensic Laboratory. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. Weld County uses internal service funds to account for its fleet maintenance, phone services, Weld Finance Corporation, and self-insurance activities. Because these services predominantly benefit governmental rather than business-type functions, they have been commonly included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Northern Colorado Regional Forensic Laboratory Fund, an enterprise fund of the County. The remaining proprietary funds, all of which are internal service funds, are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for each of these non-major funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on page 35 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* included in the government-wide financial statements because the resources of these funds are not available to support Weld County's own operations. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 38 through 39 of this report.

Budgetary Comparisons. Weld County adopts an annual appropriated budget for all of its funds. A budgetary comparison statement has been provided for all major funds on pages 91 to 102 of this report. Budget to actual comparisons for each of the non-major funds are provided in other schedules elsewhere in this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 41 through 84 of this report.

Other information. The *combining statements* referred to earlier in connection with non-major governmental funds and internal service funds are presented following the notes to the financial statements and can be found on pages 108 and 122 through 135 respectively.

COUNTY-WIDE FINANCIAL ANALYSIS

Net Position. As noted earlier, net position may serve over time as a useful indicator of a government's financial position. As of December 31, 2017, assets and deferred outflows exceeded liabilities and deferred inflows by \$662.3 million.

The following table provides a summary of the County's governmental and business-type net assets for 2016 and 2017.

Table 1
Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>
Assets						
Current and other assets	\$ 399.42	\$ 394.77	\$ (0.01)	\$ 0.18	\$ 399.41	\$ 394.95
Capital assets	371.85	420.81	-	3.75	371.85	424.56
Total Assets	771.27	815.58	(0.01)	3.93	771.26	819.51
Deferred Outflows						
Pension Plans	28.17	41.46	-	-	28.17	41.46
Total Deferred Outflows	\$ 28.17	\$ 41.46	\$ -	\$ -	\$ 28.17	\$ 41.46
Liabilities						
Current and other liabilities	\$ 41.03	\$ 27.56	\$ -	\$ 0.11	\$ 41.03	\$ 27.67
Long-term liabilities	22.16	17.95	-	-	22.16	17.95
Total Liabilities	\$ 63.19	\$ 45.51	\$ -	\$ 0.11	\$ 63.19	\$ 45.62
Deferred Inflows						
Property Taxes	\$ 146.95	\$ 151.05	\$ -	\$ -	\$ 146.95	\$ 151.05
Pension Plans	2.86	1.98	-	-	2.86	1.98
Total Deferred Inflows	\$ 149.81	\$ 153.03	\$ -	\$ -	\$ 149.81	\$ 153.03
Net Position						
Invested in capital assets	\$ 371.85	\$ 420.04	\$ -	\$ 3.75	\$ 371.85	\$ 423.79
Restricted	122.68	111.75	-	-	122.68	111.75
Unrestricted	91.91	126.71	(0.01)	0.07	91.90	126.78
Total Net Position	\$ 586.44	\$ 658.50	\$ (0.01)	\$ 3.82	\$ 586.43	\$ 662.32

A portion of Weld County's net position (19.1%) represents unrestricted net position of \$126.8 million, which may be used to meet the County's ongoing obligations to citizens and creditors.

Another significant portion of the County's net position (64.0%) reflects its investment in capital assets. These assets include land, buildings, machinery, equipment and infrastructure. These capital assets are used to provide services to citizens; consequently, they are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional \$111.75 million of the County's net position (16.9%) represents resources that are subject to external restrictions on how they may be used. Included in this category is the TABOR emergency reserve of \$7.00 million, \$4.73 million in reserve for insurance claims, \$9.94 million for health, economic and social assistance programs, \$71.87 million for road and bridge maintenance and \$18.21 million for other purposes.

At the end of 2017 Weld County had positive balances in all three categories of net position.

Changes in Net Position Governmental and Business-type activities increased the County's net position by \$75.89 million in 2017. The table indicates the changes in net position as a result of activities for the governmental and business-type activities in 2016 and 2017.

Changes in Net Position
(in Millions)

	Governmental Activities		Business-type Activities		Total	
	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>
Revenues						
Program revenues:						
Charges for services	\$ 65.28	\$ 64.42	\$ 0.00	\$ 0.20	\$ 65.28	\$ 64.62
Operating grants and contributions	32.69	34.69	0.14	0.00	32.83	34.69
General revenues:						
Property taxes	166.02	156.18	0.00	0.00	166.02	156.18
Other taxes	13.31	12.74	0.00	0.00	13.31	12.74
Other revenues	21.14	34.96	0.00	0.00	21.14	34.96
Total revenues	<u>\$ 298.44</u>	<u>\$ 302.99</u>	<u>\$ 0.14</u>	<u>\$ 0.20</u>	<u>\$ 298.58</u>	<u>\$ 303.19</u>
Expenses						
General government	\$ 43.31	\$ 47.31	\$ 0.00	\$ 0.00	\$ 43.31	\$ 47.31
Public safety	60.04	62.90	0.00	0.00	60.04	62.90
Streets and highways	47.54	55.22	0.00	0.00	47.54	55.22
Culture and recreation	1.50	1.56	0.00	0.00	1.50	1.56
Health & Welfare	46.73	52.19	0.00	0.00	46.73	52.19
Economic Assist	8.08	7.92	0.00	0.00	8.08	7.92
Forensic Crime Lab	0.00	0.00	0.14	0.20	0.14	0.20
Total expenses	<u>207.20</u>	<u>227.10</u>	<u>0.14</u>	<u>0.20</u>	<u>207.34</u>	<u>227.30</u>
Increase (decrease) in net position before Transfers	91.24	75.89	0.00	0.00	91.24	75.89
Transfers	0.00	(3.83)	0.00	3.83	0.00	0.00
Increase (decrease) in net position	91.24	72.06	0.00	3.83	91.24	75.89
Net Position Beginning	495.20	586.44	(0.01)	(0.01)	495.19	586.43
Net Position Ending	<u>\$ 586.44</u>	<u>\$ 658.50</u>	<u>\$ (0.01)</u>	<u>\$ 3.82</u>	<u>\$ 586.43</u>	<u>\$ 662.32</u>

Governmental Activities. Governmental activities increased Weld County's net position by \$72.06 million in 2017. Key elements of this increase are as follows:

- Total revenues were up \$4.55 million, 1.52% from the prior year, with an increase in property taxes (\$9.84 million) other taxes (\$0.57 million) and charges for service (\$0.86 million) offset by an increase of (\$13.82 million) in other revenues from oil and gas royalties.
- Expenses totaled \$227.10 million. This represents a 9.60% increase, with increases in general government (\$4.00 million), public safety (\$2.86 million) streets and highways (\$7.68 million) health and welfare (\$5.46 million) and culture and recreation (\$0.06 million) Economic assistance (\$0.16 million) had slight a decreases in 2017.

Business-Type Activities. The County's only business-type activity, Northern Colorado Regional Forensic Laboratory, net assets increased \$3.83 million. The crime lab began operations in August 2013 and is funded by the participating agencies.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, Weld County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds Overview. The focus of County governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of 2017, the combined ending fund balance of County governmental funds was \$191.85 million. Of this amount the approximately \$2.46 million represents an investment in non-spendable items (\$1.28 million inventory, and \$1.18 million in prepaid items). Another \$101.65 million of fund balance is restricted use for emergencies (\$7.00 million) public works (\$60.02 million) health, welfare and economic assistance (\$16.44 million), and other programs (\$18.19 million). Fund balance committed to economic development (\$11.26 million), capital projects (\$32.34 million), contingencies (\$23.94 million) and environmental conservation (\$3.90 million) is \$71.44 million. Another \$1.88 million is assigned to budget appropriations and \$14.42 million is unassigned to continue providing services to the general public.

The County has six major governmental funds. These are 1) General Fund; 2) Public Works Fund; 3) Social Services Fund; 4) Human Services Fund; 5) Contingent Fund; 6) Capital Expenditures Fund.

1. General Fund. This is the primary operating fund of the Weld County Government. It accounts for many of the County's core services, such as law enforcement, planning, and elections. The general fund balance was \$53.45 million as of December 31, 2017, was an increase over the \$38.88 million fund balance as of December 31, 2016. General fund revenues for property taxes, charges for services and miscellaneous revenues increased in 2017. The increase in revenue in the General fund was offset by increases to all major expense categories. Operating transfers out increased in 2017 with a transfer to the Capital fund to cover the cost of projects including the remodel of the Human Services Divisions offices. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 11.04% of total 2017 expenditures, while total fund balance is 40.92% of the same amount.
2. Public Works Fund. The Public Works Fund is state mandated. The fund records costs related to County road and bridge construction and maintenance. The Public Works Fund had \$61.15 million in fund balance at the end of 2017. This amount was \$16.64 million less than the previous year. In 2017 Public Works Fund expenditures increased \$26.98 million in 2017 as spending on the Oil and Gas Haul Route program increased and the County Road 49 construction project was completed.
3. Social Services Fund. The Social Services Fund is mandated by State Statute. This fund accounts for the local share of many Federal and State public welfare programs. The fund carried a \$2.09 million balance at the end of 2017 down \$(1.83) million from its balance in 2016 due to an increased state allocation for child welfare programs.
4. Human Services Fund. The Human Services Fund accounts for various Federal and State human services grants. Primary funding agencies are DOL, HHS, and CSA.
5. Contingent Fund. The Contingent Fund records any property tax revenue levied by the Board of County Commissioners to cover reasonable unforeseen expenditures. The fund balance decreased by \$5.64 million in 2017.
6. Capital Expenditure Fund. The Capital Expenditure Fund accounts for the construction of major capital facilities. These are the construction of graders sheds, public works addition, building improvements and special projects.

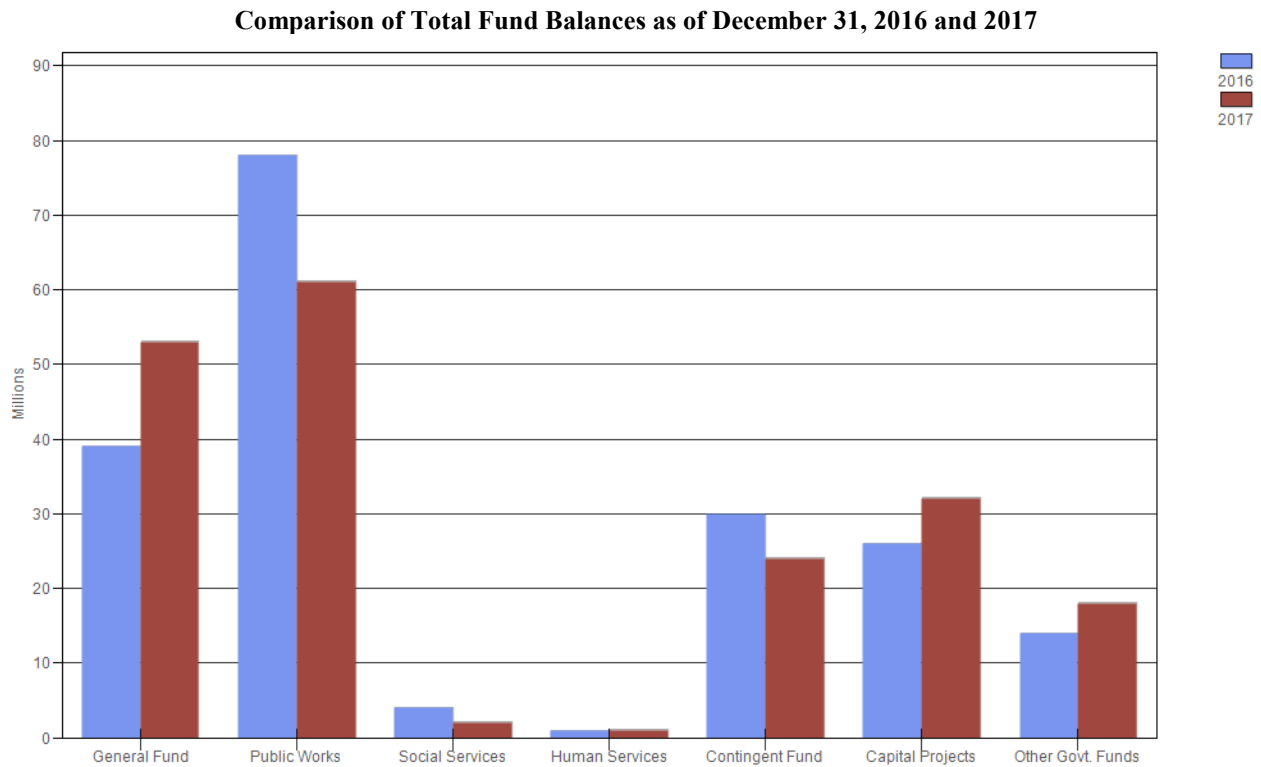
PROPRIETARY FUNDS OVERVIEW

The County's proprietary fund statements provide the same information found in the government-wide statements, but in more detail.

The County has one enterprise-type fund, The Northern Colorado Regional Forensic Laboratory. The crime lab began operations in August 2013 and is funded by participating entities.

Weld County has four internal service funds. Information on these funds is aggregated in the Proprietary Fund financial statements.

GENERAL FUND BUDGETARY HIGHLIGHTS



The County's budget is prepared according to Colorado statutes. The most significant budgeted fund is the General Fund.

In December of 2016, the Board of County Commissioners appropriated \$132.77 million for general fund expenditures and other financing uses for 2017.

Table 3
2017 General Fund Budget
(in Millions)

	Original Budget	Amendments	Final Budget	Actual
Revenue and other financing sources	\$ 130.20	\$ 3.59	\$ 133.79	\$ 152.57
Expenditures and other financing uses	\$ 132.77	\$ 11.09	\$ 143.86	\$ 138.00

During 2017 mid-year budget amendments included:

- \$8.3 million for the construction work on Weld County Road 47
- \$16.1 million transferred to Retirement Fund to lower the earnings assumption from 7.75% to 7.25% from General Fund (\$2.5 million) and Contingency Fund (\$13.6 million)
- \$3.0 million transfer from Public Works to Motor Pool for heavy equipment purchases
- \$2.5 million transferred to Capital Expenditure Fund for building reserve and Human Services remodel
- \$0.7 million for insurance claim reserves and added revenue in the Insurance Funds
- \$1.6 million for Sheriff budget units to realignment of pay grades, promotion policies, recruitment, and retention of patrol deputies and correctional officers
- \$0.4 million for unanticipated grants for flood recovery and other programs
- \$0.19 million for unanticipated grant revenue for Human Services
- \$1.99 million for additional program costs for Social Services
- \$2.02 million for communications and public safety information services equipment and infrastructure
- Supplemental appropriations were made to various departments for salary and benefit reallocations

The increase was possible because of excess fund balance, various departments under spending their budgets, and additional unanticipated revenues. Those revenues include oil and gas royalties (\$12.0 million), unanticipated grant revenues (\$0.06 million), increase in fees from the Clerk & Recorder and Treasurer's office (\$2.1 million) and interest earnings (\$0.8 million).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. Weld County's investment in capital assets for its governmental and business type activities as of December 31, 2017 totals \$423.79 million (net of accumulated depreciation). This investment includes all land, buildings, machinery, equipment, intangible assets and infrastructure. Total capital assets increased 14.0% in the current fiscal year.

Major capital asset events during the current fiscal year include the following:

- Road construction or major improvements totaling \$76.1 million.
- Remodel of the Chase Annex at 804-822 7th Street Greeley totaling \$0.526 million.
- Improvements to Communication towers \$1.001 million.
- North Jail improvements to kitchen \$0.344 million.
- Grader shed replacement \$0.284 million.
- Downtown Greeley parking improvements

The County implemented the "depreciation method" under GASB 34 for its road and bridge infrastructure assets, except for the gravel roads, where the "modified approach" was used. The County's policy is to maintain gravel roads at a condition of fair or better. This level of condition is being maintained consistently on over 98% of miles of road.

Additional information on the County's capital assets can be found in Note 6 of this report. Construction commitments are discussed in Note 12.

Long-term Debt. At December 31, 2017, Weld County had no outstanding long-term debt or debt from Certificates of Participation (COP). The last COP was paid off early on August 1, 2007.

The Weld County Home Rule Charter provides for a general obligation debt limit of 3% of assessed valuation. The county had a general obligation debt capacity of \$282.03 million in 2017. The county currently has no debt subject to the limitation. No new debt was issued in 2017.

Additional information on Weld County's debt can be found in Note 8.

Other Matters. The following factors are expected to have a significant effect on the County's financial position or results of operations and were taken into account in developing the 2017 budget.

- Assessed value increased 2.72%, or \$249.2 million due to reappraisal.
- Complete the five-lane concrete road for the CR 47 extension from CR 60.5 to SH 392.
- Complete bridge mitigation projects resulting from the 2013 flooding.
- Provide for the long-term financial sustainability of the Bright Future program.
- Fund the oil and gas revenue fluctuation reserve in the Contingency Fund at \$36.0 million.
- Fund a Hazardous Material Planning grant and FEMA training exercise in 2018.
- Increase the WCRCC staff by 7 FTE to cope with the E911 call volume.
- Fund FRCC DSR switch and four radio upgrades for redundancy and system upgrades.
- Reallocate four Sheriff Contract Service deputies to Patrol to increase law enforcement services in the field.
- Add 32 FTE in the North Jail due to inmate population growth.
- Begin the design phase of the \$44.5 million jail expansion.
- Create a Criminal Justice Coordinator position.
- Implement the new pay grade and flexible staffing for sworn officers in the Sheriff's Office.
- Add a Family and Consumer Sciences agent in the Extension Service.
- Increase the District Attorney staff by 4 FTE due to 40% increase in caseload since 2011.
- Begin the Lean process to both identify and then implement the most efficient , value added way to provide government services

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Weld County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this or for additional financial information should be addressed to the Director of Finance and Administration, 1150 O Street, Greeley, CO 80631. Request for additional information regarding the Housing Authority should be addressed to Tom Teixeira, Executive Director, Weld Housing Authority, 903 6th Street, Greeley, CO 80631.

BASIC FINANCIAL



STATEMENTS

COUNTY OF WELD
STATE OF COLORADO

Statement of Net Position
December 31, 2017

	Primary Government			Component Units	
	Governmental Activities	Business- Type Activities	Total	Housing Authority	E911 Authority
ASSETS					
Cash and investments	\$ 227,003,254	\$ 188,505	\$ 227,191,759	\$ 1,805,402	\$ 2,423,251
Property taxes receivable	150,252,800	-	150,252,800	-	-
Receivables (net of allowance)	10,122,244	-	10,122,244	550,483	353,816
Due from other governments	3,135,378	-	3,135,378	-	-
Internal balances	9,587	(9,587)	-	-	-
Inventories	1,327,589	-	1,327,589	-	-
Other assets	1,253,109	-	1,253,109	7,661	-
Net other post employment benefits assets	1,016,398	-	1,016,398	-	-
Restricted assets:					
Cash and equivalents	648,599	-	648,599	76,361	-
Capital assets not being depreciated	40,869,043	-	40,869,043	-	72,730
Capital assets net of depreciation	379,941,012	3,754,342	383,695,354	5,560	2,318,970
Total assets	815,579,013	3,933,260	819,512,273	2,445,467	5,168,767
DEFERRED OUTFLOWS OF RESOURCE					
Pension Plans	41,456,333	-	41,456,333	-	-
Total Deferred Outflows of Resources	41,456,333	-	41,456,333	-	-
LIABILITIES					
Accounts payable and other current liabilities	14,442,651	400	14,443,051	125,859	277,274
Accrued liabilities	9,955,652	-	9,955,652	-	-
Due to other governments	251,506	-	251,506	-	-
Unearned Revenue	2,599,157	109,049	2,708,206	-	-
Long-term liabilities:					
Due within one year:					
Compensated absences	308,541	-	308,541	16,724	-
Due in more than one year:					
Compensated absences	4,531,131	-	4,531,131	-	-
Pension Plans	13,416,506	-	13,416,506	-	-
Total liabilities	45,505,144	109,449	45,614,593	142,583	277,274
DEFERRED INFLOWS OF RESOURCES					
Property Taxes	151,053,049	-	151,053,049	-	-
Pension Plans	1,981,870	-	1,981,870	-	-
Total Deferred Inflows of Resources	153,034,919	-	153,034,919	-	-
NET POSITION					
Invested in capital assets	420,039,585	3,754,342	423,793,927	5,560	2,391,700
Restricted for:					
Programs	9,942,147	-	9,942,147	-	-
Emergencies	7,000,000	-	7,000,000	-	-
Claims	4,734,408	-	4,734,408	-	-
Public Works	71,872,652	-	71,872,652	-	-
Other purposes	18,191,962	-	18,191,962	-	-
Unrestricted	126,714,529	69,469	126,783,998	2,297,324	2,499,793
Total net position	\$ 658,495,283	\$ 3,823,811	\$ 662,319,094	\$ 2,302,884	\$ 4,891,493

See accompanying notes to the basic financial statements

COUNTY OF WELD
STATE OF COLORADO

Statement of Activities

Year Ended December 31, 2017

		Program Revenues		
		Charges for	Operating	Capital Grants
	Expenses	Services	Grants and	and
			Contributions	Contributions
Primary government:				
Governmental activities:				
General Government	\$ 47,306,184	\$ 16,954,771	\$ 1,190,737	\$ -
Public Safety	62,895,851	10,914,355	4,043,865	-
Streets and Highways	55,222,675	3,881,217	18,098,549	-
Health and Welfare	52,193,339	31,047,472	3,234,792	-
Culture and Recreation	1,556,093	952,322	436,368	-
Economic Assistance	7,920,958	667,662	7,683,925	-
Total governmental activities	<u>227,095,100</u>	<u>64,417,799</u>	<u>34,688,236</u>	<u>-</u>
Business-type activities				
Regional Forensic Laboratory	<u>201,101</u>	<u>200,952</u>	<u>-</u>	<u>-</u>
Total primary government	<u>\$227,296,201</u>	<u>\$ 64,618,751</u>	<u>\$ 34,688,236</u>	<u>\$ -</u>
Component units:				
Housing Authority	\$ 3,109,316	\$ 29,771	\$ 2,971,106	\$ -
E-911 Authority	<u>2,175,224</u>	<u>2,379,505</u>	<u>-</u>	<u>-</u>
Total component units	<u>\$ 5,284,540</u>	<u>\$ 2,409,276</u>	<u>\$ 2,971,106</u>	<u>\$ -</u>
GENERAL REVENUES				
Taxes:				
Property taxes				
Specific ownership				
Severance/Tobacco				
Royalties				
Miscellaneous				
Unrestricted investment earnings				
Transfers				
Total general revenues and transfers				
Changes in net position				
Net position - beginning				
Net position - ending				

See accompanying notes to the basic financial statements

Net (Expenses) Revenue and Changes in Net Position				
Primary Government			Component Units	
Governmental Activities	Business-type Activities	Total	Housing Authority	E911 Authority
\$ (29,160,676)	\$ -	\$ (29,160,676)	\$ -	\$ -
(47,937,631)	-	(47,937,631)	-	-
(33,242,909)	-	(33,242,909)	-	-
(17,911,075)	-	(17,911,075)	-	-
(167,403)	-	(167,403)	-	-
430,629	-	430,629	-	-
<u>(127,989,065)</u>	<u>-</u>	<u>(127,989,065)</u>	<u>-</u>	<u>-</u>
-	(149)	(149)	-	-
<u>\$ (127,989,065)</u>	<u>\$ (149)</u>	<u>\$ (127,989,214)</u>	<u>\$ -</u>	<u>\$ -</u>
\$ -	\$ -	\$ -	\$ (108,439)	\$ -
-	-	-	-	204,281
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (108,439)</u>	<u>\$ 204,281</u>
156,180,601	-	156,180,601	-	-
11,230,531	-	11,230,531	-	-
1,506,348	-	1,506,348	-	-
21,860,836	-	21,860,836	-	-
9,783,532	-	9,783,532	-	-
3,319,170	-	3,319,170	7,343	24,799
<u>(3,833,398)</u>	<u>3,833,398</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>200,047,620</u>	<u>3,833,398</u>	<u>203,881,018</u>	<u>7,343</u>	<u>24,799</u>
72,058,555	3,833,249	75,891,804	(101,096)	229,080
586,436,728	(9,438)	586,427,290	2,403,980	4,662,413
<u>\$ 658,495,283</u>	<u>\$ 3,823,811</u>	<u>\$ 662,319,094</u>	<u>\$ 2,302,884</u>	<u>\$ 4,891,493</u>

COUNTY OF WELD
STATE OF COLORADO

Governmental Funds

Balance Sheet

December 31, 2017

	General Fund	Public Works Fund	Social Services
ASSETS			
Cash and Investments	\$ 61,765,127	\$ 61,282,818	\$ 1,681,283
Receivables (net of allowance for uncollectibles):			
Property taxes receivable	94,364,818	16,727,969	11,557,166
Delinquent property taxes	1,675,622	268,783	183,724
Accounts Receivable	2,771,231	5,665,446	362,913
Special Assessment	-	18,333	-
Due From other County Funds	381,726	2,553,953	-
Due From other Governments	6,895	-	2,035,301
Inventory	138,461	1,133,067	-
Other Assets	1,168,577	-	-
Total Assets	<u>\$ 162,272,457</u>	<u>\$ 87,650,369</u>	<u>\$ 15,820,387</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	7,063,637	6,094,917	131,809
Accrued Liabilities	2,762,303	428,496	1,005,921
Due to other County funds	1,899,390	62,082	533,954
Due to other Governments	-	-	251,506
Unearned Revenues	58,205	65,177	261
Unexpended Grant revenue	491,365	-	-
Total Liabilities	<u>12,274,900</u>	<u>6,650,672</u>	<u>1,923,451</u>
Deferred Inflows of Resources:			
Property Taxes	96,551,779	17,087,396	11,803,514
Grant Revenue	-	2,761,556	-
Total Deferred Inflows of Resources	<u>96,551,779</u>	<u>19,848,952</u>	<u>11,803,514</u>
Fund Balances:			
Nonspendable	1,307,038	1,133,067	-
Restricted	24,576,426	60,017,678	2,093,422
Committed	11,260,625	-	-
Assigned	1,883,931	-	-
Unassigned	14,417,758	-	-
Total Fund Balances	<u>53,445,778</u>	<u>61,150,745</u>	<u>2,093,422</u>
Total Liabilities and Fund Balances	<u>\$ 162,272,457</u>	<u>\$ 87,650,369</u>	<u>\$ 15,820,387</u>

See accompanying notes to the basic financial statements

Human Services	Contingent Fund	Capital Expenditure	Other Governmental Funds	Total Governmental Funds
\$ 479,883	\$ 24,172,271	\$ 32,992,983	\$ 16,882,935	\$ 199,257,300
-	12,164,945	10,388,358	-	145,203,256
-	160,030	188,540	-	2,476,699
2,284	-	33,331	1,255,390	10,090,595
-	-	-	-	18,333
1,690	-	83,577	-	3,020,946
1,093,182	-	-	-	3,135,378
-	-	-	-	1,271,528
9,565	-	52,808	5,102	1,236,052
<u>\$ 1,586,604</u>	<u>\$ 36,497,246</u>	<u>\$ 43,739,597</u>	<u>\$ 18,143,427</u>	<u>\$ 365,710,087</u>

88,540	-	533,158	102,390	14,014,451
159,548	-	-	247,662	4,603,930
22,852	162,789	231,562	5,483	2,918,112
-	-	-	-	251,506
-	-	-	200,835	324,478
27,752	-	-	-	519,117
<u>298,692</u>	<u>162,789</u>	<u>764,720</u>	<u>556,370</u>	<u>22,631,594</u>

-	12,390,894	10,633,190	-	148,466,773
-	-	-	-	2,761,556
<u>-</u>	<u>12,390,894</u>	<u>10,633,190</u>	<u>-</u>	<u>151,228,329</u>

9,565	-	-	5,102	2,454,772
1,278,347	-	-	13,687,860	101,653,733
-	23,943,563	32,341,687	3,894,095	71,439,970
-	-	-	-	1,883,931
-	-	-	-	14,417,758
<u>1,287,912</u>	<u>23,943,563</u>	<u>32,341,687</u>	<u>17,587,057</u>	<u>191,850,164</u>
<u>\$ 1,586,604</u>	<u>\$ 36,497,246</u>	<u>\$ 43,739,597</u>	<u>\$ 18,143,427</u>	<u>\$ 365,710,087</u>

COUNTY OF WELD
STATE OF COLORADO

Reconciliation of Total Governmental Fund Balances To Statement of Net Position

December 31, 2017

Total governmental fund balances	\$ 191,850,164
Amounts reported for governmental activities in the Statement of activities are different because:	
Capital Assets used in governmental activities are not financial resources and therefore are not reported in the funds	398,591,257
Long-term liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds	
Compensated Absences	(4,839,672)
Pension Liability	(13,416,506)
Net Other Post Employment Benefits Asset	1,016,398
Deferred Inflows Pension Plans	41,456,333
Deferred Outflows Pension Plans	(1,981,870)
Accounts receivables that do not provide current financial resources, are offset by deferred inflows in the funds	2,761,556
Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position	43,048,036
Internal Services used by Enterprise Fund	9,587
Net position of governmental activities	<u><u>\$ 658,495,283</u></u>

See accompanying notes to the basic financial statements



COUNTY OF WELD
STATE OF COLORADO

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

Year Ended December 31, 2017

	General Fund	Public Works Fund	Social Services
REVENUES:			
Taxes	\$ 108,925,356	\$ 29,041,280	\$ 11,534,952
Licenses and Permits	2,781,203	559,944	-
Intergovernmental	6,588,199	20,144,378	28,874,800
Fines and Forfeitures	461,936	-	-
Charges for Services	6,372,216	226,134	-
Miscellaneous	14,207,153	23,614,262	-
Fees	13,144,596	1,179,300	-
Total Revenues	<u>152,480,659</u>	<u>74,765,298</u>	<u>40,409,752</u>
EXPENDITURES:			
General Government	51,056,306	-	-
Public Safety	60,380,593	-	-
Public Works	15,647,279	88,195,486	-
Public Health and Welfare	288,955	-	42,241,385
Culture and Recreation	1,191,657	-	-
Economic Assistance	550,282	-	-
Capital Expenditures	1,499,386	210,702	-
Total Expenditures	<u>130,614,458</u>	<u>88,406,188</u>	<u>42,241,385</u>
Excess of Revenues Over (Under) Expenditures	<u>21,866,201</u>	<u>(13,640,890)</u>	<u>(1,831,633)</u>
Other Financing Sources (Uses):			
Transfers - in	85,000	-	-
Transfers - out	7,382,004	3,000,000	-
Total Other Financing Sources (Uses)	<u>(7,297,004)</u>	<u>(3,000,000)</u>	<u>-</u>
Net Changes in Fund Balance	14,569,197	(16,640,890)	(1,831,633)
Fund Balances at Beginning of Year	38,876,581	77,791,635	3,925,055
Fund Balance at End of Year	<u>\$ 53,445,778</u>	<u>\$ 61,150,745</u>	<u>\$ 2,093,422</u>

See accompanying notes to the basic financial statements

Human Services	Contingent Fund	Capital Expenditure	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 7,963,211	\$ 11,352,801	\$ 19,229	\$ 168,836,829
-	-	-	-	3,341,147
7,283,598	-	15,490	3,666,985	66,573,450
-	-	-	12,953	474,889
513,678	-	-	4,162,115	11,274,143
153,984	-	390,623	159,326	38,525,348
-	-	196,830	-	14,520,726
<u>7,951,260</u>	<u>7,963,211</u>	<u>11,955,744</u>	<u>8,020,608</u>	<u>303,546,532</u>
-	13,600,000	614,000	-	65,270,306
-	-	-	239,595	60,620,188
-	-	-	-	103,842,765
-	-	-	8,734,239	51,264,579
-	-	-	369,018	1,560,675
7,522,482	-	-	-	8,072,764
-	-	7,708,046	10,900	9,429,034
<u>7,522,482</u>	<u>13,600,000</u>	<u>8,322,046</u>	<u>9,353,752</u>	<u>300,060,311</u>
<u>428,778</u>	<u>(5,636,789)</u>	<u>3,633,698</u>	<u>(1,333,144)</u>	<u>3,486,221</u>
12,351	-	2,500,000	5,513,081	8,110,432
-	-	-	728,428	11,110,432
<u>12,351</u>	<u>-</u>	<u>2,500,000</u>	<u>4,784,653</u>	<u>(3,000,000)</u>
441,129	(5,636,789)	6,133,698	3,451,509	486,221
846,783	29,580,352	26,207,989	14,135,548	191,363,943
<u>\$ 1,287,912</u>	<u>\$ 23,943,563</u>	<u>\$ 32,341,687</u>	<u>\$ 17,587,057</u>	<u>\$ 191,850,164</u>

COUNTY OF WELD
STATE OF COLORADO

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

Year Ended December 31, 2017

Net Changes in fund balances - total governmental funds	\$ 486,221
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period.	
Capital asset additions	85,499,911
Depreciation expense	<u>(32,195,876)</u>
Excess of capital outlay over depreciation	53,304,035
Net effect of various transactions involving capital assets (i.e. sales, disposals) is a decrease to net position	(5,112,256)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds	
Compensated absences	(99,102)
Pension Liability and related Deferred Inflow and Outflows	18,500,746
Net Other Post Employment Benefits Obligation	107,474
Accounts receivables that do not provide current financial resources, are offset by deferred inflow of resources in the funds	(434,516)
Internal service funds are used by management to charge the costs of certain activities, such as insurance, telecommunications and fleet services, to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	5,305,804
Internal services used by Enterprise Funds	<u>149</u>
Change in net position of governmental activities	<u><u>\$ 72,058,555</u></u>

See accompanying notes to the basic financial statements

COUNTY OF WELD
STATE OF COLORADO

Statement of Net Position

Proprietary Funds

December 31, 2017

	Business-type Activities Regional Forensic Laboratory	Governmental Activities Internal Service Funds
ASSETS		
Cash and cash equivalents	\$ 188,505	\$ 28,394,553
Property taxes receivable	-	2,572,845
Accounts Receivable	-	13,316
Due From other County Funds	-	21,531
Inventory	-	56,061
Other Assets	-	17,057
Total Current Assets	<u>188,505</u>	<u>31,075,363</u>
Capital Assets:		
Improvements other than buildings	-	1,706,972
Construction in progress	-	122,631
Buildings	3,833,398	2,111,422
Machinery and Equipment	-	49,745,652
Accumulated Depreciation	(79,056)	(31,467,879)
Total Capital Assets	<u>3,754,342</u>	<u>22,218,798</u>
Total Assets	<u>3,942,847</u>	<u>53,294,161</u>
LIABILITIES AND FUND EQUITY		
Current Liabilities:		
Accounts Payable	400	428,200
Accrued Liabilities	-	5,351,722
Due to other County funds	-	124,365
Unearned Revenues	109,049	1,755,262
Adv from General Fund	-	-
Total Current Liabilities	<u>109,449</u>	<u>7,659,549</u>
Deferred Inflows of Resources		
Property Taxes	-	2,586,576
Total Deferred Inflows	<u>-</u>	<u>2,586,576</u>
Total Liabilities	<u>109,449</u>	<u>10,246,125</u>
Net Position		
Invested in capital assets	3,754,342	22,218,798
Restricted for:		
Insurance Claims	-	16,244,897
Unrestricted	79,056	4,584,341
Total Net Position	<u>\$ 3,833,398</u>	<u>\$ 43,048,036</u>
Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business-type activities		
	(9,587)	
Total Net Position	<u>\$ 3,823,811</u>	

See accompanying notes to the basic financial statements

COUNTY OF WELD
STATE OF COLORADO

Statement of Revenue, Expenses and
Changes in Net Position

Proprietary Funds

For the Fiscal Year Ended December 31, 2017

	Business-type Activities	Governmental Activities
	Regional Forensic Laboratory	Internal Service Funds
Operating revenues:		
Employer Contributions	\$ -	\$ 20,411,980
Charges for Services	200,952	11,649,725
Total Operating Revenues	<u>200,952</u>	<u>32,061,705</u>
Operating expenses:		
Personnel Services	-	569,717
Supplies	4,014	1,933,067
Purchased Services	117,882	6,597,238
Insurance and Bonds	-	784,923
Depreciation	79,056	4,268,361
Other	-	279,350
Claims	-	18,226,702
Total operating expenses	<u>200,952</u>	<u>32,659,358</u>
Operating income (loss)	<u>-</u>	<u>(597,653)</u>
Nonoperating revenues (expenses):		
Taxes	-	1,999,195
Earnings on investments	-	35,367
Miscellaneous	-	13,658
Grants	-	130,243
Gains (loss) on Disposal	-	416,535
Judgment and Damages	-	308,459
Total Nonoperating revenues (expenses)	<u>-</u>	<u>2,903,457</u>
Income (loss) before contributions or transfers	<u>-</u>	<u>2,305,804</u>
Capital Contributions	3,833,398	-
Transfers - in	<u>-</u>	<u>3,000,000</u>
Changes in Net Position	3,833,398	5,305,804
Total Net Position Beginning of Year	<u>-</u>	<u>37,742,232</u>
Total Net Position at End of Year	<u>\$ 3,833,398</u>	<u>\$ 43,048,036</u>
Some amounts reported for business-type activities in the statement of activities are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.	<u>(149)</u>	
Change in net position of business-type activities	<u>\$ 3,833,249</u>	

See accompanying notes to the basic financial statements

COUNTY OF WELD
STATE OF COLORADO

Statement of Cash Flows
Proprietary Funds

For the fiscal year ended December 31, 2017

	Business-type Activity Enterprise Fund Regional Forensic Laboratory	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash flows from external customers	248,000	205,108
Cash flows from internal customers	62,000	31,651,233
Cash payments to external suppliers for goods and services	(6,381)	(26,975,615)
Cash payments to internal suppliers for goods and services	(115,348)	(858,521)
Cash payments to employees for services	-	(292,439)
Judgments/damages/losses	-	308,459
Miscellaneous revenues	-	13,658
Net cash provided (used) by operating activities	<u>188,271</u>	<u>4,051,883</u>
CASHFLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Taxes	-	2,010,226
Transfers/Advances	(34,839)	3,000,000
Grants	35,073	130,243
Net cash provided (used) by noncapital financing activities	<u>234</u>	<u>5,140,469</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	-	(5,097,928)
Proceeds from sale of capital assets	-	475,633
Net cash provided (used) for capital and related Financing activities	<u>-</u>	<u>(4,622,295)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	-	35,211
Net Increase (Decrease) in Cash and Cash Equivalents	188,505	4,605,268
Cash and Cash Equivalents at Beginning of Year	-	23,789,285
Cash and Cash Equivalents at End of Year	<u>188,505</u>	<u>28,394,553</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income (loss)	-	(597,653)
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	79,056	4,268,361
Judgments/damages/losses	-	308,459
Miscellaneous revenue	-	13,658
Change in assets and liabilities		
(Increase) decrease in accounts receivable	35,073	(406,827)
(Increase) decrease in due from other funds	-	(20,810)
(Increase) decrease in inventories	-	14,501
(Increase) decrease in other assets	-	(15,143)
Increase (decrease) in accounts payable	167	(217,508)
Increase (decrease) in accrued liabilities	109,049	38,230
Increase (decrease) in other liabilities	(34,840)	90,253
Increase (decrease) in deferred revenue	-	576,362
Total adjustments	<u>188,505</u>	<u>4,649,536</u>
Net cash provided (used) by operating activities	<u>188,505</u>	<u>4,051,883</u>
Noncash investing, capital, and financing activities:		
Contributions of capital assets from (to) government	-	-
Loss on Disposal of Asset	-	-

See Accompanying notes to the basic financial statements

See accompanying notes to the basic financial statements

COUNTY OF WELD
STATE OF COLORADO

Statement of Fiduciary Net Position
Fiduciary Funds

December 31, 2017

	<u>Agency Funds</u>	<u>Pension Plans</u>
ASSETS		
Cash and cash equivalents	\$ 13,433,115	\$ -
Accounts Receivables		
(net of allowances for uncollectables):	5,891	-
Restricted assets		
Restricted Cash		3,942,670
Restricted Investments		
Equity	-	163,554,636
Fixed Income	-	49,292,045
Hedge Fund	-	13,732,737
Real Property	-	48,292,755
Money Market	-	26,373,233
Total assets	<u>13,439,006</u>	<u>305,188,076</u>
LIABILITIES AND NET POSITION		
Accounts payable	192,801	18,403
Due to other governments	<u>13,246,205</u>	<u>-</u>
Total Liabilities	<u>13,439,006</u>	<u>18,403</u>
Net Position Restricted for Pensions		<u>305,169,673</u>

See accompanying notes to the basic financial statements

COUNTY OF WELD
STATE OF COLORADO

Statement of Changes in Fiduciary Net Position
Fiduciary Funds

For the fiscal year ended December 31, 2017

	<u>Pension Plans</u>
Additions:	
Employer contributions	\$ 24,868,792
Employee contributions	8,797,144
Earnings on investments, net of investment related expenses of \$468,897	23,628,317
Net appreciation in fair market value of investments	8,310,359
Reimbursement of Prior Years Expenditures	-
Total Additions	<u>65,604,612</u>
Deductions:	
Actuarial fees	83,561
Investment Fees	-
Benefit payments	16,809,133
Supplies	4,200
Total Deductions	<u>16,896,894</u>
Change in Net Assets	48,707,718
Net Position - Beginning	256,461,955
Net Position - Ending	<u><u>\$ 305,169,673</u></u>

See accompanying notes to the basic financial statements

NOTES TO THE FINANCIAL STATEMENTS



COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Note 1 - Summary of Significant Accounting Policies:

The County of Weld, Colorado ("County") was established in 1861, and on January 1, 1976, became a home rule county under the provisions of Section 30-35-501, CRS, 1973. The County operates under an elected commissioner form of government. The County provides the full range of services contemplated by statute or charter. These include general government functions, public protection and safety, health, social services, human resource services, public improvements, road and bridge operations, planning and zoning, and general administrative services.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

A. Reporting Entity:

Weld County is a political subdivision of the State of Colorado, governed by an elected five-member Board of County Commissioners. There are also four other elected officials of Weld County (Assessor, Clerk and Recorder, District Attorney, and Sheriff).

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements (see note below for description) to emphasize that it is legally separate from the government.

Discretely presented component units:

The Weld County Housing Authority is responsible for assisting Weld County residents with housing assistance. The Board of County Commissioners appoints all of the five-member Housing Authority Board. The County has the ability to remove any of the appointed board members, they can modify decisions made by the board and can hire or fire persons responsible for the day to day operations. The Weld County Housing Authority is governed by state regulations, but was designated as part of the County for budgetary and audit purposes by an act of the Colorado General Assembly in 1989. A complete set of financial statements can be obtained at the entity's administrative offices:

Weld County Housing Authority
903 6th Street
Greeley, CO 80631

The E911 Emergency Telephone Service Authority Board was created by intergovernmental agreements pursuant to Article 11 of Title 29, C.R.S., as amended, that authorizes the county, municipalities within the county, and special districts within the county to enter into an agreement for the purpose of providing 911 emergency telephone services. Per the state statute cited above, the agreement creates a separate legal entity which is responsible for administering the operations of the 911 emergency telephone service program in Weld County. The authority board consists of seven members with four selected by the Weld County Commissioners, one member each is selected by the City of Greeley, City of Fort Lupton and Weld County Sheriff. Under the by-laws of E911 Authority, Weld County is required to pay all operating costs. They are to maintain all accounts and have accounts audited. State statute requires that all funds be maintained by the Weld County Treasurer. The operation of the E911 authority is done contractually by the Weld County Communication Regional Center. There are no separate financial statements prepared for the E911 component unit.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Because they provide services to or otherwise benefit Weld County, the financial statements of the following organizations are blended into the County financial statements:

Weld County Retirement Plan – The Retirement Board consists of five members, two selected by participating employees, two appointed by the Board of County Commissioners, and the fifth being the County Treasurer. The County funds half of the retirement plan, which covers substantially all permanent, full-time employees of Weld County. The operation of the plan is accounted for in the Weld County Retirement Fund, as a Pension Trust Fund. Complete Financial statements can be obtained at the Weld County Treasurer’s Office:

Weld County Treasurer’s Office
1400 North 17th Avenue
Greeley, CO 80631

Weld County Finance Corporation – The Weld County Finance Corporation (“Corporation”) was formed in 1987 as a not-for-profit corporation under section 501(c)(4) of the Internal Revenue Code, and exists solely to acquire real estate and construct buildings for lease to the County. The Board of County Commissioners appoints the three-member Board of Directors of the Corporation, and approves all projects undertaken by the Corporation. The members of the Board of Directors are employees of the County. There are no separate financial statements prepared for the Weld County Finance Corporation.

The Law Enforcement Authorities (LEA) were formed in accordance with Section 30-11-401, CRS. The law enforcement authorities are taxing units created by the county to provide additional law enforcement services by the county sheriff to residents in developed unincorporated areas of the county. The governing board of the law enforcement authorities is the five Weld County Commissioners. Law enforcement services to the authority are provided contractually by the county sheriff. There are no separate financial statements prepared for the Law Enforcement Authorities.

The Local Improvement Districts (LID) have not been included in the County’s financial statements individually, as they are immaterial, but are included as a blended component unit of Public Works, a special revenue fund. The Board of County Commissioners can create these assessment districts to construct or rehabilitate and finance public streets, storm drainage, water systems, sanitary sewer, or street lighting. The Primary purpose of an LID is to assess the costs of public improvements to those who are specially benefited by the improvement. The LID exists only as geographic area within which improvements are constructed and as an administrative subdivision of the county. Having no board of directors, they do not operate in any capacity as an independent governmental entity. The county governing board, Board of County Commissioners, makes all decisions on behalf of this administrative entity. There are no separate financial statements prepared for the Local Improvement Districts.

The following related organizations are excluded from the accompanying financial statements because the County’s accountability for these organizations does not extend beyond various appointments.

North Colorado Medical Center – The Board of County Commissioners owns land underlying the main facility of the Medical Center, which land is currently leased to the Colorado Hospital Finance Authority as part of the security for financing the bonded indebtedness of the Medical Center. The indebtedness is not an obligation of the Board of County Commissioners and no taxpayer funds or Board of County Commissioners funds are obligated to pay any portion of the principal, premium or interest on the Bonds. The land is leased back from the Authority to the Board of Trustees, a seven member Hospital Board of Trustees appointed by the Board of County Commissioners. The Hospital Board of Trustees has entered into an operating sublease of the ground and facilities with NCMC, Inc., a 501(c)(3) entity, with three of its members also serving on the Board of Trustees, which, in turn, has contracted with Banner Health Systems to operate the Medical Center. NCMC has the ability to incur its own debt and its operations are financed totally by patient revenues.

COUNTY OF WELD STATE OF COLORADO

Year End December 31, 2017

Greeley-Weld Airport Authority – The County Commissioners appoint two of the five Airport Authority Board members. The County has contributed approximately 5% of the funds for capital construction. The Authority has full autonomy under Colorado State law, can incur debt, and funds its operations totally from user fees.

High Plains Library District – The County Commissioners, together with the concurrence of the city councils of seven participating municipalities, appoint the seven-member Library District Board. The Library District Board has total autonomy under the State Library Act to incur debt, establish budgets, and levy property taxes to support the District's library system.

Colorado Counties Casualty and Property Pool (hereinafter referred to as "CAPP")-CAPP was formed July 1, 1986, by an intergovernmental agreement by member counties as a separate and independent governmental and legal entity pursuant to the provisions of Article XIV, Section 18(2) of the Colorado Constitution and Section 29-1-201 *et seq.*, 24-10-115.5, and 29-13-102, CRS, as amended. Each member county in this intergovernmental agreement has the power under Colorado law to make provision for the property and casualty coverage which constitute the functions and services jointly provided by means of the CAPP. The Insurance Commissioner of the State of Colorado has such authority with respect to the CAPP as is provided by applicable Colorado statutes.

The purposes of the CAPP are to provide a risk management fund for defined property and casualty coverage and to assist members in controlling costs by providing specialized governmental risk management services and systems.

It is the intent of the members to use member contributions to defend and indemnify, in accordance with the bylaws, any member against states liability or loss to the limit of the financial resources of the risk management fund. It is also the intent of the members to have CAPP provide needed coverage at reasonable costs. All income and assets of CAPP shall be at all times dedicated to the exclusive benefit of its members. Weld County, through its Insurance Internal Service Fund, recognizes an expense for the amount paid to CAPP annually for these coverages.

Weld County is a charter member of CAPP and has been a continuous member since July 1, 1986.

B. Government-wide Financial Statements

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. The government-wide focus is more on the sustainability of the County as an entity and the change in aggregate financial position resulting from activities of the fiscal period.

The statement of net position and the statement of activities display information about the county as a whole. In the government-wide statement of net position, both the governmental and business-type activities columns are presented on a consolidated basis by column. These statements include the financial activities of the primary government, except for fiduciary activities. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The government-wide statement of activities reflects both the direct expenses and net cost of each function of the County's governmental activities and business-like activity. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include charges paid by the recipient for the goods or services offered by the program. Direct expenses and program revenues resulting from interfund activity are treated as such in the participating funds and are not eliminated as part of the consolidation process. Grants and contributions that are restricted to meeting the operational or capital requirements of a particular program and interest earned on grants that is required to be used to support a particular program are included in operating grants and contributions, or capital grants and contributions. Revenues which are not classified as program revenues are presented as general revenues of the County, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the County.

COUNTY OF WELD STATE OF COLORADO

Year End December 31, 2017

Fund Financial Statements

The financial transactions of the County are recorded in individual funds. A fund is defined as a fiscal and accounting entity with a self balancing set of accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and presented as non-major funds.

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

C. Measurement Focus

Government-wide, Proprietary and Fiduciary Fund Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund statements. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. Revenues from property taxes are recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the County's policy to first apply cost - reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues, except for property taxes, to be available if they are collected within 90 days of the end of the current fiscal period. Property taxes are considered available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

The County reports the following major governmental funds:

The *General Fund* is the general operating fund of the County which accounts for all financial resources that are not accounted for in other funds. Operations of the County such as public safety, planning and zoning, property valuation, tax collection and distribution, vehicle licensing, County administration, and other activities financed from taxes and general revenues are reflected in this fund.

The *Public Works Fund* records costs related to County road and bridge construction and maintenance except for engineering, which is recorded in the General Fund. By State law, Colorado counties are required to maintain a Road and Bridge Fund and a portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities.

The *Social Services Fund* administers human services programs under state and federal regulations. Programs include, but are not limited to, Medicaid, Food Stamps, Foster Care programs, and Temporary Assistance to Needy Families (TANF). Colorado counties are required by state law to maintain a Social Services Fund. The Social Service fund is funded by state and federal grants as well as property taxes.

The *Human Services Fund* primary programs are associated with the Workforce Investment Act (WIA) funded under the Department of Labor, Employment and Training Administration.

The *Contingent Fund* records any property tax revenue levied by the Board of County Commissioners to cover reasonably unforeseen expenditures.

The *Capital Expenditures Fund* accounts for all the County's construction projects. The County chooses to use the pay as you go plan instead of debt. Property taxes are used to fund the Law Enforcement Center and the expansion of the Detention Center.

The County reports the following enterprise fund:

The *Northern Colorado Regional Forensic Laboratory Fund* accounts for all of the maintenance and operation costs for the Northern Colorado Regional Forensic Laboratory. It is funded by rent paid by the participating agencies.

The County also reports the following fund types:

The *Internal Service Funds* account for the financing of goods or services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis. The County's internal service funds report on self-insurance programs for employee health, dental and vision benefits, risk management, unemployment, fleet services, telecommunications and acquisitions of real estate and construction of buildings used by County departments.

Services provided and used by internal services funds are not entirely eliminated from the government-wide statement of activities. The primary government program expenses and expenses for the business-type activities on the government-wide statement of activities are decreased to eliminate revenue over expenditures in service funds where revenues exceed expenditures and increased to eliminate internal service funds that have expenditures in excess of revenues.

The *Agency Funds* account for assets held by the County as an agent for individuals, private organizations and other governments. These funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The County has funds held for other local governmental units, employee/employer payroll taxes, a Section 125 plan, and the Weld County Federal Mineral Lease District.

The *Fiduciary Trust Funds* account for the activities of the Weld County Retirement Plan and the Weld County Other Post Employment Benefit Plans. These funds accumulate resources for pension benefit, and other post employment benefit payments to qualified county employees. The Plans use the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan.

COUNTY OF WELD
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Year End December 31, 2017

D. Assets, liabilities, and net assets or equity

1. Deposits and investments

The Weld County Treasurer maintains a cash and investment pool that is available for use by all County funds except for some agency funds. Accrued interest receivable is displayed separately. The amount of interest gained through secured investments is credited to the County's General Fund per Colorado State Statutes, with the exception of the Conservation Trust, Capital Expenditures Fund, Liability Insurance Fund and E-911 Authority. "Cash and cash equivalents" for the General Fund Conservation Trust, Capital Expenditures Fund, Liability Insurance Fund and E-911 Authority are stated at fair value. Any bank accounts not maintained by the Treasurer are displayed as "Restricted Assets" within the appropriate fund and are stated at cost.

The County considers cash and cash equivalents in proprietary funds to be cash on hand and demand deposits. In addition, because the treasury pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

For the purpose of cash flows, cash and cash equivalents are determined by original maturity of three months. Investments are reported at fair values using quoted market prices.

2. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes were levied on , and are payable either in two installments due on February 28 and June 15 or in full on April 30. The bill becomes delinquent on March 1, May 1, and June 16 and penalties and interest may be assessed by the County. The County, through the Weld County Treasurer, bills and collects its own property taxes, as well as property taxes of all other taxing authorities within the County. In accordance with Section 14-7 of the Weld County Home Rule Charter, all ad valorem tax levies for County purposes, when applied to the total valuation for assessment of the County, shall be reduced so as to prohibit the levying of a greater amount of tax revenue than was levied from ad valorem taxation in the preceding year plus five percent (5%), except to provide for the payment of bonds and interest. The Board of County Commissioners may submit the question of an increased levy to the County Council and, if in the opinion of a majority of the County Council may grant an increased levy for the County in such amount as it deems appropriate, and the County is authorized to make such increased levy.

Any one capital project requiring a capital expenditure out of funds procured by ad valorem taxation equal to a three mill levy for three years, shall be prohibited unless approved by a majority vote of the qualified electors at a general or special election per Section 14-8 of the Weld County Home Rule Charter.

3. Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed. At year end, outstanding balances between funds are reported as "due to/from other funds". Interfund balances are generally expected to be repaid within one year of the financial statement date. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

4. Inventories and Prepaid Items

Inventories of governmental funds, which consist of expendable materials held for consumption, are stated at cost utilizing the weighted average cost method. These funds follow the consumption method of accounting whereby expenditures are recorded at the time the inventory items are used.

Inventories of proprietary funds are recorded at average cost.

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The consumptive method of accounting is used to recognize these expenses in the funds.

5. Capital Assets

Capital assets, which include property, plant, equipment, intangible assets (computer software and right of ways for land use), and infrastructure assets (e.g., roads, bridges and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at estimated fair market value at the date of donation.

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

All reported capital assets, except for gravel roads and intangible assets are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20 - 50 years
Improvements	20 years
Infrastructure - Bridges	50 years
Infrastructure - Roads	20 years
Equipment	3 - 5 years
Heavy Equipment	10 - 20 years

Statement 34 allows an alternative approach which would reflect a reasonable value of the asset and the cost incurred to maintain the service potential to locally established minimum standards in lieu of depreciation. To elect this option, the County must develop and implement an asset management system which measures, at least every third year by class of asset, if the minimum standards are being maintained. Related disclosures are additionally required as part of the Required Supplementary Information. The County has elected to use the alternative approach only for gravel roads.

6. Compensated Absences

County employees accumulate sick leave and vacation benefits at rates of 8 hours per month and 8 to 16 hours per month, respectively, depending on length of service. In the event of retirement or termination, an employee is paid 100% of accumulated vacation pay. An employee whose date of hire is prior to January 1, 1985, is paid for 50% of accumulated sick leave hours up to the equivalent of one month; if the employee's date of hire is after January 1, 1985, no sick leave is paid upon retirement or termination. Up to 320 hours of annual vacation may be carried over from one year to the next. Compensatory time is granted (except for official, professional, and administrative positions) at the rate of one and one-half hours for each overtime hour worked, not to be accumulated in excess of forty hours.

COUNTY OF WELD
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Year End December 31, 2017

The unpaid sick leave, vacation pay and related benefits at the end of the period will generally not be paid with expendable and available resources. Proprietary funds accrue sick leave, vacation pay and related benefits in the period they are earned by the employees.

The entire compensated absence liability is reported on the government-wide financial statements. Expenditures and liabilities for compensated absences are reported on the government fund statements only when the liability for the compensated absences becomes due.

7. Long-term obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

8. Fund Equity

The Governmental Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). As prescribed by GASB Statement 54 governmental funds report fund balance in classifications based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of December 31, 2016, fund balances for governmental funds are comprised of the following:

1. Nonspendable fund balance includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criteria include items that are not expected to be converted to cash, for example such as fund balance associated with inventories, prepaid amounts, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).

2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. Restrictions may effectively be changed or lifted only with consent of resource providers.

3. Committed fund balance includes amounts that can be used only for the specific purposes determined by a resolution of the Board of County Commissioners, the County’s highest level of decision-making authority. Commitments may be changed or lifted only by the County taking the same formal action that imposed the constraint originally.

4. Assigned fund balance comprises amounts intended to be used by the County for specific purposes that are neither restricted or committed. Intent is expressed by (1) the Board of County Commissioners or (2) an official (Director of Finance and Administration) to which the Board of County Commissioners has delegated the authority to assign amounts to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed, and

5. Unassigned fund balance is the residual classification for fund balance and includes all spendable amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. The County's General Fund is the only fund that carries a balance in this category.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Order of Fund Balance Spending Policy

The County's policy is to utilize funds in the following order: restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance.

The Board of County Commissioners adopted the County Fund Balance Policy on December 14, 2011, nunc pro tunc January 1, 2011. The policy was created to help reduce the negative impact on the County in times of economic uncertainty, major fluctuations in oil and gas assessed valuations, and potential losses of funding from other governmental agencies. The policy established minimum requirements for reserves and guidelines for the use of certain funds. The reserves and restrictions are also consistent with the requirements under Colorado statute or state constitutional requirements.

The County Fund Balance Policy requires the following:

- Any remaining fund balance following all restrictions and commitments in the Health Fund shall be assigned for the purpose of future health programs for the benefit of the citizens of Weld County.
- Any remaining fund balance following all restrictions and commitments in the Social Services Fund shall be assigned for the purpose of future welfare programs for the benefit of the citizens of Weld County
- Any remaining fund balance following all restrictions and commitments in the Human Services Fund shall be assigned for the purpose of future welfare, senior, and employment programs for the benefit of the citizens of Weld County
- The Contingency Fund shall maintain a minimum fund balance to cover a minimum ten (10) percent of the annual expenditures and maximum of twenty (20) percent of the annual total expenditures as determined by the Director of Finance and Administration to provide: (1) a reasonable level of assurance that Weld County's operations will continue even if circumstances occur where revenues are insufficient in an amount that is equal to at least one-percent of annual expenditures to cover necessary expenses for public safety, public welfare and public works; (2) there is a major reduction in oil and gas assessed valuations; or (3) there are other unexpected needs or emergency situations costing an amount that is equal to at least one-percent of annual total expenditures that do not routinely occur. The Contingency Fund shall be funded by property tax with a half-mill applied to the county's assessed value annually, unless the Board of Weld County Commissioners adjusts the amount in the annual budget process.
- The three-percent TABOR emergency reserve required by Article X, Section 20(5) of the Colorado Constitution shall be a restricted fund balance in the General Fund in an amount equal to seven million dollars or three-percent of the TABOR revenue limit, whichever is greater.

COUNTY OF WELD
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Year End December 31, 2017

Fund balances for all major and non-major governmental funds as of December 31, 2017, are distributed as follows:

	<u>General</u>	<u>Public Works</u>	<u>Social Services</u>
<u>Nonspendable</u>			
Inventory	138,461	1,133,067	-
Prepaid Items	<u>1,168,577</u>	<u>-</u>	<u>-</u>
Total Nonspendable	<u>1,307,038</u>	<u>1,133,067</u>	<u>-</u>
 <u>Restricted for</u>			
Public Works	-	60,017,678	-
Health	-	-	-
Social Services	-	-	2,093,422
Human Services	-	-	-
TABOR Reserve	7,000,000	-	-
Other Purposes	<u>17,576,426</u>	<u>-</u>	<u>-</u>
Total Restricted	<u>24,576,426</u>	<u>60,017,678</u>	<u>2,093,422</u>
 <u>Committed to</u>			
Capital Projects	-	-	-
Solid Waste Disposal	-	-	-
General Contingencies	-	-	-
Economic Development	<u>11,260,625</u>	<u>-</u>	<u>-</u>
Total Commitments	<u>11,260,625</u>	<u>-</u>	<u>-</u>
 <u>Assigned</u>			
Appropriations in budget	<u>1,883,931</u>	<u>-</u>	<u>-</u>
Total Assigned	<u>1,883,931</u>	<u>-</u>	<u>-</u>
 <u>Unassigned</u>	<u>14,417,758</u>	<u>-</u>	<u>-</u>
Total Fund Balance	<u>53,445,778</u>	<u>61,150,745</u>	<u>2,093,422</u>

COUNTY OF WELD
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Year End December 31, 2017

Human Services	Contingent	Capital Expenditures	Non Major	Total
-	-	-	-	1,271,528
9,565	-	-	5,102	1,183,244
9,565	-	-	5,102	2,454,772
-	-	-	-	60,017,678
-	-	-	13,072,324	13,072,324
-	-	-	-	2,093,422
1,278,347	-	-	-	1,278,347
-	-	-	-	7,000,000
-	-	-	615,536	18,191,962
1,278,347	-	-	13,687,860	101,653,733
-	-	32,341,687	-	32,341,687
-	-	-	3,894,095	3,894,095
-	23,943,563	-	-	23,943,563
-	-	-	-	11,260,625
-	23,943,563	32,341,687	3,894,095	71,439,970
-	-	-	-	1,883,931
-	-	-	-	1,883,931
-	-	-	-	14,417,758
1,287,912	23,943,563	32,341,687	17,587,057	191,850,164

**COUNTY OF WELD
STATE OF COLORADO**

Year End December 31, 2017

Encumbrances

The County uses encumbrances to control expenditure commitments and enhance cash management. Encumbrances reflect the outstanding contractual obligations for which goods and services have not been received. They are set up to reserve portions of applicable appropriations. Encumbrances still open at year end are not accounted for as expenditures or liabilities, but as a constraint imposed on fund balance. As of December 31, 2017, the county's General Fund has a total of \$1,883,931 in encumbrances, which are reported as assigned fund balance on the governmental fund balance sheet. Encumbrance balances by major funds and non-major funds as of December 31, 2017 are:

	Restricted	Committed	Assigned	Total
General Fund	\$ -	\$ -	\$ 1,883,931	\$ 1,883,931
Public Works	10,343,688	-	-	10,343,688
Capital	-	4,122,063	-	4,122,063
Social Services	22,500	-	-	22,500
Non Major	27,285	-	-	27,285
Total	<u>10,393,473</u>	<u>4,122,063</u>	<u>1,883,931</u>	<u>16,399,467</u>

9. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition construction of improvements of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, laws or regulations of other governments.

The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

10. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles 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.

Note 2 - Stewardship, Compliance, and Accountability

A. Budgetary information

An annual budget and appropriation ordinance is adopted by the Board of County Commissioners in accordance with the Colorado State Budget Act and Weld County Home Rule Charter. The budget is prepared on a basis consistent with generally accepted accounting principles. Budgets are established for all Governmental funds, Internal Service funds and the Enterprise Fund. The accounting system is employed as a budgetary management control device during the year to monitor the individual departments. The fund level is the level of classification at which expenditures may not legally exceed appropriations, except for the General Fund where the department level of expenditures cannot legally exceed appropriations. During the year, several supplemental appropriations were necessary. All annual appropriations lapse at year end.

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The Director of Finance and Administration is authorized to transfer budgeted amounts within departments of each fund. Any revisions that alter the total appropriation for a fund or for any General Fund department must be approved by the County Commissioners through a supplemental appropriation ordinance. During 2015, two supplemental appropriation ordinances were enacted. Budget amounts reported in the accompanying required supplemental information reflect these supplemental appropriations.

B. Excess of expenditures over appropriations

Excesses of expenditures over appropriations in General Fund departments can be seen in the expenditures section of the Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual.

In the Internal Service funds expenditures exceeded appropriations in the Phone Services fund in purchased service as the final costs of the project to switch to a VoIP phone system was completed.

Note 3 - Equity in Pooled Cash and Investments

A. Cash and Investments

Cash and investments held by the Treasurer's office at December 31, 2017 as reported by the financial institutions, consisted of the following:

Deposits		\$ 88,458,002
CDs		1,000,000
Investments:		
FFCB	42,002,100	
FHLB	51,197,500	
FHLM	24,000,000	
FNMA	40,000,000	
IBRD	5,000,000	
		<u>162,199,600</u>
Total		<u>\$251,657,602</u>

Cash and investments held by the Treasurer's office at December 31, 2017, excluding outstanding warrants, reported in government-wide and agency funds consisted of the following:

Government-wide	\$229,372,714
Agency and Fiduciary funds	<u>22,284,888</u>
Total	<u>\$251,657,602</u>

B. Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all local governments deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institutions to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2017, the County had deposits of \$89,458,002 collateralized with securities held by the financial institutions' agents but not in the County name.

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C. Investments

The County is required to comply with State statutes which specify investment instruments meeting defined rating, maturity, custodial and concentration risk criteria in which local governments may invest including:

- Obligations of the United States and certain U.S. Agency securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Banker's acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Money Market Funds in Bank Account

The County has no provisions in its investment policy that would further limit investment choices. At December 31, 2017, the County had the following investments:

Investment Maturities (in Years)

1 or less	\$ 20,000,000
1 -3 yrs.	67,994,600
3 - 5 yrs.	<u>75,205,000</u>
	\$ 163,199,600
Money Market	<u>\$ 88,458,002</u>
Total	<u><u>\$251,657,602</u></u>

D. Credit Risk

State statutes limit investments in U.S. Agency securities to the highest rating issued by nationally recognized statistical rating organizations (NRSROs). At December 31, 2017, the County investments in the Federal Farm Credit Bank, Federal Home Loan Mortgage and Federal National Mortgage Association were rated AAA by Standard & Poor's. Money Market Funds were managed by Wells Fargo Bank in accordance with state regulations pledged at 102% Government Guaranteed Bonds and are AAA rated.

E. Concentration of Credit Risk

State statute does not limit the amount the County may invest in one issuer. At December 31, 2017, the County's investments in Intl Bk Recon & Development, Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage, and Federal National Mortgage Association represented 3.0%, 26.0%, 31.0%, 15.0% and 25.0%, respectively of the County's total investments.

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F. Interest Rate Risk

State Statutes limit the maximum maturity date unless an exception is made by the county commissioners, which does not exist at the present time, to five years. The weighted average maturity in the portfolio on December 31, 2017 was 2.68 years. This factor combined with the high quality credit risk of the portfolio limit interest rate risk to a very small percentage of the portfolio. In fact, at year end the average mark-to-the-market was within one percent of the county's basis.

G. Money Market Funds in Bank Account

The County had \$8,223,335 invested in overnight pooled money with Wells Fargo on December 31, 2017. The County's investment at Wells Fargo is a direct obligation of the bank and the funds are maintained in a money market account earning a negotiated rate of return. The collateral for this account is in an undivided interest against a pool of U.S. Government securities meeting the PDPA requirements of the State of Colorado, which is administered under the State's Banking Division. The fair value of all of the funds shares are the same and are priced at one dollar and are liquid daily. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments.

H. Restricted Cash

The December 31, 2017 restricted cash balance of \$648,599 is made up of \$65,000 advanced to cover insurance claims and \$583,599 that must be used in accordance with the Conservation regulations set by the lottery authority.

I. Component Units

The carrying balance of the Housing Authority's cash deposits was \$1,805,402 at December 31, 2017. Bank and investment balances before reconciling items were \$1,839,068 at that date, the total amount of which was fully insured by depository insurance or secured with collateral held by the Authority's agent in its name.

Deposits consist of the following:

Checking, money Market and savings account	\$ 1,839,068
--	--------------

Restricted cash consists of tenant section 8 HAP reserves and escrow.

The available cash balance of \$2,423,251 for the E911 authority is included in the Agency and Fiduciary Fund Cash balance of \$22,284,888 held at the Weld County Treasurer's Office listed above.

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J. Fair Value Reporting

Facts and Assumptions

The county holds investments that are measured at fair value on a recurring basis. Because investing is not a core part of the county's mission, the county determines that the disclosures related to these investments only need to be disaggregated by major type. The county chooses a narrative format for the fair value disclosures.

The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

All government agency bonds are priced by our custodian bank, US Bank, at year end using the market pricing matrix for significant other observable bonds.

Commingled Funds

The local government investment pool includes investments in U.S. Treasury securities, federal instrumentality securities, agency securities, repurchased agreements, collateralized bank deposits, highest rated commercial paper, rated at the time of purchase, by nationally recognized statistical rating organizations that regularly rate such obligations, and highly rated corporate bonds. The portfolios weighted average maturity is less than 60 days. Portfolio securities were priced to market on a daily basis. Funds are available for withdrawal daily.

The money market funds include four money market funds, two that are local government investment pools under the statutes of Colorado and two that are 2-A7-like that invest in U.S. Treasury securities, federal instrumentality securities and agency securities. Unitized mutual funds are reported at fair value based on the net asset value of the shares/units held on December 31, 2017 as provided by the fund administrators. All investments contained in the mutual funds are valued in accordance with the authoritative guidance on fair value measures and disclosures. Funds are available for withdrawal daily.

Fair Value Disclosure

Level 1 securities are quoted prices in active markets for identical assets and Level 2 securities are measured using significant other inputs. Investments measured at fair value as of December 31, 2017 consisted of the following measured in millions of dollars:

	<u>December 31, 2017</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments Measured at Fair Value				
U.S. Agency Securities	\$ 162.20	\$ -	\$ 162.20	\$ -
Bank CD and PDPA	1.00	1.00	-	-
Total Investments by Fair Value	<u>\$ 163.20</u>	<u>\$ 1.00</u>	<u>\$ 162.20</u>	<u>\$ -</u>
Investments Measured by Net Asset Value				
Commingled Funds:				
Investment Pools	<u>\$ 88.49</u>			
Total by Net Asset Value	<u>88.49</u>			
Total Investments	<u><u>\$ 251.69</u></u>			

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Note 4 - Inter-fund Transactions

Due to/from other funds:

The county reports inter-fund balances between many of its funds. Some of the balances are considered immaterial and are aggregated into a single column or row. The sum of all balances presented in the table agrees with the sum of interfund balances presented in the balance sheet for governmental and proprietary funds. The balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. Interfund balances are generally expected to be repaid within one year of the financial statement date.

<u>Receivable Fund</u>	<u>Payable Fund</u>	
General Fund	Public Works	\$ 60,382
	Social Services	293,709
	Human Services	22,552
	Non-Major	5,083
Public Works	General Fund	1,883,959
	Social Services	234,855
	Capital Fund	231,562
	Contingent Fund	162,789
	Internal Service	40,788
Human Services	Social Services	1,690
Capital	Internal Service	83,577
Internal Services	General Fund	15,431
	Public Works	1,700
	Social Services	3,700
	Human Services	300
	Non-Major	400
		<u>\$ 3,042,477</u>

Transfers in/out

Transfers are indicative of funding for capital projects or subsidies of various County operations and re-allocation of special revenues. The following schedule briefly summarizes the County's transfer activity:

	Transfer From:			Total
	<u>General Fund</u>	<u>Public Works</u>	<u>Non-Major Governmental</u>	
Transfer To:				
General Fund	\$ -	\$ -	\$ 85,000	\$ 85,000
Human Services	12,351	-	-	12,351
Capital	2,500,000	-	-	2,500,000
Non-Major Government	4,869,653	-	643,428	5,513,081
Internal Service	-	3,000,000	-	3,000,000
	<u>\$ 7,382,004</u>	<u>\$ 3,000,000</u>	<u>\$ 728,428</u>	<u>\$ 11,110,432</u>

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Note 5 - Allowance for Uncollectible Accounts Receivable

The allowance for uncollectible receivables consists of the following at December 31, 2017:

<u>Fund Type</u>	<u>Allowance for Uncollectible</u>
General	\$ 908,343
Public Works	128,071
Social Services	133,020
Contingent	109,715
Capital Expenditures	109,879
Internal Service	<u>24,949</u>
Total	<u><u>\$ 1,413,977</u></u>

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Note 6 - Capital Assets

Capital asset activity for the year ended December 31, 2017, was as follows:

	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
Governmental activities					
Capital Assets not being depreciated					
Land and water rights	\$ 8,618,783	\$ 253,000	\$ -	\$ -	\$ 8,871,783
Intangible Assets	4,905,124	270,010	-	-	5,175,134
Gravel Roads	19,274,428	2,087,071	-	(89,504)	21,271,995
Construction in progress	66,084,483	67,484,984	-	(128,019,336)	5,550,131
Total capital assets not being depreciated	98,882,818	70,095,065	-	(128,108,840)	40,869,043
Capital assets being depreciated:					
Buildings	155,157,061	1,015,617	4,165,433	175,972	152,183,217
Improvements	13,196,892	216,000	-	1,675,826	15,088,718
Equipment	69,985,989	8,400,698	6,219,350	-	72,167,337
Infrastructure	412,695,317	10,873,655	4,801,317	126,257,042	545,024,697
Total capital assets being depreciated	651,035,259	20,505,970	15,186,100	128,108,840	784,463,969
Less accumulated depreciation					
Buildings	49,881,999	3,937,747	332,038	-	53,487,708
Improvements	4,915,461	568,562	-	-	5,484,023
Equipment	39,847,655	6,332,136	6,153,474	-	40,026,317
Infrastructure	283,425,162	25,625,792	3,526,045	-	305,524,909
Total accumulated depreciation	378,070,277	36,464,237	10,011,557	-	404,522,957
Total capital assets being depreciated, net	272,964,982	(15,958,267)	5,174,543	128,108,840	379,941,012
Governmental activities capital assets, net	\$ 371,847,800	\$ 54,136,798	\$ 5,174,543	\$ -	\$ 420,810,055
Business-type activities:					
Capital assets being depreciated:					
Buildings	-	3,833,398	-	-	3,833,398
Total capital assets being depreciated	-	3,833,398	-	-	3,833,398
Less accumulated depreciation					
Buildings	-	79,056	-	-	79,056
Total accumulated depreciation	-	79,056	-	-	79,056
Total capital assets being depreciated, net	-	3,754,342	-	-	3,754,342
Business-type activities capital assets, net	\$ -	\$ 3,754,342	\$ -	\$ -	\$ 3,754,342

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	Beginning Balance	Increases	Decreases	Transfers In (Out)	Ending Balance
Housing Authority					
Capital assets being depreciated:					
Equipment	\$ 27,711	\$ -	\$ -	\$ -	\$ 27,711
Total capital assets being depreciated	<u>27,711</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>27,711</u>
Less accumulated depreciation					
Equipment	20,380	1,771	-	-	22,151
Total accumulated depreciation	<u>20,380</u>	<u>1,771</u>	<u>-</u>	<u>-</u>	<u>22,151</u>
Total capital assets being depreciated, net	<u>7,331</u>	<u>(1,771)</u>	<u>-</u>	<u>-</u>	<u>5,560</u>
Housing Authority capital assets, net	<u>\$ 7,331</u>	<u>\$ (1,771)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,560</u>
E-911 Assets:					
Capital Assets not being depreciated					
Intangible Asset	\$ 72,730	\$ -	\$ -	\$ -	\$ 72,730
Capital assets being depreciated:					
Equipment	\$ 5,164,146	\$ -	\$ 104,092	\$ -	\$ 5,060,054
Total capital assets being depreciated	<u>5,164,146</u>	<u>-</u>	<u>104,092</u>	<u>-</u>	<u>5,060,054</u>
Less accumulated depreciation					
Equipment	2,379,468	465,130	103,514	-	2,741,084
Total accumulated depreciation	<u>2,379,468</u>	<u>465,130</u>	<u>103,514</u>	<u>-</u>	<u>2,741,084</u>
Total capital assets being depreciated, net	<u>2,784,678</u>	<u>(465,130)</u>	<u>578</u>	<u>-</u>	<u>2,318,970</u>
E-911 capital assets, net	<u>\$ 2,857,408</u>	<u>\$ (465,130)</u>	<u>\$ 578</u>	<u>\$ -</u>	<u>\$ 2,391,700</u>

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

Governmental activities:	
General government	\$ 2,644,939
Public Safety	3,022,042
Streets and Highways	26,032,294
Economic Assistance	22,293
Culture and Recreation	10,166
Health and Welfare	464,142
Capital Assets held by government's internal service funds are charged to the various functions based on their usage of the assets	4,268,361
Total depreciation expense - governmental activities	<u>\$ 36,464,237</u>
Business-type activities	
Regional Forensic Laboratory	<u>\$ 79,056</u>
Component Units	
Housing Authority	1,771
E-911 Authority	465,130
Total depreciation expense component units	<u>\$ 466,901</u>

Note 7 - Risk management and insurance:

The County is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; and errors or omissions. These activities are accounted for in the Insurance Fund, an internal service fund. A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable.

Insurance coverages have not been significantly reduced from prior years and settlements have not exceeded insurance coverage in the past three years.

The County manages risks of loss through a combination of commercial insurance, participation in a public entity risk pool, (See Note 1) and self-insurance. These activities are accounted for in the Insurance Fund, an internal service fund.

The County provides health, dental and vision insurance benefits to employees, which are funded by employee and employer contributions. These activities are accounted for in the Health Insurance Fund, an internal service fund.

Workers' Compensation coverage is partially self-insured, with insurance coverage of a \$750,000 self-insured retention. Estimated liabilities for claims made and claims incurred but not reported (IBNR) at year-end are shown as accrued liabilities in the fund. These estimates are based upon a third-party administrator's review of claims and actuarial projections from historical claims data. Changes in the balances of claims liabilities during the current and prior years are as follows:

	2016	2017
Unpaid Claims - Beginning	\$ 1,619,744	\$ 1,641,195
Incurred Claims (Includes IBNR's)	1,383,938	1,619,198
Claims Paid	(1,362,487)	(1,362,487)
Unpaid Claims - Ending	<u>\$ 1,641,195</u>	<u>\$ 1,897,906</u>

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The Insurance Internal Service Fund provides protection against losses involving County property, equipment, and liability. Reserves within the fund support higher deductible or self-insured retention level against loss. Payments to CAPP for coverage under the insurance pool are shown as expenses in the Insurance Internal Service Fund. Estimated liabilities under the \$125,000 self-insured retention for claims made and claims incurred but not reported (IBNR) at year-end are shown as accrued liabilities in the fund. These estimates are based upon CAPP's claim administrator's review of claims and actuarial projection from historical claims data. Changes in the balances of claims liabilities under the \$125,000 self-insured retention during current and prior years are as follows:

	2016	2017
Unpaid Claims - Beginning	\$ 393,474	\$ 305,372
Incurred Claims (Includes IBNR's)	557,031	641,603
Claims Paid	(645,133)	(645,133)
Unpaid Claims - Ending	<u>\$ 305,372</u>	<u>\$ 301,842</u>

The Health Insurance Internal Service Fund covers the county's dental and vision reimbursement plan. The plan is not an insurance program, but rather an employee reimbursement plan that closes out each year on December 31, for services received on or before that date. No outstanding claims or incurred but not reported liabilities exist for year-end.

In addition the Health Insurance Internal Service Fund as of January 1, 2006, covers the county's health insurance program. The plan is a self funded employee health benefit plan with a specific deductible amount of \$100,000 per individual, and an aggregate excess loss insurance policy that has both a monthly attachment point and an annual cumulative attachment limit with a terminal attachment point. Attachment points are calculated based upon enrollment. Changes in the balance of the claims liability during the current year are as follows:

	2016	2017
Unpaid Claims - Beginning	\$ 2,881,794	\$ 3,329,120
Incurred Claims	13,862,758	13,176,344
Claims Paid	(13,415,432)	(13,415,432)
Unpaid Claims - Ending	<u>\$ 3,329,120</u>	<u>\$ 3,090,032</u>

Note 8 - Long-Term Debt:

Weld County has no general bonded indebtedness. In accordance with Section 30-35-201 CRS, 1973, the County's general bonded indebtedness is limited to 3% of the assessed valuation, or \$282,033,941 at December 31, 2017.

The County has issued industrial revenue bonds for the purpose of financing capital projects of several private enterprises. Under terms of a financing agreement, the bonds are sold to a bank, the private enterprise assumes full responsibility for repayment of the debt, and the County is released from any liability for repayment. Industrial revenue bonds outstanding as of December 31, 2017 totaled \$2,769,110.

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Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2017, was as follows, the balances, additions and reductions are listed by the funds where the liability is accrued and liquidated.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences					
General Fund	\$ 2,504,751	\$ 353,730	\$ 181,895	\$ 2,676,586	\$ 208,212
Public Works	756,093	15,208	52,803	718,498	48,270
Social Services	1,010,016	37,615	44,245	1,003,386	36,228
Public Health	245,192	14,069	39,609	219,652	3,312
Human Services	224,518	42,976	45,944	221,550	12,519
Total governmental	<u>\$ 4,740,570</u>	<u>\$ 463,598</u>	<u>\$ 364,496</u>	<u>\$ 4,839,672</u>	<u>\$ 308,541</u>

Note 9 - Weld County Retirement Plan:

A. Summary of Significant Accounting Policies

Reporting Entity

The Plan is included in the reporting entity of the County as a fiduciary fund in the Comprehensive Annual Financial Report. The operation of the plan is accounted for in the Weld County Retirement Fund, as a pension trust. Complete financials can be obtained at the Weld County Treasurer's office

Weld County Treasurer's Office
1400 North 17th Avenue
Greeley, CO 80631

Basis of Accounting

The Plan uses the accrual basis of accounting. Employee and employer contributions are recognized as revenues in the period in which the contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan.

Cash & Cash Equivalents

The Colorado Public Deposit Protection Act (PDPA) required that all local governments deposit cash in eligible public depositories. Eligibility is determined by state regulations. The State regulatory commissioners regulate the eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. PDPA allows the financial institutions to create a single collateral pool for all public funds held. The pool is to be maintained by another institution, or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2017, the County had cash and cash equivalents of \$2,798,258 collateralized with securities held by the financial institutions' agents but not in the County name.

Investments

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The securities that are not traded on national/international exchanges are valued at market value provided by investment managers.

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GASB No. 40 Disclosures

The Weld County Retirement Plan adopted GASB Statement No. 40, *Deposit and Investment Risk Disclosures - an amendment of GASB Statement No. 3*, for the year ended December 31, 2007. Statement No. 40 establishes additional disclosure requirements addressing common deposits and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. As an element of interest rate risk, this statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rates. Deposit and investment policies related to the risks identified in this statement also are required to be disclosed.

Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from these estimates. Actuarially determined future benefit payments require the use of significant estimates. The Plan believes that the techniques and assumptions used in establishing these estimates are appropriate.

B. Plan Description

The Weld County Retirement Plan (Plan), a component unit of Weld County, is a single employer defined benefit pension plan administered by a five-member retirement board. The decision that the Plan is a component unit of Weld County was made by applying the criteria set forth in accounting principles generally accepted in the United States of America (GAAP). The basic criteria for this decision is that Weld County and its elected officials are accountable for the Plan. Two board members are elected by the Weld County employees, two are outside citizens appointed by the Board of County Commissioners and the other member is the Weld County Treasurer. The Plan provides retirement, disability, and death benefits to plan members and beneficiaries. All full-time employees, except officers and employees of the Health Department, are required to participate in the Plan. Cost-of-living adjustments are provided to members and beneficiaries at the discretion of the Retirement Board. The Board of County Commissioners and the Retirement Board maintain the authority to establish and amend benefit provisions of the Plan.

Membership of the Plan consisted of the following at January 1, 2016 and 2017, the dates of the latest actuarial valuations:

	<u>2016</u>	<u>2017</u>
Retirees and beneficiaries currently receiving benefits	591	611
Terminated employees entitled to benefits but not yet receiving them	138	130
Active plan members	<u>647</u>	<u>635</u>
Total Vested Members	<u>1,376</u>	<u>1,376</u>
Nonvested	<u>651</u>	<u>708</u>
	<u>2,027</u>	<u>2,084</u>

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C. Contributions

The contribution requirements of plan members and the County are established and maintained by the Board of County Commissioners. Plan members from 1/1/2017 to 12/31/2017 and 1/1/2016 to 12/31/2016 were required to contribute 10.75%, of their annual covered payroll. The County is required to contribute at an actuarially determined rate, which was 10.75% from 1/1/2017 to 12/31/2017 and 1/1/2016 to 12/31/2016. Administrative costs of the Plan are primarily financed and recorded through the County's General Fund. Administrative costs financed through the Plan's earnings in prior years are being reimbursed by the County's General Fund and recorded as reimbursement of prior year expenditures.

D. Benefits Provided

All full time employees are eligible to participate in the Plan. Benefits vest after completing five years of credited service. Vested employees may retire with a reduced benefit after age 55 with five years of Credited Service. Unreduced benefits are provided at age 65 (age 62 with 8 years of credited service for Tier 1). Full benefits are also available after age 55 when age plus service total at least 75 for Tier 1 and with 30 years of credited service for Tier 2. The monthly benefit is determined as follows:

Tier 1	2.75% of Average Monthly Compensation times Credited Service Payable as a 10year certain life annuity
Tier 2	2.0% of Average Monthly Compensation times Credited Service payable as a life annuity
Tier 3	1.9% of each year's compensation, adjusted every March 1st for actual Investment performance, payable as a life annuity

Maximum Benefit* \$25 per year of credited service

Maximum Benefit* 82.5% of the 12 highest consecutive months, with in the last 120 months

* Only applies to Tiers 1 and 2

Unreduced benefits are provided at age 65 (age 62 with 8 years of credited service for Tier 1). Full benefits are also available after age 55 when age plus credited service total at least 75 for Tier 1 and with 30 years of credited service for Tier 2.

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E. Pension Liability

The components of the net pension liability of the Plan at December 31, 2016 were as follows:

Total Pension Liability	\$256,294,509
Plan fiduciary net position	255,193,348
County's net pension liability	1,101,161
Plan fiduciary net position as a percentage of the total pension liability	99.6 %
Covered employee payroll	75,222,493
County's net pension liability as a percentage of employee covered payroll	1.5 %

Actuarial assumptions: The total pension liability as of December 31, 2016 was determined by an actuarial valuation's of January 1, 2016, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.3%
Salary Increases	3.0% - 8.0%
Investment Rate of Return *	7.75%
* Net of investment and administrative fees	

Mortality rates were based on the RP-2000 Mortality Table blended 30% Blue Collar, 70% White Collar for pre-retirement and RP-2000 Mortality Table for annuitants for post retirement, for Males and Females, as appropriate, both projected using Scale AA from 2000.

The long-term expected rate of return on pension plan investments was determined using a building-block method which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of December 31, 2016 are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Public Equity	50 - 60%	6.69%
Private Equity	0 - 10%	10.65%
Hedge fund of funds	0	2.37%
Private equity real estate	10 - 25%	5.61%
Fixed Income	10 - 20%	.38%
Total	100%	7.25%

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E. Pension Liability

Rate of return: For the year ended December 31, 2016, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was -1.28%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Discount rate: The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that the Plan contributions will be made at rates equal to the member contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate: The following presents the net pension liability of the Plan, calculated using the discount rate of 7.75%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1- percentage-point lower (6.75%) or 1 -percentage-point higher (8.75%) than the current rate:

	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
Net Pension Liability	\$ 31,967,660	\$ 1,101,161	\$ (24,305,623)

For the year ended December 31, 2017 the County of Weld recognized pension expense of \$5,058,846. At December 31, 2017, the County of Weld reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Difference Between Expected and actual experience	\$ 2,593,366	\$ -
Change Of Assumptions	-	1,877,321
Net difference between projected and actual earning on pension investments	10,680,840	-
Change in Benefits	-	68,935
Contributions made subsequent to the measurement date	24,868,787	-
Total	\$ 38,142,993	\$ 1,946,256

\$24,868,787 reported as deferred outflows of resources related to pension, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as follows:

2018	\$ 3,745,761
2019	3,756,060
2020	3,696,531
2021	129,598
	<u>\$ 11,327,950</u>

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F. Investments and Certain Risk Factors

There are many factors that can affect the value of investments. Some, such as custodial risk, concentration of credit risk and foreign currency risk may affect both equity and fixed income securities. Equity securities respond to such factors as economic conditions, individual company earnings performance, and market liquidity, while fixed income securities are particularly sensitive to credit risks and changes in interest rates. The Retirement Board, which is responsible for oversight of the Plan, has established investment policies (which does not include a formal policy that limits maturities for fixed income investments to limit interest rate risks) to provide the basis for the management of a prudent investment program appropriate to the particular fund types.

The policy addresses investment objectives, responsibilities, asset allocation strategy, investment guidelines and review standards.

All investments are part of mutual funds as listed below and therefore are not considered to be exposed to custodial risks.

Investments, at fair value, were as follows at December 31, 2016 and 2017:

	2016	2017
Domestic Equity	\$ 105,161,230	\$ 69,397,850
International Equity	37,382,982	94,156,786
Fixed Income	36,291,942	49,292,045
Hedge Fund	12,609,431	13,732,737
U.S. Property Fund	50,712,842	48,292,755
Bank Account and US Treasuries	8,820,634	26,373,234
	<u>\$250,979,061</u>	<u>\$301,245,407</u>

Foreign currency risk is defined as any deposits or investments that are denominated foreign currencies, which bear a potential risk of loss arising from changes in currency exchange rates. The Plan has no direct holdings which give rise to foreign currency risk. However, some of the externally managed funds have investments which are denominated in foreign currencies.

G. Plan Changes and Termination Provision

The Retirement Board and the County Commissioners intend to continue the Plan indefinitely, however provisions in the Plan allow for changes, including termination of the Plan. Any changes to the Plan must be for the exclusive benefit of the eligible employees of Weld County and their beneficiaries.

If the Plan is terminated, participants would stop earning additional benefits, contributions to the retirement fund would cease, and the investments in the retirement fund would be converted to cash and funds would be allocated to the affected participants of the Plan. First, members or their beneficiaries would receive the total of their accumulated contributions (including the accumulated value of the amount paid for purchased service credit, if any). Then, any remaining funds would be allocated on a pro-rata basis in accordance with the Plan document. Benefits may be paid in cash or nontransferable annuity contracts. No funds may be returned to the County unless all liabilities to members or their beneficiaries have been satisfied. The Retirement Board would determine how the benefits are to be paid.

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WELD COUNTY RETIREMENT PLAN

SCHEDULE OF CHANGES IN PLAN NET PENSION LIABILITY

Total pension liability	
Service Cost	\$ 7,722,745
Interest	18,726,763
Change In Benefit Term	1,326,227
Difference Between Expected and Actual Experience	2,332,354
Benefit Payments, Including Refunds of Employee Contributions	(15,452,967)
Net change in total pension liability	\$ 14,655,122
Total pension liability - beginning	241,639,387
Total pension liability - ending (a)	256,294,509
Plan fiduciary net position	
Contributions - Employer	8,323,335
Contributions - Employee	8,322,439
Net Investment Income	19,844,150
Benefit Payments, including refunds of employee contributions	(15,452,967)
Administrative expenses	(100,956)
Net Change in plan fiduciary net position	20,936,001
Plan net position beginning	234,257,347
Plan net position - ending (b)	255,193,348
County's net position liability - ending (a)-(b)	1,101,161
Plan fiduciary net position as a percentage of the total pension liability	99.6 %
Covered Employee Payroll	75,222,493
County's net pension liability as a percentage of covered payroll	1.5 %

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Note 10 - Blended Unit Pension Disclosure

A. Defined Benefit Pension Plan

Summary of Significant Accounting Policies

County of Weld employees of the Weld County Department of Public Health and Environment participate in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Eligible employees of the County of Weld are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available comprehensive annual financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

The lifetime retirement benefit for all eligible retiring employees under the Denver Public Schools (DPS) Benefit Structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- \$15 times the first 10 years of service credit plus \$20 times service credit over 10 years plus a monthly amount equal to the annuitized member contribution account balance based on life expectancy and other actuarial factors.

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In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

Benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments (COLAs), referred to as annual increases in the C.R.S. Benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 and all benefit recipients of the DPS benefit structure receive an annual increase of 2 percent, unless PERA has a negative investment year, in which case the annual increase for the next three years is the lesser of 2 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for the prior calendar year. Benefit recipients under the PERA benefit structure who began eligible employment after January 1, 2007 receive an annual increase of the lesser of 2 percent or the average CPI-W for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve for the LGDTF.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the retirement benefit formula shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Eligible employees and County of Weld are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, et seq. Eligible employees are required to contribute 8 percent of their PERA-includable salary. The employer contribution requirements are summarized in the table below:

	<u>Rate</u>
Employer Contribution Rate *	10.0 %
Amount of Employer Contributions apportioned to the Health Care Trust Fund as specified in C.R.S. 24-51-208(1)(f) *	<u>(1.0)%</u>
Amount Apportioned to the LGDTF *	9.0 %
Amortization Equalization Disbursement (AED) as specified in C.R.S. 24-51-411 *	2.2 %
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. 24-51-411 *	1.5 %
Total Employer Contribution Rate to the LGDTF 1	12.7 %
* Rates Expressed as percentage of salary per C.R.S 24-51-101 (42)	

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the County of Weld is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from County of Weld were \$700,946 for the year ended December 31, 2017.

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Pension Liabilities, Expense, and Related Deferred Out Flows and Inflows of Resources

At December 31, 2017, the County of Weld reported a liability of \$12,315,345 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2015. Standard update procedures were used to roll forward the total pension liability to December 31, 2016. The County of Weld proportion of the net pension liability was based on County of Weld contributions to the LGDTF for the calendar year 2016 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2016, the County of Weld proportion was .91 percent, which was approximately the same as its proportion measured as of December 31, 2015.

For the year ended December 31, 2017, the County of Weld recognized pension expense of \$1,995,523. At December 31, 2017, the County of Weld reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 219,158	\$ -
Change Of Assumptions or other inputs	873,548	35,614
Net Difference between projected and actual earnings on pension investments	1,479,019	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	-	-
Contributions subsequent to the measurement date	741,614	
Total	\$ 3,313,339	\$ 35,614

\$741,614 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows.

2017	\$ 1,449,962
2018	657,656
2019	414,430
2020	14,063
	\$ 2,536,111

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Pension Liabilities, Expense, and Related Deferred Out Flows and Inflows of Resources

The total pension liability in the December 31, 2015 actuarial valuation was determined using the following actuarial assumptions and other inputs:

Actuarial cost Method	Entry Age
Price Inflation	2.8%
Real Wage Growth	1.1%
Wage Inflation	3.9%
Salary increases, including wage inflation	3.9% - 10.85%
Long-term investment Rate of Return, net of pension plan investment expenses, including price inflation	7.5%
Discount Rate	7.5%
Future Post -retirement benefit increases:	
Pera Benefit Structure hired prior to 1/1/2007 (automatic)	2%
PERA Benefit Structure hired after 12/31/2006 (ad hoc, substantively automatic)	Financed by annual increase reserve

Mortality rates were based on the RP-2000 Combined Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on a projection of Scale AA to 2020 with Males set back 1 year, and Females set back 2 years. Active member mortality was based upon the same mortality rates but adjusted to 55 percent of the base rate for males and 40 percent of the base rate for females. For disabled retirees, the RP-2000 Disabled Mortality Table (set back 2 years for males and set back 2 years for females) was assumed.

The actuarial assumptions used in the December 31, 2015 valuation were based on the results of an actuarial experience study for the period January 1, 2008 through December 31, 2011, adopted by PERA's Board on November 13, 2012, and an economic assumption study, adopted by PERA's Board on November 15, 2013 and January 17, 2014.

As a result of the 2016 experience analysis and the October 28, 2016 actuarial assumptions workshop, revised economic and demographic actuarial assumptions including withdrawal rates, retirement rates for early reduced and unreduced retirement, disability rates, administrative expense load, and pre- and post-retirement and disability mortality rates were adopted by PERA's Board November 18, 2016 to more closely reflect PERA's actual experience. As the revised economic and demographic assumptions are effective as of the measurement date, December 31, 2016, these revised assumptions were reflected in the total pension liability roll-forward procedure.

Healthy mortality assumptions for active members reflect the RP-2000 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to males rates and a 55 percent factor applied to female rates.

Healthy, post-retirement mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- Males - Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied for ages 80 and above, and further adjustments for credibility.
- Females - Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied for ages 80 and above, and further adjustments for credibility.

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Pension Liabilities, Expense, and Related Deferred Out Flows and Inflows of Resources

For disabled retirees, the mortality assumptions was changed to reflect 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The long-term expected return on plan assets is reviewed as part of a regular experience studies prepared every four to five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in the presentations to PERA's Board on October 28, 2016. As a result of these October 28, 2016 actuarial assumption workshop and the November 18, 2016 PERA Board meeting, the economic assumptions changed, effective December 31, 2016, as follows:

- Investment rate of return assumptions decreased from 7.50 percent per year, compounded annually, net of investment expenses to 7.25 percent per year, compounded annually, net of investment expenses.
- Price inflation assumption decreased from 2.8 percent per year to 2.4 percent per year.
- Real rate of investment return assumption increased from 4.7 percent per year, net of investment expenses, to 4.85 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.9 percent per year to 3.5 percent per year

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the November 18, 2016 adoption of the current long-term expected rate of return by the PERA Board, the target allocation and best estimates of geometric real rates for each major asset class are summarized in the following table:

	Target Allocation	30 Years Expected Geometric Real Rate of Return
U.S. Equity - Large Cap	21.2 %	4.3 %
U.S. Equity - Small Cap	7.4 %	4.8 %
Non U.S. Equity - Developed	18.6 %	5.2 %
Non U.S. Equity - Emerging	5.8 %	5.4 %
Core Fixed Income	19.3 %	1.2 %
High Yield	1.4 %	4.3 %
Non U.S. Fixed Income - Developed	1.8 %	0.6 %
Emerging Markets	0.5 %	3.9 %
Core Real Estate	8.5 %	4.9 %
Opportunity Fund	6.0 %	3.8 %
Private Equity	8.5 %	6.6 %
Cash	1.0 %	0.2 %
Total	100.0 %	

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25%.

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Pension Liabilities, Expense, and Related Deferred Out Flows and Inflows of Resources

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projected cash flow:

- Updated economic and demographic assumptions adopted by PERA's Board November 18, 2016
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of the future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.5%.
- Employee contributions were assumed to be made at the current member contribution rate. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members .
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law, and effective as for the measurement date, including current and estimated future AED and SAED, until the Actuarial Value Funding Ratio reaches 103%, at which point, the AED and SAED will each drop 0.5% every year until they are zero. Additionally, estimated employer contributions included reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. As the ad hoc post-retirement benefit increases financed by the AIR are defined to have a present value at the long-term expected rate of return on plan investments equal to the amount transferred for their future payment, AIR transfers to the fiduciary net position and the subsequent AIR benefit payments have no impact on the Single Equivalent Interest Rate (SEIR) determination process when the timing of AIR cash flows is not a factor (i.e., the plan's fiduciary net position is not projected to be depleted). When AIR cash flow timing is a factor in the SEIR determination process (i.e., the plan's fiduciary net position is projected to be depleted), AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections. .
- Benefit Payment and Contributions were assumed to be made at the end of the month.

Based on the above actuarial cost method and assumptions, the LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the Municipal Bond Index Rate. There was no change in the discount rate from the prior measurement date.

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Pension Liabilities, Expense, and Related Deferred Out Flows and Inflows of Resources

Sensitivity of the County of Weld proportionate share of the net pension liability to changes in the discount rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of net pension liability	\$ 18,158,412	\$ 12,315,345	\$ 7,467,525

Pension plan fiduciary net position. Detailed information about the LGDTF's fiduciary net position is available in PERA's comprehensive annual financial report which can be obtained at www.copera.org/investments/pera-financial-reports.

Payables to the pension plan. County of Weld has none as of December 31, 2017.

B. Defined Contribution Pension Plans

Voluntary Investment Program

Plan Description - Employees of the County of Weld that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA issues a publicly available comprehensive annual financial report for the Program. That report can be obtained at www.copera.org/investments/pera-financials-reports.

Funding Policy - The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. In addition, the County of Weld has agreed to match employee contributions up to 0 percent of covered salary as determined by the Internal Revenue Service. Employees are immediately vested in their own contributions, employer contributions and investment earnings. For the year ended December 31, 2017, program members contributed \$0 and County of Weld recognized pension expense and a liability of \$0 and \$0, respectively, for the Voluntary Investment Program.

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C. Other Post-Employment Benefits

Health Care Trust Fund

Plan Description – The County of Weld contributes to the Health Care Trust Fund ("HCTF"), a cost sharing multiple employer healthcare trust administered by PERA. The HCTF benefit provides a health care premium subsidy and health care programs (known as PERACare) to PERA participating benefit recipients and their eligible beneficiaries. Title 24, Article 51, Part 12 of the C.R.S., as amended, establishes the HCTF and sets forth a framework that grants authority to the PERA Board to contract, self-insure and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of health care subsidies. PERA issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for the HCTF. That report can be obtained at www.copera.org/investments/pera-financials-reports.

Funding Policy – The County of Weld is required to contribute at a rate of 1.02 percent of PERA-includable salary for all PERA members as set by statute. No member contributions are required. The contribution requirements for the County of Weld are established under Title 24, Article 51, Part 4 of the C.R.S., as amended. The apportionment of the contributions to the HCTF is established under Title 24, Article 51, Section 208(1)(f) of the C.R.S., as amended. For the years ending December 31, 2015, December 31, 2016 and December 31, 2017 the County of Weld contributions to the HCTF were \$50,185, \$54,522 and \$56,385, respectively, equal to their required contributions for each year.

The County of Weld has recognized the county's PERA LGDTF proportional net pension liability of \$12,315,345 as a restricted amount in the Public Health Fund at year end on December 31, 2017.

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Year End December 31, 2017

Note 11 - Other Post Employment Benefits:

Plan Description:

Weld County Other Post Employment Benefits Plan (OPEB Plan) is a single employer defined benefit healthcare plan administered by Weld County that provides medical, dental, and vision insurance benefits to eligible retirees and their spouses. The OPEB Plan was created by a Board of Weld County Commissioners resolution on November 30, 1998, and amended December 16, 2002 and September 21, 2005. The OPEB Plan provides the same health, dental, and vision plan as offered to Weld County employees and at the same cost. The program is not part of the Weld County Retirement Plan and is not a vested benefit or right, but it is a plan that can be amended or stopped at any time by the Board of Weld County Commissioners for any reason, and no separate financial statements are prepared. The program is only available to Weld County employees hired prior to October 1, 2005. From December 16, 1998, to December 31, 2008, a person who retires from employment with Weld County after ten years of service, or was an elected official of Weld County for at least one full four year term, who has attained the age of 55 years and is drawing benefits from the Weld County Retirement Plan is eligible to continue health, dental, and vision coverage until age 65. After January 1, 2009, an employee must have attained age 57 and have 15 years of service to be eligible. From 2009 until 2014 the required age attainment and years of service are each increased by one year annually, so effective January 2014 an employee must have attained age 62 and have 20 years of service to be eligible, unless the employee attains age 55 and has 30 years of service or has attained age 55 and has served as a Weld County elected official for two full terms. Coverage ends in all cases at age 65. The Board of Weld County Commissioners on September 15, 2008, decided by resolution that the current program will be stopped January 1, 2009, except for those employees born prior to January 1, 1957, or any employee born on or prior to December 31, 1958, who will have 30 years of service prior to reaching age 62. Employees meeting these criteria will be grandfathered into the current plan and will remain eligible for continued benefits under the retiree health insurance program adopted December 16, 2002. An employee meeting the above criteria to be eligible for the grandfathered plan the employee and/or dependents, if applicable, must have been enrolled as of January 1, 2008, in the Weld County health insurance plan. Employees and/or dependents enrolled in the Weld County health insurance plan after January 1, 2008, are not eligible for the grandfathered plan. On July 19, 2010, the Board of Weld County Commissioners terminated the program effective June 30, 2012, for all eligible employees that had not retired or signed an agreement for continuation of health insurance coverage as of October 1, 2010.

Funding Policy:

The contribution requirements of plan members and Weld County are established and may be amended by the Board of Weld County Commissioners annually. The required contribution is based on projected pay-as-you-go financing requirements. For fiscal year 2017, the county contributed \$0 to the plan. Plan members receiving benefits contributed \$28,111 or approximately 100% percent of the total premiums, through their required contribution ranging from \$129 to \$157 per month for retiree-only coverage and between \$245 to \$338 for retiree and spouse coverage. Each of these rates saw no increase in 2017. The OPEB Plan assets are deposited in the Weld County OPEB Plan Trust Fund. The employer's contributions to the trust fund are irrevocable, the assets of the trust are dedicated to providing benefits to retirees and their beneficiaries, and the assets are legally protected from the employer's creditors.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Annual OPEB Cost and OPEB Obligation:

Prior to January 1, 2007, the OPEB Plan was funded on a pay-as-you-go basis. Beginning January 1, 2007, the county's annual other post employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The primary assumption for the ARC calculation is the 4% discount rate. The assumptions currently include an annual healthcare cost trend rate of 11%. Liabilities are computed using the projected unit credit method. When applicable, the unfunded actuarial accrued liability has been amortized over a closed 25 year period. GASB's standard allows for the use of the Alternative Measurement Method to compute OPEB cost and obligations for plans with less than 100 members. The Alternative Measurement Method is a calculation of the OPEB cost and obligation using a simplified approach that does not require the engagement of an actuary. The Weld County Retiree Health OPEB plan had 10 members in 2017 and therefore calculations for the Weld County Retiree Health OPEB have been completed in accordance with GASB 45 Alternative Measurement Method using the projected unit credits methodology. Management considers the new calculation method to be preferable as an outside actuary is no longer required to be engaged, resulting in a cost savings to Weld County. Marital and dependency status is based on current status of covered participants. Other significant assumptions are made by Weld County management based on knowledge of applicable costs affecting Weld County. The following calculation shows the components of Weld County's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in Weld County's net OPEB obligation.

Level Dollar Amortization

Calculation on Annual OPEB cost under Projected Unit Credit Method on December 31, 2017

Annual Required Contribution (ARC)	\$ 138,391
Adjustment to the ARC	(107,475)
Interest Earned on Net OPEB Asset	<u>(14,196)</u>
2017 Net Annual OPEB Cost	16,720
County Contributions	<u>(124,195)</u>
Increase in net OPEB obligation (asset)	(107,475)
Beginning OPEB obligation (asset)	<u>(908,923)</u>
Ending OPEB Obligation (asset)	<u><u>\$ (1,016,398)</u></u>

There is no unfunded actuarial accrued liability (UAAL) at the end of the year. A surplus of \$1,016,398 exists.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Covered Participants as of January 1, 2018

Retired Employees	10
Spouses of Retired Employees	-
	10

Three-Year Trend Information:

Fiscal Year End	Annual Required Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Asset
December 31, 2015	\$ 334,105	100%	\$ (860,331)
December 31, 2016	\$ 232,109	100%	\$ (908,923)
December 31, 2017	\$ 138,391	100%	\$ (1,016,398)

Prior to January 1, 2007, the OPEB Plan was on a pay-as-you-go funding basis. January 1, 2007, was the first time an actuarial accrued liability was calculated to determine the net OPEB obligation. The OPEB obligation as of December 31, 2017 was \$128,014, there were \$1,144,412 in assets on December 31, 2017 for a funding excess of (\$1,016,398). All related pension obligation (assets) are recorded in Weld County's General fund.

Funded Status and Funding Progress. The funded status of the plan as of December 31, 2012, was as follows:

Actuarial Accrued Liability (AAL)	\$ 128,014
Actuarial value of plan assets	\$ 1,144,412
Funded Excess	\$ (1,016,398)
Funded ratio (actuarial value of plan assets/AAL)	893.97 %

No active employees are covered by the plan.

Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The required schedule of funding progress presents multi-year trend information about whether the actuarial value of assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

The actuarial calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of cost sharing between the employer and members to that point and reflect a long-term perspective.

The Weld County OPEB Plan Assets are accounted for in the Weld County OPEB Plan Trust Fund. An IRC Section 115 Trust has been established for the Weld County OPEB Plan Trust.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Note 12 - Commitments and Contingencies:

Commitments

As of December 31, 2017 there were encumbrances carried forward to 2018 of \$955,246 in the General fund, consisting of \$342,068 for general purchases, \$193,236 for consulting services to audit oil and gas property tax filings and \$369,942 for a grant funded waste water treatment system. The Public Works fund carried forward \$24,059,924 for road construction projects which includes \$22,631,935 for the Weld County road 49 design build project. In the capital expenditures fund year-end projects under construction included \$446,375 for building improvements and \$128,758 for construction of a downtown parking lot.

Note 13 - Public Trustee:

Pursuant to an act of the Colorado General Assembly, the Weld County Public Trustee is to be deemed an agency of the County for the purpose of financial reporting.

Related activity has been reported in the General Agency Fund, with the following activity identified strictly for the office of the Public Trustee as of and for the year ended December 31, 2017:

Assets	\$	345,626
Liabilities		27,260
Net Position		318,366
Revenues		385,435
Expenses		416,839

The Public Trustee started a retirement plan in December 2003. The plan is a defined contribution plan under Internal Revenue Code section 401(K). The employer will match employee contributions up to 8% of eligible compensation.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Note 14 - Non-Cash Activity in Social Services Fund

Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures
for the Year Ended December 31, 2017

	A	B	C	D	E
Program	County EBT Authorizations	County Share of Authorizations	Total Refunds and Expenditures by County Warrant or Accrual	County EBT Authorizations plus Expenditures by County Warrant (Col. A + Col. C)	Total Expenditures Col. B + Col. C
Old Age Pension	3,401,200	6,183	181,825	3,583,025	188,008
Low-Income Energy Assistance Program	1,361,324	-	(3,012)	1,358,312	(3,012)
Temporary Assistance for Needy Families	3,847,428	694,755	2,909,587	6,757,015	3,604,342
Administration	8,023	1,605	14,344,173	14,352,196	14,345,778
Trails/Child Welfare	7,905,883	1,601,768	15,219,926	23,125,809	16,821,694
Core Services	2,687,042	463,787	1,019,056	3,706,098	1,482,843
Aid to the Needy Disabled	855,285	135,432	(30,983)	824,302	104,449
IV-D Administration	-	-	3,494,306	3,494,306	3,494,306
CHATS/Child Care	3,733,130	497,383	921,833	4,654,963	1,419,216
Adult Protection	-	-	756,491	756,491	756,491
General Assistance	-	-	27,184	27,184	27,184
Subtotal	23,799,315	3,400,913	38,840,386	62,639,701	42,241,299
Food Assistance	34,803,194	-	86	34,803,280	86
Grand Total	58,602,509	3,400,913	38,840,472	97,442,981	42,241,385

- A. Welfare payment authorized by the Weld County Department of Social Services. These County authorizations are paid by the Colorado Department of Human Services by Quest debit cards or by electronic benefits transfer (EBT)
- B. County share of EBT authorizations. These amounts are settled monthly by a reduction of State cash advances to the County.
- C. Expenditures made by county warrants or other county payment methods.
- D. This represents the total cost of the welfare programs that are administered by Weld County.
- E. This total matches the expenditures on the Social Services Fund – Statement of Revenues, Expenditures and Changes in Fund Balances.

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Note 15 - Tax Abatements

To promote economic development within Weld County for generating employment opportunities thereby stimulating the economic wellbeing of Weld County and its citizens, in accordance with Colorado Revised Statute 30-11-123, the county offers incentive payments to taxpayers who establish or expand existing business facilities in Weld County. The Weld County Personal Property Tax Refund Incentive program allows for the refund of up to 50% of the personal property tax paid on new personal property put in to place in new or qualifying expanded facilities in Weld County for a period of 10 years per state statute.

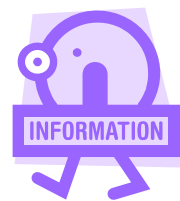
In order to qualify for the tax incentive payments taxpayers must qualify as a “New Business Facility” (NBF) as referenced in C.R.S. 30-11-123 and make a minimum investment of \$1,000,000 in new personal property. Eligible personal property must be located at/within the NBF or be directly attributable to the expansion of the existing business facility and used in connection with such facility for the current property tax year. The program is intended to assist business engaged in manufacturing, processing and research & development activities so eligible businesses shall derive at least 50% of annual gross revenue from sale of products/services outside of Weld County and no more than 25% of gross annual income can be from direct retail sales. Furthermore 50% of the eligible work force must be weld county residents.

Weld County has not made any other commitments as part of these agreements other than to refund the personal property tax paid on personal property put into place in qualifying NBFs. All tax incentive payments are made to the extent of revenue and must be available and appropriated in each of the 10 years of the 10-year term. Any unused/excess tax incentives are retained by the county in the Weld County Economic Development fund to be used for economic development.

For fiscal year 2017 the County has entered into agreements for tax incentive refunds totaling 2,425,610. Of this amount the following agreements represent agreements for more than 5% of the total amount.

- 61% of the approved incentive refunds to J.M. Smucker, LLC
- 24% of the approved incentives refunds to Agilent Technologies

Required Supplementary Information Other Than MD&A



COUNTY OF WELD
STATE OF COLORADO

SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Year Ended December 31, 2017

December 31,	2014	2015	2016
Total pension liability:			
Service Cost	6,710,973	7,377,704	7,722,745
Interest	17,727,585	18,590,170	18,726,763
Change in Benefit Term	-	(55,115)	1,326,227
Differences between expected and actual experience	(187,789)	1,228,914	2,332,354
Changes of assumptions	-	(3,163,157)	-
Benefit payments, including refunds of employee contributions	(13,593,270)	(14,677,106)	(15,452,967)
Net change in total pension liability	10,657,499	9,301,410	14,655,122
Total pension liability - beginning	221,680,478	232,337,977	241,639,387
Total pension liability - ending (a)	232,337,977	241,639,387	256,294,509
Plan fiduciary net position:			
Contributions - employer	17,186,962	58,861,621	8,323,335
Contributions - employee	7,179,473	7,710,757	8,322,439
Net investment income	12,799,029	(2,711,588)	19,844,150
Benefit payments, including refunds of employee contributions	(13,593,270)	(14,677,106)	(15,452,967)
Administrative expense	(445,444)	(74,221)	(100,956)
Other	-	(321,661)	-
Net change in plan fiduciary net position	23,126,750	48,787,802	20,936,001
Plan fiduciary net position - beginning	162,342,795	185,469,545	234,257,347
Plan fiduciary net position - ending (b)	185,469,545	234,257,347	255,193,348
County's net position liability - ending (a) - (b)	46,868,432	7,382,040	1,101,161
Plan fiduciary net position as a percentage of the total pension liability	79.83%	96.90%	99.57%
Covered employee payroll	61,704,127	68,958,839	75,222,493
County's net pension liability as a percentage of covered employee payroll	75.96%	10.70%	1.46%

Until a full 10-year trend is complied, the County will present information for those years for which the information is available.

COUNTY OF WELD
STATE OF COLORADO

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year Ended December 31, 2017

Year Ended December 31	Actuary Determined Contribution	Contribution in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2008	4,928,519	4,184,885	743,634	49,967,777	8.38%
2009	7,087,011	4,664,860	2,422,151	53,988,779	8.64%
2010	5,417,362	4,885,660	531,702	53,484,492	9.13%
2011	6,013,818	4,906,758	1,107,060	53,415,982	9.19%
2012	6,138,685	6,970,039	(831,354)	55,871,701	12.48%
2013	6,578,458	11,235,009	(4,656,551)	55,933,201	20.09%
2014	5,798,248	17,186,962	(11,388,714)	61,704,127	27.85%
2015	4,609,558	58,861,621	(54,252,063)	68,958,839	85.36%
2016	-	8,322,450	(8,322,450)	75,222,493	11.06%
2017	-	-	-	80,020,609	0.00%

COUNTY OF WELD
STATE OF COLORADO

SCHEDULE OF THE COUNTYS PROPORTIONATE SHARE OF
NET PENSION LIABILITY - PERA

Year Ended December 31, 2017

Year Ended December 31	Cumulative Portion of Net Pension Liability	Cumulative Proportionate Share	Covered Payroll	% Of Covered Payroll	Plan Net Position as a % of Net Pension Liability
2015	0.9%	\$ 8,047,920	\$ 5,139,062	156.60%	80.72%
2016	0.9%	\$ 10,368,118	\$ 5,356,765	193.55%	76.87%
2017	0.9%	\$ 12,315,345	\$ 5,527,966	222.78%	73.65%

Until a full 10-year trend is complied, the County will present information for those years for which the information is available.

COUNTY OF WELD
STATE OF COLORADO

SCHEDULE OF EMPLOYER CONTRIBUTIONS - PERA

Year Ended December 31, 2017

Year Ended December 31	Statutorily Required Contributions	Contributions Made	Covered Payroll	% Of Covered Payroll
2015	\$ 623,684	\$ 623,684	\$ 5,139,062	12.14%
2016	677,784	677,784	5,356,765	12.65%
2016	757,117	757,117	5,527,966	13.70%

Until a full 10-year trend is complied, the County will present information for those years for which the information is available.

COUNTY OF WELD
STATE OF COLORADO

Schedule of Funding Progress - Other Post Employment Benefits

Year Ended December 31, 2017

Schedule of Funding Progress - Other Post Employment benefits

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Excess Funding AAL (UAAL) (b-a)	Funded Ratio (a/b)
1/1/14	\$ 1,268,607	\$ 359,683	\$ (908,924)	352.7 %
1/1/15	\$ 1,268,607	\$ 359,683	\$ (908,924)	352.7 %
1/1/16	\$ 1,268,607	\$ 359,683	\$ (908,924)	352.7 %
1/1/17	\$ 1,268,607	\$ 359,683	\$ (908,924)	352.7 %
1/1/18	\$ 1,144,412	\$ 128,014	\$ (1,016,398)	894.0 %

Schedule of Employer Contributions – Other Post Employment Benefits

Year Ended December 31	Annual Required Contribution	Actual Contribution	Percentage Contributed
2015	\$ 232,109	\$ 232,109	100.0 %
2016	334,105	334,105	100.0 %
2017	\$ 138,391	\$ 138,391	100.0 %

⁽¹⁾Required contribution at beginning of year.

COUNTY OF WELD STATE OF COLORADO

Required Supplementary Information Modified Approach for Infrastructure Assets

Weld County prepares an annual gravel road plan. In doing this each of the sections of gravel roads has been evaluated by supervisors. They use the State guidelines as out lined in Section 43-2-120(5)(a-b), C.R.S. 1973, which is stated below. Since gravel roads condition can change quickly based on weather conditions the road plan may have to be modified to take care of such problems. Therefore, an official road maintenance system is difficult to put in place. It is the County's policy to maintain the roads in fair or better condition. The County's gravel plan details the replacement and maintenance schedule required for the gravel roads, by segment, under ideal weather conditions based on traffic and location. The day to day conditions of the gravel roads is continually monitored by the County's Motor Grader division whose sole responsibility is to maintain the condition of the gravel roads, the following table details the condition assessment in total miles and percentage reported at the end of the last three fiscal periods.

Condition	<u>2017</u>		<u>2016</u>		<u>2015</u>	
	Miles	% of Total	Miles	% of Total	Miles	% of Total
Good	1,809	82.2%	1,806	81.6%	1,787	80.5%
Fair	336	15.3%	346	15.6%	368	16.6%
Poor	56	2.5%	62	2.8%	64	2.9%

Comparison of Estimated-to-Actual Maintenance/Preservation

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Estimated	3,927,250	3,927,250	3,927,250	3,927,250	3,927,250	4,886,615
Actual	3,131,555	3,067,408	3,628,316	3,117,416	3,563,458	

Gravel Roads - Surface Condition Rating Criteria

Section 43-2-120 (5)(a-b), C.R.S. 1973, gives the following guidelines pertaining to the condition criteria on gravel roads.

Good Surface Condition

- \$ There is adequate width for safe passage of large vehicles.
- \$ Graded to a uniform cross-section, having a crown and ditches to provide good drainage.
- \$ The surface is smooth with no washboards, rutting or soft areas; vehicles can safely travel at the posted speed limit.
- \$ There is adequate gravel uniformly spread across the surface.
- \$ During periods of wet weather, roads will support traffic.

Fair Surface Conditions

- \$ Adequate width for safe passage of cars and pickup trucks.
- \$ Cross-section may vary; the crown is not consistent; ditches and drainage are not adequate.
- \$ The surface has occasional washboards and ruts but irregularities do not interfere with safe vehicle operation at the speed limit.
- \$ Gravel is present, but lacking in the wheel paths or in short stretches.
- \$ During periods of wet weather, puddles develop; the road is slippery but will support normal traffic.

Poor Surface Condition

- \$ Two cars cannot safely pass.
- \$ Cross-section varies. There is no crown or ditches, and water does not drain from the road.
- \$ The surface has washboards, ruts, soft areas; vehicles must slow to less than the speed limit.
- \$ Gravel is sparse or does not exist.
- \$ During periods of wet weather, cars cannot safely travel.

COUNTY OF WELD
STATE OF COLORADO

General Fund

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

For the fiscal Year Ended December 31, 2017

	Budgeted - GAAP Basis		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 92,537,350	\$ 92,537,350	\$ 108,752,061	\$ 16,214,711
Tobacco products	230,000	230,000	171,673	(58,327)
Penalties & interest	-	-	1,622	1,622
Total Taxes	92,767,350	92,767,350	108,925,356	16,158,006
Licenses and Permits				
Liquor licenses	7,000	7,000	5,563	(1,437)
Planning permits	585,000	630,000	600,394	(29,606)
Building permits	2,000,000	2,000,000	1,253,251	(746,749)
Electrical permits	835,000	835,000	921,995	86,995
Total Licenses and Permits	3,427,000	3,472,000	2,781,203	(690,797)
Intergovernmental:				
Federal grants	-	-	207,427	207,427
State grants	4,074,219	4,543,219	5,038,875	495,656
Other governmental units	574,794	574,794	844,487	269,693
Cities and towns	331,500	331,500	497,410	165,910
Total Intergovernmental	4,980,513	5,449,513	6,588,199	1,138,686
Charges for Service:				
Plan checking fees	900,000	900,000	507,570	(392,430)
Charges for services	6,602,359	6,603,359	5,818,357	(785,002)
Sale of supplies	34,000	34,000	22,366	(11,634)
Parking	16,000	16,000	23,923	7,923
Total Charges for Service	7,552,359	7,553,359	6,372,216	(1,181,143)
Fines and Forfeitures:				
Property forfeitures/evidence	-	-	77,320	77,320
Fines (drunk drivers)	330,000	330,000	384,616	54,616
Total Fines and Forfeitures	330,000	330,000	461,936	131,936
Miscellaneous:				
Miscellaneous	6,968,699	7,043,699	9,492,506	2,448,807
Interest	1,200,000	2,000,000	2,863,311	863,311
Rents from buildings	1,943,326	1,943,326	1,851,336	(91,990)
Total Miscellaneous	\$ 10,112,025	\$ 10,987,025	\$ 14,207,153	\$ 3,220,128

COUNTY OF WELD
STATE OF COLORADO

General Fund

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

For the fiscal Year Ended December 31, 2017

	Budgeted - GAAP Basis			
	Original	Final	Actual	Variance
REVENUES (CONTINUED)				
Fees:				
Fee account	\$ 10,808,250	\$ 12,980,250	\$ 13,003,905	\$ 23,655
Treasurer's fees	20,000	20,000	16,530	(3,470)
Cable fees	70,000	100,000	82,120	(17,880)
Assessor's fees	50,000	50,000	42,041	(7,959)
Total Fees	10,948,250	13,150,250	13,144,596	(5,654)
Total Revenues	130,117,497	133,709,497	152,480,659	18,771,162
EXPENDITURES				
General Government:				
Office Of the Board	894,717	946,237	911,992	34,245
Public Information	223,102	223,102	204,040	19,062
County Attorney	839,614	1,121,114	1,151,090	(29,976)
Public Trustee	-	3,000	2,294	706
Planning and Zoning	1,920,992	2,069,905	1,905,229	164,676
Clerk to the Board	439,648	438,148	420,208	17,940
County Clerk	964,655	1,009,655	882,551	127,104
Elections and Registrations	923,802	923,802	749,163	174,639
Motor Vehicle	2,734,390	2,838,390	2,847,152	(8,762)
County Treasurer	1,051,387	1,090,387	1,028,773	61,614
County Assessor	3,359,139	3,359,139	3,191,578	167,561
Maintenance of buildings/grounds	6,358,711	6,358,711	6,239,733	118,978
Weld Plaza	675,050	675,050	626,768	48,282
County Council	75,612	75,612	66,820	8,792
District Attorney	5,644,047	5,659,047	5,585,879	73,168
Juvenile Diversion	347,928	353,028	314,396	38,632
Adult Diversion	74,071	74,071	74,319	(248)
Victim Assistance	840,113	897,313	1,656,276	(758,963)
Financial administration	373,493	395,493	355,249	40,244
General accounting	819,314	978,314	905,435	72,879
Purchasing	284,754	329,754	327,800	1,954
Personnel	1,388,607	1,515,607	1,328,080	187,527
Geographical Information Systems	120,295	124,795	83,248	41,547
Computer Services	6,514,581	6,874,581	6,435,571	439,010
Innovation & Technology Project	428,500	198,500	67,614	130,886
Print and Supply	404,033	453,533	404,162	49,371
Bright Futures Weld County	143,940	464,011	5,069,729	(4,605,718)
Smart Energy Project	1,604,417	1,604,417	250,546	1,353,871
Total General Government	\$ 39,448,912	\$ 41,054,716	\$ 43,085,695	\$ (2,030,979)

(CONTINUED)

COUNTY OF WELD
STATE OF COLORADO

General Fund

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

For the fiscal Year Ended December 31, 2017

	Budgeted - GAAP Basis			
	Original	Final	Actual	Variance
EXPENDITURES (CONTINUED)				
Public Safety:				
Sheriff administration	\$ 5,759,593	\$ 5,771,593	\$ 5,456,748	\$ 314,845
Crime control and investigation	10,538,127	10,917,127	10,760,319	156,808
Criminal Justice	24,478,106	26,232,106	26,555,064	(322,958)
Task Force	291,628	308,628	309,981	(1,353)
Regional Forensic Laboratory	596,145	658,145	650,887	7,258
Communication Services	7,092,846	7,532,846	7,053,422	479,424
Communication System Development	1,044,233	1,614,233	1,557,530	56,703
Justice Services	928,403	928,403	856,795	71,608
County Coroner	996,995	1,256,720	1,210,354	46,366
Community Corrections	2,903,305	2,903,305	2,919,366	(16,061)
Building Inspections	1,391,701	1,391,701	1,354,653	37,048
Office Of Emergency Management	366,601	366,601	337,776	28,825
Waste Water	10,000	10,000	9,215	785
Animal Control	307,753	324,753	324,433	320
Pest/weed Control	947,186	956,286	812,891	143,395
Victims Advocates	213,827	213,827	211,159	2,668
Total Public Safety	57,866,449	61,386,274	60,380,593	1,005,681
Public Works:				
General Engineering	22,347,339	22,347,339	14,856,489	7,490,850
Extension	360,426	360,426	613,733	(253,307)
Veterans Office	118,864	212,864	177,057	35,807
Total Public Works	22,826,629	22,920,629	15,647,279	7,273,350
Public Health and Welfare:				
Mental Health	203,225	228,225	221,730	6,495
Developmentally Disabled	48,225	48,225	48,225	-
Seniors Program	19,000	19,000	19,000	-
Economic Development	534,941	554,441	550,282	4,159
Total Public Health and Welfare	805,391	849,891	839,237	10,654
Culture and Recreation:				
Missile Site Park	92,762	92,762	65,766	26,996
Parks and Trails	129,000	129,000	29,000	100,000
County Fair	141,377	167,977	1,096,891	(928,914)
Total Culture and Recreation	\$ 363,139	\$ 389,739	\$ 1,191,657	\$ (801,918)

COUNTY OF WELD
STATE OF COLORADO

General Fund

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

For the fiscal Year Ended December 31, 2017

	Budgeted - GAAP Basis		Actual	Variance
	Original	Final		
EXPENDITURES (CONTINUED)				
Miscellaneous:				
Other	\$ 4,602,478	\$ 5,242,478	\$ 5,236,798	\$ 5,680
Pension Contribution	-	2,638,257	2,638,256	1
Building Rents	143,796	143,796	95,557	48,239
Total Miscellaneous	4,746,274	8,024,531	7,970,611	53,920
Capital Outlay:				
Capital Expenditures	1,831,033	1,853,913	1,499,386	354,527
Total Expenditures	127,887,827	136,479,693	130,614,458	5,865,235
Other Financing Sources (Uses)				
Transfers - In:				
Non-Departmental	85,000	85,000	85,000	-
Transfers - Out:				
Appropriation Grants-In-Aid	4,882,004	7,382,004	7,382,004	-
Total Other Financing Source (Uses)	(4,797,004)	(7,297,004)	(7,297,004)	-
Net Change in Fund Balance	(2,567,334)	(10,067,200)	14,569,197	24,636,397
Fund Balance at Beginning of Year	38,876,581	38,876,581	38,876,581	-
Fund Balance at End of Year	\$ 36,309,247	\$ 28,809,381	\$ 53,445,778	\$ 24,636,397



COUNTY OF WELD
STATE OF COLORADO

Public Works Fund

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

For the Fiscal Year Ended December 31, 2017

	Budget - GAAP Basis		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 16,500,000	\$ 16,500,000	\$ 16,474,174	\$ (25,826)
Severance tax	2,000,000	2,000,000	1,334,675	(665,325)
Specific ownership taxes	9,600,000	9,600,000	11,229,371	1,629,371
Penalties & interest	-	-	3,060	3,060
Total Taxes	28,100,000	28,100,000	29,041,280	941,280
Licenses and Permits				
Moving Permits	500,000	500,000	559,944	59,944
Intergovernmental:				
Grazing Act	1,120,000	1,416,000	1,165,894	(250,106)
Payment in lieu of taxes	40,000	40,000	80,651	40,651
Grants	11,002,590	11,002,590	7,855,197	(3,147,393)
Motor Vehicle Registrations	340,000	340,000	364,768	24,768
Highway user Tax fund	10,500,000	10,500,000	10,677,868	177,868
Total Intergovernmental	23,002,590	23,298,590	20,144,378	(3,154,212)
Charges for Services:				
Charges for services	-	-	226,134	226,134
Miscellaneous:				
Earnings on Deposits	-	-	59,040	59,040
Special Assessment	-	-	3,058	3,058
Royalties	9,500,000	21,500,000	21,860,836	360,836
Miscellaneous	3,750,000	3,966,000	1,691,328	(2,274,672)
Total Miscellaneous	13,250,000	25,466,000	23,614,262	(1,851,738)
Fees:				
Fees	-	-	1,179,300	1,179,300
Total Revenues	64,852,590	77,364,590	74,765,298	(2,599,292)

COUNTY OF WELD
STATE OF COLORADO

Public Works Fund

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

For the Fiscal Year Ended December 31, 2017

	Budget - GAAP Basis		Actual	Variance
	Original	Final		
EXPENDITURES				
Public Works:				
Bridge Construction	6,015,090	6,039,090	5,036,342	1,002,748
Maintenance of Condition	7,251,143	7,251,143	7,193,017	58,126
Maintenance of Support	1,911,012	1,931,012	1,437,055	493,957
Trucking Division	5,209,749	5,269,749	4,824,185	445,564
Mining Division	2,587,005	2,614,505	1,752,642	861,863
Administration	1,021,945	1,021,945	1,091,062	(69,117)
Pavement Management	7,275,742	7,850,742	7,628,835	221,907
Other Public Works	70,160,083	78,482,682	55,603,931	22,878,751
Total Public Works	101,431,769	110,460,868	84,567,069	25,893,799
Intergovernmental:				
Grants-in-aid to cities/towns	4,040,887	4,344,288	3,628,417	715,871
Capital Expenditures	-	-	210,702	(210,702)
Total Expenditures	105,472,656	114,805,156	88,406,188	26,398,968
Motor Pool	-	(3,000,000)	(3,000,000)	-
Total Other Financing Sources (Uses)	-	(3,000,000)	(3,000,000)	-
Net Change in Fund Balances	(40,620,066)	(40,440,566)	(16,640,890)	23,799,676
Fund Balance at Beginning of Year	77,791,635	77,791,635	77,791,635	-
Fund Balance at End of Year	\$ 37,171,569	\$ 37,351,069	\$ 61,150,745	\$ 23,799,676

COUNTY OF WELD
STATE OF COLORADO

Social Services Fund

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

For the Fiscal Year Ended December 31, 2017

	Budget - GAAP Basis		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 11,532,977	\$ 11,532,977	\$ 11,513,788	\$ (19,189)
Penalties & interest	-	-	21,164	21,164
Total Taxes	11,532,977	11,532,977	11,534,952	1,975
Intergovernmental:				
Welfare	27,147,257	29,147,257	28,874,800	(272,457)
Total Revenues	38,680,234	40,680,234	40,409,752	(270,482)
EXPENDITURES				
Public Health and Welfare:				
Administration	12,263,534	14,265,534	13,755,517	510,017
Administrative - IV-D	3,445,000	3,455,000	3,494,306	(39,306)
Food Stamps	-	-	86	(86)
Other Programs	466,000	466,000	619,961	(153,961)
Adult Protection	625,000	770,000	756,491	(13,509)
General Assistance	-	-	63,488	(63,488)
TANF	2,854,000	3,594,000	3,605,241	(11,241)
AND - State	130,000	130,000	104,449	25,551
Child Welfare	16,253,015	16,853,015	16,754,791	98,224
Day Care	1,142,700	1,332,700	1,419,216	(86,516)

(CONTINUED)

COUNTY OF WELD
STATE OF COLORADO

Social Services Fund

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

For the Fiscal Year Ended December 31, 2017

	Budget - GAAP Basis		Actual	Variance
	Original	Final		
EXPENDITURES (CONTINUED):				
OAP-A	114,000	174,000	188,008	(14,008)
Core Services	1,238,000	1,481,000	1,482,843	(1,843)
Administration - LEAP	160,000	160,000	(3,012)	163,012
Total Public Health and Welfare	38,691,249	42,681,249	42,241,385	439,864
 Total Expenditures	 38,691,249	 42,681,249	 42,241,385	 439,864
 Net Change in Budgetary Fund Balances	 (11,015)	 (2,001,015)	 (1,831,633)	 169,382
 Fund Balance at Beginning of Year	 3,925,055	 3,925,055	 3,925,055	 -
Fund Balance at End of Year	<u>\$ 3,914,040</u>	<u>\$ 1,924,040</u>	<u>\$ 2,093,422</u>	<u>\$ 169,382</u>

COUNTY OF WELD
STATE OF COLORADO

Human Services Fund

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

For the Fiscal Year Ended December 31, 2017

	Budget - GAAP Basis			
	Original	Final	Actual	Variance
REVENUES				
Intergovernmental:				
Federal grants	\$ 6,634,909	\$ 6,732,909	\$ 6,105,055	\$ (627,854)
State grants	1,098,972	1,098,972	1,178,543	79,571
Total Intergovernmental	7,733,881	7,831,881	7,283,598	(548,283)
Charges for Services:				
Charges for services	374,728	467,728	513,678	45,950
Total Charges for Services	374,728	467,728	513,678	45,950
Miscellaneous:				
Donations	45,378	45,378	153,984	108,606
Total Miscellaneous	45,378	45,378	153,984	108,606
Total Revenues	8,153,987	8,344,987	7,951,260	(393,727)
EXPENDITURES				
Economic Assistance:				
Human resources general fund	-	-	20,159	(20,159)
Job service	1,076,950	1,144,950	1,012,552	132,398
Summer job hunt	-	-	39,787	(39,787)
WIA adult programs	677,400	677,400	665,702	11,698
WIA youth programs	720,000	720,000	466,053	253,947
10% Discretionary Grant	-	-	20,490	(20,490)
WIA dislocated worker	817,850	817,850	723,131	94,719
Human resources lab pool	222,800	222,800	195,124	27,676
UI training program	74,800	147,800	147,272	528

COUNTY OF WELD
STATE OF COLORADO

Human Services Fund

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

For the Fiscal Year Ended December 31, 2017

	Budget - GAAP Basis		Actual	Variance
	Original	Final		
EXPENDITURES (CONTINUED):				
AAA administration	531,927	431,927	116,803	315,124
OAA title III-B	202,571	202,571	185,883	16,688
OAA title III-C1 congregate	592,432	592,432	536,805	55,627
OAA title III-C2	79,545	79,545	124,610	(45,065)
OAA in home support	13,278	13,278	8,382	4,896
Health services	75,005	75,005	7,254	67,751
AAA elder abuse	-	-	2,253	(2,253)
AAA ombudsman	-	-	6,967	(6,967)
Single entry point	1,861,282	1,861,282	1,722,417	138,865
Vale Grant	9,300	9,300	10,000	(700)
AAA case management	-	-	12,062	(12,062)
AAA state funds	845,230	945,230	925,653	19,577
Part E family caregiver support	54,404	54,404	209,993	(155,589)
CSBG	296,111	346,111	348,925	(2,814)
Colorado Choice Transitions	15,453	15,453	14,205	1,248
Total Economic Assistance	<u>8,166,338</u>	<u>8,357,338</u>	<u>7,522,482</u>	<u>834,856</u>
Total Expenditures	<u>8,166,338</u>	<u>8,357,338</u>	<u>7,522,482</u>	<u>834,856</u>
Other Financing Sources (Uses):				
Transfers - In:				
OAA area agency	<u>12,351</u>	<u>12,351</u>	<u>12,351</u>	<u>-</u>
Total Other Financing Sources	<u>12,351</u>	<u>12,351</u>	<u>12,351</u>	<u>-</u>
Net Change in Budgetary Fund Balances	-	-	441,129	441,129
Fund Balance at Beginning of Year	<u>846,783</u>	<u>846,783</u>	<u>846,783</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 846,783</u>	<u>\$ 846,783</u>	<u>\$ 1,287,912</u>	<u>\$ 441,129</u>

COUNTY OF WELD
STATE OF COLORADO

Contingent Fund

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

For the fiscal year ended Year Ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 8,000,000	\$ 8,000,000	\$ 7,970,334	\$ (29,666)
Penalties & interest	-	-	(7,123)	(7,123)
Total Taxes	<u>8,000,000</u>	<u>8,000,000</u>	<u>7,963,211</u>	<u>(36,789)</u>
Total Revenues	<u>8,000,000</u>	<u>8,000,000</u>	<u>7,963,211</u>	<u>(36,789)</u>
EXPENDITURES				
Pension Contribution	<u>10,000,000</u>	<u>13,600,000</u>	<u>13,600,000</u>	<u>-</u>
Total Expenditures	<u>10,000,000</u>	<u>13,600,000</u>	<u>13,600,000</u>	<u>-</u>
Net Change in Fund Balance	(2,000,000)	(5,600,000)	(5,636,789)	(36,789)
Fund Balance at Beginning of Year	<u>29,580,352</u>	<u>29,580,352</u>	<u>29,580,352</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 27,580,352</u>	<u>\$ 23,980,352</u>	<u>\$ 23,943,563</u>	<u>\$ (36,789)</u>

Supplemental Information



COUNTY OF WELD
STATE OF COLORADO

EXPLANATIONS OF FUNDS

December 31, 2017

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds account for taxes or other earmarked revenue of the County that finances specified activities as required by law or administrative action.

Conservation Trust Fund:

The Conservation Trust Fund accounts for revenue received from the State of Colorado to be used for the acquisition, development and maintenance of new and existing conservation sites within Weld County. The funds are derived from the Colorado State Lottery.

Public Health Fund:

The Weld County Public Health Department provides health services to County residents. The fund reflects revenue and expenditures for health care, health education, health monitoring and other related activities.

Solid Waste Fund:

This fund accounts for revenue received from a surcharge on dumping fees at solid waste disposal sites for the purpose of combating environmental problems and for the further improvement and development of landfill sites within the County.

Law Enforcement Authority Funds

These funds accounts for the revenue of the law enforcement authority. The authority is a taxing unit created by the County to provide additional law enforcement services by the County Sheriff to residents in a developed unincorporated area of the County

COUNTY OF WELD
STATE OF COLORADO

EXPLANATIONS OF FUNDS

December 31, 2017

PROPRIETARY FUNDS

Enterprise Funds

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the governing body has decided that periodic determination or revenue earned, expenses incurred, and/or net income is appropriated for capital maintenance, public policy, management control, accountability or other purposes.

Northern Colorado Regional Forensic Laboratory:

This Fund accounts for the maintenance and operation cost of the Northern Colorado Regional Forensic Laboratory. It is funded by rents paid by the participating agencies.

Internal Service Funds

Motor Vehicle Fund:

This fund accounts for the revenue and costs generated by equipment and vehicles rented to various departments of the County.

Health Insurance Fund:

This fund accounts for the County's self-insured dental and vision coverage. Revenue is generated from contributions from the employees of the County. Disbursements are made after insured claims have been verified and approved.

Insurance Fund:

This fund accounts for all insurance costs for the County, except health insurance. This program is a combination of insured risks and protected self-insurance risks.

Phone Services Fund:

This fund accounts for all phone costs provided to the County and other outside agencies on a cost-reimbursement basis.

COUNTY OF WELD
STATE OF COLORADO

EXPLANATIONS OF FUNDS

December 31, 2017

FIDUCIARY FUNDS

Agency Funds

Agency funds account for assets held by the County as an agent for individuals, private organizations and/or other governments.

General Agency Fund:

This fund accounts for all monies collected (principally tax collections) by the Weld County Treasurer for various other local governmental units within the County.

Payroll Agency Fund:

This fund accounts for the accumulation of County payrolls and related withholdings. Disbursements are made to the appropriate financial institutions through the payroll direct deposit system and the various vendors for the withholdings.

Employee Flexible Spending:

This fund accounts for Weld County's Section 125, voluntary tax-sheltered plan, which the County administers directly. Employee contributions to the plan are refunded upon submission of documentation for un-reimbursed claims.

COUNTY OF WELD
STATE OF COLORADO

EXPLANATIONS OF FUNDS

December 31, 2017

COMPONENT UNITS

Component units are tied to the County with some board control. They operate as a separate fund but the information is discretely presented.

Housing Authority Fund:

This fund works with all the low income citizens of Weld County to help with rent assistance or housing repair.

E-911 Authority Fund:

This fund operates under state statute, Article 11 of Title 29, C.R.S.. They are responsible for administering the operations of the 911 emergency telephone service program in Weld County.



COUNTY OF WELD
STATE OF COLORADO

Combining Balance Sheet

Non-Major Governmental Funds

December 31, 2017

	Conservation Trust	Public Health	Solid Waste
ASSETS			
Cash and Investments	\$ 583,599	\$ 12,570,540	\$ 3,728,796
Receivables (net of allowance for uncollectibles):			
Accounts Receivable	31,937	1,057,684	165,769
Other Assets	-	5,102	-
Total Assets	<u>\$ 615,536</u>	<u>\$ 13,633,326</u>	<u>\$ 3,894,565</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts Payable	-	101,920	470
Accrued Liabilities	-	247,662	-
Due to other County funds	-	5,483	-
Unearned Revenues	-	200,835	-
Total Liabilities	<u>-</u>	<u>555,900</u>	<u>470</u>
Fund Balances:			
Nonspendable	-	5,102	-
Restricted	615,536	13,072,324	-
Committed	-	-	3,894,095
Total Fund Balances	<u>615,536</u>	<u>13,077,426</u>	<u>3,894,095</u>
Total Liabilities and Fund Balances	<u>\$ 615,536</u>	<u>\$ 13,633,326</u>	<u>\$ 3,894,565</u>

<u>Law Enforcement Authority Fund</u>	<u>Total Nonmajor Governmental Funds</u>
\$ -	\$ 16,882,935
-	1,255,390
-	5,102
<u>\$ -</u>	<u>\$ 18,143,427</u>

-	102,390
-	247,662
-	5,483
-	200,835
<u>-</u>	<u>556,370</u>

-	5,102
-	13,687,860
-	3,894,095
<u>-</u>	<u>17,587,057</u>
<u>\$ -</u>	<u>\$ 18,143,427</u>

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Revenues, Expenditures and
Changes in Fund Balances
Non-Major Governmental Funds

For the fiscal year ended December 31, 2017

	Conservation Trust	Public Health	Solid Waste
REVENUES:			
Taxes:			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	436,368	3,230,617	-
Charges for Services	-	2,023,717	2,138,398
Fines and Forfeitures	-	12,953	-
Miscellaneous	6,196	153,130	-
Total Revenues	<u>442,564</u>	<u>5,420,417</u>	<u>2,138,398</u>
EXPENDITURES:			
Public Safety	-	-	220,366
Public Health and Welfare	-	8,734,239	-
Culture and Recreation	369,018	-	-
Capital Expenditures	-	-	10,900
Total Expenditures	<u>369,018</u>	<u>8,734,239</u>	<u>231,266</u>
Excess of Revenues Over (Under)			
Expenditures	<u>73,546</u>	<u>(3,313,822)</u>	<u>1,907,132</u>
Other Financing Sources (Uses):			
Transfers - in	-	5,513,081	-
Transfers - out	-	-	728,428
Total Other Financing Sources (Uses)	<u>-</u>	<u>5,513,081</u>	<u>(728,428)</u>
Net Change in Fund Balances	73,546	2,199,259	1,178,704
Fund Balances at Beginning of Year	<u>541,990</u>	<u>10,878,167</u>	<u>2,715,391</u>
Fund Balances at End of Year	<u>\$ 615,536</u>	<u>\$ 13,077,426</u>	<u>\$ 3,894,095</u>

<u>Law Enforcement Authority Fund</u>		<u>Total Nonmajor Governmental Funds</u>	
\$	19,229	\$	19,229
	-		3,666,985
	-		4,162,115
	-		12,953
	-		159,326
	<u>19,229</u>		<u>8,020,608</u>
	19,229		239,595
	-		8,734,239
	-		369,018
	-		10,900
	<u>19,229</u>		<u>9,353,752</u>
	-		(1,333,144)
	-		5,513,081
	-		<u>728,428</u>
	-		<u>4,784,653</u>
	-		3,451,509
	-		<u>14,135,548</u>
\$	-	\$	<u><u>17,587,057</u></u>

COUNTY OF WELD
STATE OF COLORADO

Capital Expenditures Fund

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 11,376,500	\$ 11,376,500	\$ 11,351,934	\$ (24,566)
Penalties & interest	-	-	867	867
Total Taxes	11,376,500	11,376,500	11,352,801	(23,699)
Fees:	200,000	200,000	196,830	(3,170)
Earnings on Deposits	225,000	225,000	390,623	165,623
Grant	-	-	15,490	15,490
Total Revenues	11,801,500	11,801,500	11,955,744	154,244
EXPENDITURES				
Capital Outlay:				
Buildings	12,247,876	13,247,876	8,322,046	4,925,830
Total Expenditures	12,247,876	13,247,876	8,322,046	4,925,830
Other Financing Sources (Uses)				
Transfers - In:				
General Fund	-	1,000,000	2,500,000	1,500,000
Total Other Financing Sources (Uses)	-	1,000,000	2,500,000	1,500,000
Net Change in Fund Balance	(446,376)	(446,376)	6,133,698	6,580,074
Fund Balances at Beginning of Year	26,207,989	26,207,989	26,207,989	-
Fund Balances at End of Year	<u>\$ 25,761,613</u>	<u>\$ 25,761,613</u>	<u>\$ 32,341,687</u>	<u>\$ 6,580,074</u>

COUNTY OF WELD
STATE OF COLORADO

Conservation Trust Fund

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental:				
State Lottery	\$ 410,000	\$ 410,000	\$ 436,368	\$ 26,368
Miscellaneous:				
Earnings on Deposits	2,000	2,000	6,196	4,196
Total Revenues	<u>412,000</u>	<u>412,000</u>	<u>442,564</u>	<u>30,564</u>
EXPENDITURES				
Culture and Recreation:				
Land Improvements	396,933	396,933	369,018	27,915
Total Expenditures	<u>396,933</u>	<u>396,933</u>	<u>369,018</u>	<u>27,915</u>
Net Change in Fund Balances	15,067	15,067	73,546	58,479
Fund Balances at Beginning of Year	541,990	541,990	541,990	-
Fund Balances at End of Year	<u>\$ 557,057</u>	<u>\$ 557,057</u>	<u>\$ 615,536</u>	<u>\$ 58,479</u>

COUNTY OF WELD
STATE OF COLORADO

Public Health Fund

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental:				
State grants	\$ 3,447,171	\$ 3,447,171	\$ 3,230,617	\$ (216,554)
Total Intergovernmental	3,447,171	3,447,171	3,230,617	(216,554)
Charges for Services:				
Charges for services	1,865,202	1,865,202	2,023,717	158,515
Total Charges for Services	1,865,202	1,865,202	2,023,717	158,515
Miscellaneous:				
Fees and Fines	7,500	7,500	12,953	5,453
Other	-	-	130,457	130,457
Donations	17,200	17,200	22,673	5,473
Total Miscellaneous	24,700	24,700	166,083	141,383
Total Revenues	5,337,073	5,337,073	5,420,417	83,344
EXPENDITURES				
Public Health and Welfare:				
Public Health Administration	152,300	152,300	185,912	(33,612)
Health Education	1,877,884	1,877,884	1,569,152	308,732
Nursing	5,231,468	5,231,468	3,821,329	1,410,139
Environmental Health	3,257,970	3,257,970	2,864,636	393,334
Public Health Preparedness	287,832	287,832	293,210	(5,378)
Total Public Health and Welfare	10,807,454	10,807,454	8,734,239	2,073,215
Capital Outlay:				
Capital Expenditures	42,700	42,700	-	42,700
Total Expenditures	10,850,154	10,850,154	8,734,239	2,115,915
Other Financing Sources (Uses):				
Transfers - In:				
Non-Departmental	5,513,081	5,513,081	5,513,081	-
Total Other Financing Sources	5,513,081	5,513,081	5,513,081	-
Net Change in Fund Balance	-	-	2,199,259	2,199,259
Fund Balances at Beginning of Year	10,878,167	10,878,167	10,878,167	-
Fund Balances at End of Year	\$ 10,878,167	\$ 10,878,167	\$ 13,077,426	\$ 2,199,259

COUNTY OF WELD
STATE OF COLORADO

Solid Waste Fund

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Land Fill Surcharges	\$ 1,200,000	\$ 1,200,000	\$ 2,138,398	\$ 938,398
Total Revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>2,138,398</u>	<u>938,398</u>
EXPENDITURES				
Miscellaneous:				
Solid Waste	471,572	471,572	220,366	251,206
Total Miscellaneous	<u>(471,572)</u>	<u>(471,572)</u>	<u>(220,366)</u>	<u>251,206</u>
Capital Outlay				
Capital Expenditures	-	-	10,900	10,900
Total Expenditures	<u>471,572</u>	<u>471,572</u>	<u>231,266</u>	<u>240,306</u>
Other Financing Sources (Uses)				
Transfers Out:				
General Fund	85,000	85,000	85,000	-
Health Department	643,428	643,428	643,428	-
Total Other Financing Sources (Uses)	<u>(728,428)</u>	<u>(728,428)</u>	<u>(728,428)</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,178,704	1,178,704
Fund Balances at Beginning of Year	2,715,391	2,715,391	2,715,391	-
Fund Balances at End of Year	<u>\$ 2,676,095</u>	<u>\$ 2,715,391</u>	<u>\$ 3,894,095</u>	<u>\$ 1,178,704</u>

COUNTY OF WELD
STATE OF COLORADO

Beebe Draw Law Enforcement Fund

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 14,942	\$ 14,942	\$ 14,942	\$ -
Specific ownership taxes	1,500	1,500	1,160	(340)
Penalties & interest	-	-	3	3
Total Revenues	<u>16,442</u>	<u>16,442</u>	<u>16,105</u>	<u>(337)</u>
EXPENDITURES				
Miscellaneous	<u>16,664</u>	<u>16,664</u>	<u>16,105</u>	<u>559</u>
Total Expenditures	<u>16,664</u>	<u>16,664</u>	<u>16,105</u>	<u>559</u>
Net Change in Fund Balances	(222)	(222)	-	222
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ (222)</u>	<u>\$ (222)</u>	<u>\$ -</u>	<u>\$ 222</u>

COUNTY OF WELD
STATE OF COLORADO

Pioneer Community Law Enforcement Fund

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Taxes:				
General property taxes	\$ 2,899	\$ 2,899	\$ 2,899	\$ -
Specific ownership taxes	600	600	225	(375)
Total Revenues	<u>3,499</u>	<u>3,499</u>	<u>3,124</u>	<u>(375)</u>
EXPENDITURES				
Miscellaneous	<u>3,565</u>	<u>3,565</u>	<u>3,124</u>	<u>441</u>
Total Expenditures	<u>3,565</u>	<u>3,565</u>	<u>3,124</u>	<u>441</u>
Net Change in Fund Balances	(66)	(66)	-	66
Fund Balances at Beginning of Year	-	-	-	-
Fund Balances at End of Year	<u>\$ (66)</u>	<u>\$ (66)</u>	<u>\$ -</u>	<u>\$ 66</u>

COUNTY OF WELD
STATE OF COLORADO

Housing Authority

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental:				
Federal grants	\$ -	\$ -	\$ -	\$ -
State grants	2,552,130	2,552,130	2,971,106	418,976
Total Intergovernmental	2,552,130	2,552,130	2,971,106	418,976
Miscellaneous:				
Earnings on Deposits	-	-	7,343	7,343
Miscellaneous	-	-	29,771	29,771
Total Miscellaneous	-	-	37,114	37,114
Total Revenues	2,552,130	2,552,130	3,008,220	456,090
EXPENDITURES				
Rent Assistance	2,319,314	2,319,314	2,821,638	(502,324)
Supplies	241,149	241,149	285,907	(44,758)
Depreciation	-	-	1,771	(1,771)
Total Expenditures	2,560,463	2,560,463	3,109,316	(548,853)
Net Change in Fund Balances	(8,333)	(8,333)	(101,096)	(92,763)
Fund Balances at Beginning of Year	-	-	2,403,980	2,403,980
Fund Balances at End of Year	<u>\$ (8,333)</u>	<u>\$ (8,333)</u>	<u>\$ 2,302,884</u>	<u>\$ 2,311,217</u>

COUNTY OF WELD
STATE OF COLORADO

E-911 Authority

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

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Miscellaneous:				
Interest	\$ 10,000	\$ 10,000	\$ 24,799	\$ 14,799
Charges for services	2,350,000	2,350,000	2,379,505	29,505
Total Revenue	2,360,000	2,360,000	2,404,304	44,304
Expenditures				
Depreciation	517,732	517,732	465,130	52,602
Purchased Services	1,220,220	1,220,220	1,087,466	132,754
Supplies	622,048	622,048	622,048	-
Other	-	-	580	(580)
Total Expenditures	2,360,000	2,360,000	2,175,224	184,776
Net Change in Fund Balances	-	-	229,080	229,080
Fund Balances at Beginning of Year	4,662,413	4,662,413	4,662,413	-
Fund Balances at End of Year	\$ 4,662,413	\$ 4,662,413	\$ 4,891,493	\$ 229,080

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Weld	
		YEAR ENDING : December 2017	
This Information From The Records Of Weld County		Prepared By: Phone:	Barbara Connolly 9704004445.00

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	13,926,103
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	71,143,134
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	1,163,288
3. Other local imposts (from page 2)	27,709,663	c. Other	454,184
4. Miscellaneous local receipts (from page 2)	24,576,582	d. Total (a. through c.)	1,617,472
5. Transfers from toll facilities		4. General administration & miscellaneous	4,719,479
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	91,406,188
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	52,286,245	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	20,232,508	2. Notes:	
D. Receipts from Federal Government (from page 2)	1,246,545	a. Interest	
E. Total receipts (A.7 + B + C + D)	73,765,298	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	91,406,188

IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	77,791,635	73,765,298	91,406,188	60,150,745	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2017	

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	16,480,292	a. Interest on investments	59,040
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	226,134
5. Specific Ownership &/or Other	11,229,371	g. Other Misc. Receipts	1,739,244
6. Total (1. through 5.)	11,229,371	h. Other	22,552,164
c. Total (a. + b.)	27,709,663	i. Total (a. through h.)	24,576,582
	(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	10,677,868	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	1,165,894
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	364,768	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)	9,189,872	f. Other Federal	80,651
f. Total (a. through e.)	9,554,640	g. Total (a. through f.)	1,246,545
4. Total (1. + 2. + 3.f)	20,232,508	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		1,145,482	1,145,482
b. Engineering Costs		3,266,055	3,266,055
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		44,321	44,321
(3). System Preservation		9,470,245	9,470,245
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	9,514,566	9,514,566
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	13,926,103	13,926,103
			(Carry forward to page 1)
Notes and Comments:			

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Net Position
Internal Service Funds

December 31, 2017

	Motor Vehicle	Health Insurance	Insurance
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 4,494,999	\$ 20,662,653	\$ 2,805,994
Receivables (net of allowances for uncollectables):			
Property taxes receivable	-	-	2,572,845
Delinquent property taxes	-	-	-
Accounts Receivable	4,785	5,704	-
Due From other County Funds	-	2,231	19,300
Inventory	56,061	-	-
Other Assets	-	15,225	-
Total current assets	<u>4,555,845</u>	<u>20,685,813</u>	<u>5,398,139</u>
Fixed assets:			
Improvements other than buildings	1,706,972	-	-
Construction in progress	122,631	-	-
Buildings	2,111,422	-	-
Machinery and Equipment	48,774,592	-	-
Accumulated Depreciation	(31,320,273)	-	-
Total Fixed Assets	<u>21,395,344</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 25,951,189</u>	<u>\$ 20,685,813</u>	<u>\$ 5,398,139</u>
LIABILITIES, DEFERRED INFLOWS AND NET POSITION			
Current Liabilities			
Accounts Payable	\$ 261,009	\$ 22,946	\$ 143,703
Accrued Liabilities	40,214	3,090,032	2,199,748
Due to other County funds	83,577	-	40,788
Unearned Revenues	-	1,755,262	-
Total Current Liabilities	<u>384,800</u>	<u>4,868,240</u>	<u>2,384,239</u>
Deferred Inflows of Resources			
Property Taxes	-	-	2,586,576
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>2,586,576</u>
Total Liabilities and Deferred Inflows	<u>384,800</u>	<u>4,868,240</u>	<u>4,970,815</u>
Net Position			
Invested in capital assets	21,395,344	-	-
Restricted for:			
Insurance Claims	-	15,817,573	427,324
Unrestricted	4,171,045	-	-
Total net position	<u>\$ 25,566,389</u>	<u>\$ 15,817,573</u>	<u>\$ 427,324</u>

<u>Phone Services</u>	<u>Total Internal Service Funds</u>
\$ 430,907	\$ 28,394,553
-	2,572,845
-	-
2,827	13,316
-	21,531
-	56,061
1,832	17,057
<u>435,566</u>	<u>31,075,363</u>
-	1,706,972
-	122,631
-	2,111,422
971,060	49,745,652
<u>(147,606)</u>	<u>(31,467,879)</u>
823,454	22,218,798
<u>\$ 1,259,020</u>	<u>\$ 53,294,161</u>

\$ 542	\$ 428,200
21,728	5,351,722
-	124,365
-	1,755,262
<u>22,270</u>	<u>7,659,549</u>

-	<u>2,586,576</u>
-	<u>2,586,576</u>
<u>22,270</u>	<u>10,246,125</u>

823,454	22,218,798
-	16,244,897
<u>413,296</u>	<u>4,584,341</u>
<u>\$ 1,236,750</u>	<u>\$ 43,048,036</u>

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Revenues, Expenditures and Changes in Net Position
Internal Service Funds

For the fiscal year ended December 31, 2017

	Motor Vehicle	Health Insurance	Insurance
Operating revenues:			
Employer Contributions	\$ -	\$ 20,411,980	\$ -
Charges for Services	10,080,599	1,354	74,799
Total operating revenues	<u>10,080,599</u>	<u>20,413,334</u>	<u>74,799</u>
Operating expenses:			
Personnel Services	293,028	-	-
Supplies	1,914,041	10,829	1,352
Purchased Services	4,885,928	825,573	41,137
Insurance and Bonds	-	-	784,923
Depreciation	4,113,578	-	-
Other	71,117	(4,153)	-
Claims	-	16,071,164	2,155,538
Total operating expenditures	<u>11,277,692</u>	<u>16,903,413</u>	<u>2,982,950</u>
Operating income (loss)	<u>(1,197,093)</u>	<u>3,509,921</u>	<u>(2,908,151)</u>
Nonoperating Revenues (Expenses)			
Taxes	-	-	1,999,195
Miscellaneous	13,658	-	-
Earnings on investments	-	-	35,367
Grants	130,243	-	-
Gains (loss) on Disposal	421,537	-	-
Judgment and Damages	-	-	308,459
Total nonoperating revenues (expenses)	<u>565,438</u>	<u>-</u>	<u>2,343,021</u>
Income (loss) before contributions and transfers	<u>(631,655)</u>	<u>3,509,921</u>	<u>(565,130)</u>
Transfers - in	<u>3,000,000</u>	<u>-</u>	<u>-</u>
Changes in net position	<u>2,368,345</u>	<u>3,509,921</u>	<u>(565,130)</u>
Total net position - beginning	<u>23,198,044</u>	<u>12,307,652</u>	<u>992,454</u>
Total net position - ending	<u>\$ 25,566,389</u>	<u>\$ 15,817,573</u>	<u>\$ 427,324</u>

<u>Phone Services</u>	<u>Total Internal Service Funds</u>
\$ -	\$ 20,411,980
<u>1,492,973</u>	<u>11,649,725</u>
<u>1,492,973</u>	<u>32,061,705</u>

276,689	569,717
6,845	1,933,067
844,600	6,597,238
-	784,923
154,783	4,268,361
212,386	279,350
-	18,226,702
<u>1,495,303</u>	<u>32,659,358</u>
<u>(2,330)</u>	<u>(597,653)</u>

-	1,999,195
-	13,658
-	35,367
-	130,243
(5,002)	416,535
-	308,459
<u>(5,002)</u>	<u>2,903,457</u>
<u>(7,332)</u>	<u>2,305,804</u>
-	3,000,000
<u>(7,332)</u>	<u>5,305,804</u>
<u>1,244,082</u>	<u>37,742,232</u>
<u>\$ 1,236,750</u>	<u>\$ 43,048,036</u>

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Cash Flows
Internal Service Funds

For the fiscal year ended December 31, 2017

	Motor Vehicle Fund	Health Insurance Fund	Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash flows from external customers	174,146	-	-
Cash flows from internal customers	9,630,659	20,494,665	62,580
Cash payments to external suppliers for goods and services	(6,384,038)	(17,162,557)	(2,700,857)
Cash payments to internal suppliers for goods and services	(455,414)	(21,143)	-
Cash payments to employees for services	-	-	-
Judgements/damages/losses	-	-	308,459
Miscellaneous revenues	13,658	-	-
Net cash provided (used) by operating activities	<u>2,979,011</u>	<u>3,310,965</u>	<u>(2,329,818)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Taxes	-	-	2,010,226
Transfers/Advances	3,000,000	-	-
Grants	130,243	-	-
Net cash provided by noncapital financing activities	<u>3,130,243</u>	<u>-</u>	<u>2,010,226</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	(5,097,928)	-	-
Proceeds from sale of capital assets	475,633	-	-
Net cash provided (used) for capital and related financing activities	<u>(4,622,295)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	-	-	35,211
Net Increase (decrease) in Cash and Cash Equivalents	1,486,959	3,310,965	(284,381)
Cash and Cash Equivalents at Beginning of Year	<u>3,008,040</u>	<u>17,351,688</u>	<u>3,090,375</u>
Cash and Cash Equivalents at End of Year	<u><u>4,494,999</u></u>	<u><u>20,662,653</u></u>	<u><u>2,805,994</u></u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	(1,197,093)	3,509,921	(2,908,151)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	4,113,578	-	-
Judgements/damages/losses	-	-	308,459
Miscellaneous revenue	13,658	-	-
Change in assets and liabilities			
(Increase) decrease in accounts receivable	93,391	(5,704)	(494,966)
(Increase) decrease in due from other funds	661	(2,231)	(19,300)
(Increase) decrease in inventories	14,501	-	-
(Increase) decrease in other assets	-	(15,225)	-
Increase (decrease) in accounts payable	(183,476)	(17,700)	28,913
Increase (decrease) in accrued liabilities	40,214	(239,088)	253,181
Increase (decrease) in other liabilities	83,577	(405)	7,081
Increase (decrease) in deferred revenue	-	81,397	494,965
Total adjustments	<u>4,176,104</u>	<u>(198,956)</u>	<u>578,333</u>
Net cash provided (used) by operating activities	<u><u>2,979,011</u></u>	<u><u>3,310,965</u></u>	<u><u>(2,329,818)</u></u>
Noncash investing, capital, and financing activities:			
Contributions of capital assets from (to) government	-	-	-
Loss on Disposal of Asset	-	-	-

Phone Service Fund	Total Internal Service Funds
30,962	205,108
1,463,329	31,651,233
(728,163)	(26,975,615)
(381,964)	(858,521)
(292,439)	(292,439)
-	308,459
-	13,658
<u>91,725</u>	<u>4,051,883</u>
-	2,010,226
-	3,000,000
-	130,243
<u>-</u>	<u>5,140,469</u>
-	(5,097,928)
<u>-</u>	<u>475,633</u>
-	(4,622,295)
-	35,211
91,725	4,605,268
<u>339,182</u>	<u>23,789,285</u>
<u>430,907</u>	<u>28,394,553</u>
(2,330)	(597,653)
154,783	4,268,361
-	308,459
-	13,658
452	(406,827)
60	(20,810)
-	14,501
82	(15,143)
(45,245)	(217,508)
(16,077)	38,230
-	90,253
-	576,362
<u>94,055</u>	<u>4,649,536</u>
<u>91,725</u>	<u>4,051,883</u>
-	-
-	-

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Pension Net Position

December 31, 2017

	Retirement Plan	Other Post Employment Benefits	Total
ASSETS			
Restricted assets			
Restricted Cash	\$ 2,798,258	\$ 1,144,412	\$ 3,942,670
Restricted Investments			
Equity	163,554,636	-	163,554,636
Fixed Income	49,292,045	-	49,292,045
Hedge Fund	13,732,737	-	13,732,737
Real Property	48,292,755	-	48,292,755
Money Market	26,373,233	-	26,373,233
Total assets	<u>304,043,664</u>	<u>1,144,412</u>	<u>305,188,076</u>
LIABILITIES AND NET POSITION			
Accounts payable	18,403	-	18,403
Total Liabilities	<u>18,403</u>	<u>-</u>	<u>18,403</u>
NET POSITION			
Held in trust for pension benefits and other purposes	<u>304,025,261</u>	<u>1,144,412</u>	<u>305,169,673</u>

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Changes
in Pension Net Position

For the fiscal year ended December 31, 2017

	Retirement Plan	Other Post Employment Benefits	Total
Additions:			
Employer contributions	\$ 24,868,792	\$ -	\$ 24,868,792
Employee contributions	8,769,033	28,111	8,797,144
Earnings on investments, net of investment related expenses of \$468,897 and \$0	23,614,121	14,196	23,628,317
Net appreciation in fair market value of investments	8,310,359	-	8,310,359
Total Additions	<u>65,562,305</u>	<u>42,307</u>	<u>65,604,612</u>
Deductions:			
Actuarial fees	83,561	-	83,561
Benefit payments	16,642,631	166,502	16,809,133
Supplies	4,200	-	4,200
Total Deductions	<u>16,730,392</u>	<u>166,502</u>	<u>16,896,894</u>
Change in Net Assets	48,831,913	(124,195)	48,707,718
Net position - beginning	255,193,348	1,268,607	256,461,955
Net position - ending	<u>\$ 304,025,261</u>	<u>\$ 1,144,412</u>	<u>\$ 305,169,673</u>

COUNTY OF WELD
STATE OF COLORADO

Combining Statement of Changes in Assets and Liabilities
Fiduciary Funds

For the fiscal year ended Year Ended December 31, 2017

	Balance 1/1/2017	Additions	Deductions	Balance 12/31/2017
GENERAL AGENCY FUND				
Assets:				
Cash and Investments	\$ 10,891,561	\$ 12,628,923	\$ 10,274,279	\$ 13,246,205
Accounts Receivable (net of allowance for uncollectible)	2,198	238,062	240,260	-
Total Assets	<u>\$ 10,893,759</u>	<u>\$ 12,866,985</u>	<u>\$ 10,514,539</u>	<u>\$ 13,246,205</u>
Liabilities:				
Accounts Payable	\$ -	\$ 1,350,511	\$ 300,511	\$ 1,050,000
Due to other Governments	10,893,759	12,435,225	11,132,779	12,196,205
Total Liabilities	<u>\$ 10,893,759</u>	<u>\$ 13,785,736</u>	<u>\$ 11,433,290</u>	<u>\$ 13,246,205</u>
PAYROLL AGENCY FUND				
Assets:				
Cash and Investments	\$ 133,750	\$ 29,775,876	\$ 29,758,881	\$ 150,745
Accounts Receivable (net of allowance for uncollectible):	2,305	18,186	18,423	2,068
Total Assets	<u>\$ 136,055</u>	<u>\$ 29,794,062</u>	<u>\$ 29,777,304</u>	<u>\$ 152,813</u>
Liabilities:				
Accounts Payable	\$ 136,055	\$ 31,281,222	\$ 31,264,464	\$ 152,813
Total Liabilities	<u>\$ 136,055</u>	<u>\$ 31,281,222</u>	<u>\$ 31,264,464</u>	<u>\$ 152,813</u>
EMPLOYEE FLEXIBLE SPENDING				
Assets:				
Cash and Investments	\$ 46,671	\$ 752,202	\$ 762,708	\$ 36,165
Accounts Receivable (net of allowance for uncollectible):	-	3,824	1	3,823
Total Assets	<u>\$ 46,671</u>	<u>\$ 756,026</u>	<u>\$ 762,709</u>	<u>\$ 39,988</u>
Liabilities:				
Accounts Payable	\$ 46,671	\$ 39,988	\$ 46,671	\$ 39,988
Total Liabilities	<u>\$ 46,671</u>	<u>\$ 39,988</u>	<u>\$ 46,671</u>	<u>\$ 39,988</u>
TOTAL - ALL AGENCY FUNDS				
Assets:				
Cash and Investments	\$ 11,071,982	\$ 43,157,001	\$ 40,795,868	\$ 13,433,115
Accounts Receivable	\$ 4,503	\$ 260,072	\$ 258,684	\$ 5,891
Total Assets	<u>\$ 11,076,485</u>	<u>\$ 43,417,073</u>	<u>\$ 41,054,552</u>	<u>\$ 13,439,006</u>
Liabilities:				
Accounts payable	\$ 182,726	\$ 32,671,721	\$ 31,611,646	\$ 1,242,801
Due to other governments	10,893,759	12,435,225	11,132,779	12,196,205
Total Liabilities	<u>\$ 11,076,485</u>	<u>\$ 45,106,946</u>	<u>\$ 42,744,425</u>	<u>\$ 13,439,006</u>

COUNTY OF WELD
STATE OF COLORADO

Northern Colorado Regional Forensic Laboratory

Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual

For the fiscal year ended Year Ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
Operating Revenues:				
Charges for services	\$ 155,000	\$ 310,000	\$ 200,952	\$ (109,048)
Total Operating Revenues	155,000	310,000	200,952	(109,048)
Operating Expenses:				
Supplies	5,250	5,250	4,014	1,236
Purchased Services	144,750	140,784	117,882	22,902
Depreciation	-	86,038	79,056	6,982
Other	5,000	77,928	-	77,928
Total Operating Expenses	155,000	310,000	200,952	(109,048)
Nonoperating Revenues:				
Income(loss) before contributions and transfers	-	-	-	-
Capital Contributions	-	-	3,833,398	(3,833,398)
Net Income (Loss)	-	-	3,833,398	3,833,398
Net Position at Beginning of Year	-	-	-	-
Net Position at end of Year	\$ -	\$ -	\$ 3,833,398	\$ 3,833,398

COUNTY OF WELD
STATE OF COLORADO

Motor Vehicle Fund

Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual

For the fiscal year ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
Operating Revenues:				
Charges for services	\$ 6,552,922	\$ 6,552,922	\$ 5,939,018	\$ (613,904)
Miscellaneous	4,300,000	4,300,000	4,141,581	(158,419)
Total Operating Revenues	10,852,922	10,852,922	10,080,599	(772,323)
Operating Expenses:				
Personnel Services	-	425,000	293,028	131,972
Supplies	1,621,000	1,671,000	1,914,041	243,041
Purchased Services	4,892,673	5,427,673	4,885,968	541,705
Depreciation	4,300,000	4,300,000	4,113,578	186,422
Other	70,922	70,922	71,077	(155)
Total Operating Expenses	10,884,595	11,894,595	11,277,692	616,903
Operating Income (Loss)	(31,673)	(1,041,673)	(1,197,093)	(155,420)
Nonoperating Revenues (Expenses):				
Other	-	-	13,658	13,658
Grant	449,000	449,000	130,243	(318,757)
Gain/Loss on Disposal	343,000	343,000	421,537	78,537
Total Nonoperating Revenues(Expenses)	792,000	792,000	565,438	(226,562)
Income(Loss) before contributions and transfers	760,327	(249,673)	(631,655)	(381,982)
Transfers - in	-	3,000,000	3,000,000	-
Net Income (Loss)	760,327	2,750,327	2,368,345	(381,982)
Net Position at Beginning of Year	23,198,044	23,198,044	23,198,044	-
Net Position at End of Year	\$ 23,958,371	\$ 25,948,371	\$ 25,566,389	\$ (381,982)

COUNTY OF WELD
STATE OF COLORADO

Health Insurance Fund

Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual

For the fiscal Year Ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
Operating Revenues:				
Employee Premiums	\$ 18,723,584	\$ 18,723,584	\$ 20,411,980	\$ 1,688,396
Charges for services	-	-	1,354	1,354
Total Operating Revenue	18,723,584	18,723,584	20,413,334	1,689,750
Operating Expenses:				
Supplies	9,000	9,000	10,829	(1,829)
Purchased Services	1,339,916	1,339,916	825,573	514,343
Other	1,631,435	1,631,435	(4,153)	1,635,588
Insurance Claims	15,743,233	15,743,233	16,071,164	(327,931)
Total Operating Expenses	18,723,584	18,723,584	16,903,413	1,820,171
Operating Income (Loss)	-	-	3,509,921	3,509,921
Net Income (Loss)	-	-	3,509,921	3,509,921
Net Position at Beginning of Year	12,307,652	12,307,652	12,307,652	-
Net Position at End of Year	\$ 12,307,652	\$ 12,307,652	\$ 15,817,573	\$ 3,509,921

COUNTY OF WELD
STATE OF COLORADO

Insurance Fund

Schedule of Revenues Expenses and
Changes in Net Position - Budget and Actual

For the fiscal Year Ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
Operating Revenues:				
Charges for services	\$ 75,000	\$ 75,000	\$ 74,799	\$ (201)
Operating Expenses:				
Supplies	3,500	3,500	1,352	2,148
Purchased Services	41,750	41,750	41,137	613
Insurance and Bonds	773,000	773,000	784,923	(11,923)
Insurance Claims	1,386,750	2,086,750	2,155,538	(68,788)
Total Operating Expenses	2,205,000	2,905,000	2,982,950	(77,950)
Operating Income (Loss)	(2,130,000)	(2,830,000)	(2,908,151)	(78,151)
Nonoperating Revenues (Expenses):				
General property taxes	2,000,000	2,000,000	1,999,351	(649)
Penalties & interest	-	-	(156)	(156)
Interest	30,000	30,000	35,367	5,367
Judgment and Damages	100,000	300,000	308,459	8,459
Total Nonoperating Revenues (Expenses)	2,130,000	2,330,000	2,343,021	13,021
Income(Loss) before contributions and transfers	-	(500,000)	(565,130)	(65,130)
Net Income (Loss)	-	(500,000)	(565,130)	(65,130)
Net Position at Beginning of Year	992,454	992,454	992,454	-
Net Position at End of Year	\$ 992,454	\$ 492,454	\$ 427,324	\$ (65,130)

COUNTY OF WELD
STATE OF COLORADO

Phone Service Fund

Schedule of Revenues, Expenses and
Changes in Net Position - Budget and Actual

For the Fiscal Year Ended December 31, 2017

	Budgeted		Actual	Variance
	Original	Final		
Operating Revenues:				
Charges for services	\$ 1,447,188	\$ 1,447,188	\$ 1,492,973	\$ 45,785
Operating Expenses:				
Personnel Services	336,191	336,191	276,689	59,502
Supplies	24,100	24,100	6,845	17,255
Purchased Services	689,511	689,511	844,600	(155,089)
Depreciation	100,000	100,000	154,783	(54,783)
Other	212,386	212,386	212,386	-
Total Expenditures	1,362,188	1,362,188	1,495,303	(133,115)
Operating Income (Loss)	85,000	85,000	(2,330)	(87,330)
Nonoperating revenues (expenses):				
Gain/Loss on Disposal	-	-	(5,002)	(5,002)
Total nonoperating revenues (expenses)	-	-	(5,002)	(5,002)
Net Income (Loss)	85,000	85,000	(7,332)	(92,332)
Fund Balance, Beginning of Year	1,244,082	1,244,082	1,244,082	-
Fund Balance, End of Year	\$ 1,329,082	\$ 1,329,082	\$ 1,236,750	\$ (92,332)



STATISTICAL



SECTION

STATISTICAL SECTION

(unaudited)

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

Contents	Page
Financial Trends	
<i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.</i>	138
Revenue Capacity	
<i>These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.</i>	146
Debt Capacity	
<i>Weld County is without bonded debt and, accordingly, the following statistical tables are not presented: Ratios of Outstanding Debt by Type and Ratios of General Bonded Debt Outstanding.</i>	151
Demographic and Economic Information	
<i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	155
Operating Information	
<i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	160

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

COUNTY OF WELD
STATE OF COLORADO

Net Position by Component

Last Ten Years
(accrual basis of accounting)

	Fiscal Year				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Governmental activities					
Invested in capital assets, net of related debt	\$ 253,009,697	\$ 256,826,307	\$ 254,893,754	\$ 252,365,188	\$ 260,360,887
Restricted for					
Programs	4,033,041	4,524,110	4,912,503	5,360,845	6,197,551
Emergencies	5,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Claims	1,270,613	2,270,613	4,734,410	4,734,409	4,734,409
Public Works	-	-	-	-	39,542,250
Other	-	-	-	-	1,000,426
Unrestricted	37,397,773	40,819,002	66,081,025	74,131,389	50,626,441
Total governmental activities net position	<u>\$ 300,711,124</u>	<u>\$ 310,440,032</u>	<u>\$ 336,621,692</u>	<u>\$ 342,591,831</u>	<u>\$ 368,461,964</u>
Business-type activities					
Net Investment in Capital Assets	\$ 1,076,125	\$ 1,011,224	\$ 1,305,614	\$ 1,524,148	\$ -
Unrestricted	2,776,179	2,478,408	3,194,266	3,526,143	-
Total business-type activities net position	<u>\$ 3,852,304</u>	<u>\$ 3,489,632</u>	<u>\$ 4,499,880</u>	<u>\$ 5,050,291</u>	<u>\$ -</u>
Primary government					
Net Investment in Capital Assets	\$ 254,085,822	\$ 257,837,531	\$ 256,199,398	\$ 253,899,336	\$ 260,630,887
Restricted	10,303,654	12,794,723	15,646,913	16,095,254	57,474,636
Unrestricted	40,173,952	43,297,410	69,275,291	77,657,532	50,626,441
Total primary government net position	<u>\$ 304,563,428</u>	<u>\$ 313,929,664</u>	<u>\$ 341,121,602</u>	<u>\$ 347,652,122</u>	<u>\$ 368,731,964</u>

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 270,069,712	\$ 297,892,975	\$ 340,942,910	\$ 371,847,806	\$ 420,039,585
5,736,608	8,104,172	7,493,150	9,423,909	9,942,147
6,000,000	7,000,000	7,000,000	7,000,000	7,000,000
4,734,409	4,734,409	4,734,408	4,734,408	4,734,408
63,999,271	89,429,234	79,771,261	86,165,977	71,872,652
1,485,432	1,049,628	1,866,083	15,355,488	18,191,962
58,762,664	66,196,157	53,394,168	91,909,141	126,714,529
<u>\$ 410,788,096</u>	<u>\$ 474,406,575</u>	<u>\$ 495,201,980</u>	<u>\$ 586,436,729</u>	<u>\$ 658,495,283</u>

\$	-	\$	-	\$	-	\$	-	\$	3,754,342
	(1,323)		579		(10,232)		(9,438)		69,469
<u>\$</u>	<u>(1,323)</u>	<u>\$</u>	<u>579</u>	<u>\$</u>	<u>(10,232)</u>	<u>\$</u>	<u>(9,438)</u>	<u>\$</u>	<u>3,823,811</u>

\$ 270,069,712	\$ 297,892,975	\$ 340,942,910	\$ 371,847,806	\$ 420,039,585
81,955,720	110,317,443	100,864,902	122,679,782	111,741,169
58,761,341	66,196,736	53,383,936	91,899,703	126,783,998
<u>\$ 410,786,773</u>	<u>\$ 474,407,154</u>	<u>\$ 495,191,748</u>	<u>\$ 586,427,291</u>	<u>\$ 658,564,752</u>

COUNTY OF WELD
STATE OF COLORADO

Changes in Net Position

Last Ten Years
(accrual basis of accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Expenses					
Governmental activities:					
General government	\$ 31,019,065	\$ 31,738,352	\$ 31,497,117	\$ 31,930,407	\$ 34,788,024
Public safety	40,496,490	40,649,718	40,551,255	42,613,038	44,204,968
Streets and highways	40,795,016	31,123,536	34,662,990	37,519,293	37,223,683
Health and welfare	35,117,225	39,882,326	37,946,589	35,881,864	36,853,734
Culture and recreation	1,077,743	1,013,683	1,215,481	1,123,268	1,345,018
Economic assistance	14,601,330	15,546,027	9,262,302	8,115,722	7,420,075
Total governmental activities expenses	<u>163,106,869</u>	<u>159,953,642</u>	<u>155,135,734</u>	<u>157,183,592</u>	<u>161,835,502</u>
Business-type activities:					
Paramedic service	9,289,761	9,310,991	6,349,218	5,964,112	2,846,859
Northern Colorado Regional Crime Lab	-	-	-	-	-
Total primary government expenses	<u>\$ 172,396,630</u>	<u>\$ 169,264,633</u>	<u>\$ 161,484,952</u>	<u>\$ 163,147,704</u>	<u>\$ 164,682,361</u>
Program Revenues					
Governmental activities:					
Charges for services:					
General government	\$ 11,681,170	\$ 8,728,521	\$ 10,117,110	\$ 12,644,748	\$ 11,570,917
Public safety	5,814,979	5,658,339	7,021,139	6,023,109	7,294,578
Streets and highways	3,518,926	3,262,996	1,932,790	2,022,037	3,439,523
Health and welfare	19,870,091	21,091,150	21,311,474	19,360,887	22,209,032
Culture and recreation	468,488	448,990	549,483	619,316	725,868
Economic assistance	756,698	1,041,768	834,429	822,309	381,199
Operating grants and contributions	33,134,702	36,580,590	27,858,758	24,034,211	23,821,017
Capital grants and contributions	25,454	-	-	-	-
Total governmental activities program revenues	<u>75,270,508</u>	<u>76,812,354</u>	<u>69,625,183</u>	<u>65,526,617</u>	<u>69,442,134</u>
Business-type activities:					
Paramedic service	9,113,166	7,563,318	5,859,468	6,514,522	1,954,205
Northern Colorado Regional Crime Lab	-	-	-	-	-
Total primary government revenues	<u>84,383,674</u>	<u>84,375,672</u>	<u>75,484,651</u>	<u>72,041,139</u>	<u>71,396,339</u>
Net (Expenses)/Revenue					
Governmental activities	(87,836,361)	(83,141,288)	(85,510,551)	(91,656,975)	(92,393,368)
Business-type activities	(176,595)	(1,747,673)	(489,750)	550,410	(892,654)
Total primary government net	<u>\$ (88,012,956)</u>	<u>\$ (84,888,961)</u>	<u>\$ (86,000,301)</u>	<u>\$ (91,106,565)</u>	<u>\$ (93,286,022)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes:					
Property taxes	\$ 72,735,158	\$ 75,047,892	\$ 95,251,609	\$ 76,808,723	\$ 88,229,111
Specific Ownership	7,035,189	6,167,691	6,018,849	5,743,784	7,302,134
Other	5,454,324	3,472,065	845,578	1,794,415	2,410,032
Royalties	-	1,707,235	2,556,866	7,169,988	12,083,892
Miscellaneous	-	5,468,676	6,415,403	4,305,446	3,009,211
Unrestricted investment earnings	4,075,554	2,391,636	2,103,942	1,804,728	1,341,489
Transfers	(850,000)	(1,385,000)	(1,500,000)	-	4,157,638
Total governmental activities	<u>88,450,225</u>	<u>92,870,195</u>	<u>111,692,247</u>	<u>97,627,084</u>	<u>118,533,507</u>
Business-type activities:					
Paramedic service	850,000	1,385,000	1,500,000	-	(4,157,638)
Northern Colorado Crime Lab	-	-	-	-	-
Total primary government	<u>\$ 89,300,225</u>	<u>\$ 94,255,195</u>	<u>\$ 113,192,247</u>	<u>\$ 97,627,084</u>	<u>\$ 114,375,869</u>
Governmental activities	\$ 613,864	\$ 9,728,907	\$ 26,181,696	\$ 5,970,109	\$ 26,140,139
Business-type activities	673,405	(362,673)	1,010,250	550,410	(5,050,292)
Total primary government	<u>\$ 1,287,269</u>	<u>\$ 9,366,234</u>	<u>\$ 27,191,946</u>	<u>\$ 6,520,519</u>	<u>\$ 21,089,847</u>

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 43,458,478	\$ 46,770,013	\$ 37,495,116	\$ 43,312,962	\$ 47,306,184
47,903,331	54,027,026	58,172,560	60,041,266	62,895,851
39,964,090	42,894,441	43,926,350	47,538,901	55,222,675
38,792,474	39,085,217	42,851,911	46,730,139	52,193,339
1,511,184	1,792,648	1,611,666	1,495,649	1,556,093
8,481,320	9,408,488	8,172,946	8,083,307	7,920,958
<u>180,110,877</u>	<u>193,977,833</u>	<u>192,230,549</u>	<u>207,202,224</u>	<u>227,095,100</u>

-	-	-	-	-
73,321	147,713	151,688	136,715	201,101
<u>\$ 180,184,198</u>	<u>\$ 194,125,546</u>	<u>\$ 192,382,237</u>	<u>\$ 207,338,939</u>	<u>\$ 227,296,201</u>

\$ 12,595,814	\$ 13,477,033	\$ 16,052,536	\$ 17,489,264	\$ 16,954,771
8,981,482	13,229,980	12,538,210	10,346,226	10,914,355
4,473,145	5,825,407	8,907,810	6,047,912	3,881,217
24,231,535	25,041,461	26,912,220	30,066,394	31,047,472
928,631	1,154,300	1,045,533	913,486	952,322
493,180	567,753	558,678	414,443	667,662
32,277,806	30,442,859	32,691,222	32,685,918	34,688,236
-	-	-	-	-
<u>83,981,593</u>	<u>89,738,793</u>	<u>98,706,209</u>	<u>97,963,643</u>	<u>99,106,035</u>

-	-	-	-	-
71,998	149,615	140,877	137,509	200,952
<u>84,053,591</u>	<u>89,888,408</u>	<u>98,847,086</u>	<u>98,101,152</u>	<u>99,306,987</u>

(96,129,284)	(104,239,040)	(93,524,340)	(109,238,581)	(127,989,065)
(1,323)	1,902	(10,811)	794	(149)
<u>\$ (96,130,607)</u>	<u>\$ (104,237,138)</u>	<u>\$ (93,535,151)</u>	<u>\$ (109,237,787)</u>	<u>\$ (127,989,214)</u>

\$ 105,940,590	\$ 115,694,397	\$ 127,447,260	\$ 166,025,920	\$ 156,180,601
7,347,314	10,028,385	9,600,158	11,413,491	11,230,531
2,291,667	4,350,529	5,115,072	1,897,030	1,506,348
17,325,773	31,503,068	11,330,119	9,518,902	21,860,836
4,098,817	4,807,802	4,220,711	9,047,388	9,783,532
1,181,245	1,473,338	1,190,383	2,570,598	3,319,170
-	-	-	-	(3,833,398)
<u>138,185,406</u>	<u>167,857,519</u>	<u>158,903,703</u>	<u>200,473,329</u>	<u>200,047,620</u>

-	-	-	-	-
-	-	-	-	3,833,398
<u>\$ 138,185,406</u>	<u>\$ 167,857,519</u>	<u>\$ 158,903,703</u>	<u>\$ 200,473,329</u>	<u>\$ 203,881,018</u>
\$ 42,056,122	\$ 63,618,479	\$ 65,379,363	\$ 91,234,748	\$ 72,058,555
(1,323)	1,902	(10,811)	794	(149)
<u>\$ 42,054,799</u>	<u>\$ 63,620,381</u>	<u>\$ 65,368,552</u>	<u>\$ 91,235,542</u>	<u>\$ 72,058,406</u>

COUNTY OF WELD
STATE OF COLORADO

Fund Balances of Governmental Funds

Last Ten Years
(accrual basis of accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
General Fund					
Reserved	\$ 1,161,271	\$ 846,808	\$ 1,882,253	\$	\$
Unreserved	10,645,617	9,960,565	9,967,335	-	-
Nonspendable*	-	-	-	687,239	1,216,973
Restricted*	-	-	-	6,000,000	6,863,582
Committed*	-	-	-	1,927,404	2,305,309
Assigned*	-	-	-	1,808,529	615,428
Unassigned*	-	-	-	10,691,668	10,126,783
Total general fund	<u>\$ 11,806,888</u>	<u>\$ 10,807,373</u>	<u>\$ 11,849,588</u>	<u>\$ 21,114,840</u>	<u>\$ 21,128,075</u>
All other Governmental Funds					
Reserved	12,631,501	9,861,718	7,138,513	-	-
Unreserved					
Unreserved, reported in:					
Special revenue funds	25,032,274	32,475,341	57,755,218	-	-
Capital projects funds	(2,064,635)	1,617,052	6,362,877	-	-
Debt service funds					
Nonspendable*	-	-	-	963,566	1,020,322
Restricted*	-	-	-	36,493,043	40,377,056
Committed*	-	-	-	32,295,274	46,347,303
Assigned*	-	-	-	-	-
Unassigned*	-	-	-	-	-
Total for all governmental funds	<u>\$ 47,406,028</u>	<u>\$ 54,761,484</u>	<u>\$ 83,106,196</u>	<u>\$ 90,866,723</u>	<u>\$ 108,872,756</u>

* Difference in fund balance presentation is due to implementation of GASB 54 in 2011

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$	\$	\$	\$	\$
-	-	-	-	-
677,240	683,377	867,532	1,015,783	1,307,038
7,114,812	7,671,021	8,432,222	21,813,498	24,576,426
2,089,993	2,105,601	2,071,938	1,866,563	11,260,625
1,527,256	1,581,113	736,158	955,246	1,883,931
10,165,207	11,437,583	13,862,814	13,225,491	14,417,758
<u>\$ 21,574,508</u>	<u>\$ 23,478,695</u>	<u>\$ 25,970,664</u>	<u>\$ 38,876,581</u>	<u>\$ 53,445,778</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1,321,277	1,253,485	1,281,841	1,015,420	1,147,734
57,704,338	85,864,936	83,017,769	92,968,210	77,077,307
55,508,238	55,668,390	23,697,405	58,503,732	60,179,345
-	-	-	-	-
-	-	-	-	-
<u>\$ 136,108,361</u>	<u>\$ 166,265,506</u>	<u>\$ 133,967,679</u>	<u>\$ 191,363,943</u>	<u>\$ 191,850,164</u>

COUNTY OF WELD
STATE OF COLORADO

Changes in Fund Balances, Governmental Funds

Last Ten Years
(accrual basis of accounting)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Revenues					
Taxes	\$ 80,182,212	\$ 84,642,477	\$ 102,079,791	\$ 84,310,617	\$ 97,903,945
Licenses and permits	2,089,925	1,467,282	2,512,999	2,093,316	2,968,095
Intergovernmental	52,887,281	61,100,082	53,021,343	44,670,251	45,584,435
Fines and forfeitures	295,246	323,411	587,330	441,455	319,091
Charges for Services	8,898,865	8,939,683	7,771,230	6,899,382	7,748,408
Miscellaneous	12,523,751	7,132,908	8,133,573	15,397,352	19,019,845
Fees	7,845,617	7,546,478	8,827,457	9,445,288	10,392,181
Total Revenues	<u>164,722,897</u>	<u>171,152,321</u>	<u>182,933,723</u>	<u>163,257,661</u>	<u>183,936,000</u>
Expenditures					
Current:					
General government	29,061,657	28,311,209	29,608,752	30,964,059	31,775,959
Public Safety	38,564,419	38,668,759	38,176,653	40,657,128	43,270,068
Public Works	36,643,514	29,595,637	28,524,940	30,834,148	37,846,573
Public health and welfare	34,585,229	39,287,989	36,850,368	35,187,959	36,737,703
Culture and recreation	1,077,592	1,014,422	1,214,300	1,127,873	1,346,107
Economic assistance	14,459,482	14,622,541	9,086,301	7,880,482	7,517,791
Capital outlay	9,883,207	9,911,307	8,627,695	7,795,485	7,589,459
Total Expenditures	<u>164,275,100</u>	<u>161,411,864</u>	<u>152,089,009</u>	<u>154,447,134</u>	<u>166,083,660</u>
Excess of revenues over (under) expenditures	<u>447,797</u>	<u>9,740,457</u>	<u>30,844,714</u>	<u>8,810,527</u>	<u>17,852,340</u>
Other Financing Sources (Uses)					
Transfers-in	4,914,085	7,583,632	7,157,161	15,807,328	11,194,959
Transfers-out	6,184,085	9,968,632	9,657,161	16,857,328	11,041,260
Total Other Financing Sources (Uses)	(1,270,000)	(2,385,000)	(2,500,000)	(1,050,000)	153,699
Net changes in Fund Balance	<u>\$ (822,203)</u>	<u>\$ 7,355,457</u>	<u>\$ 28,344,714</u>	<u>\$ 7,760,527</u>	<u>\$ 18,006,039</u>

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
\$ 115,265,310	\$ 130,031,486	\$ 141,611,918	\$ 179,257,281	\$ 168,836,829
3,341,876	5,434,346	4,259,547	2,984,422	3,341,147
51,914,958	56,514,382	60,481,735	69,154,292	66,573,450
342,566	351,384	734,179	349,360	474,889
9,950,307	13,024,221	13,553,203	11,802,236	11,274,143
24,954,352	41,065,332	24,064,183	21,482,828	38,525,348
11,297,774	12,202,782	13,559,930	14,922,623	14,520,726
<u>217,067,143</u>	<u>258,623,933</u>	<u>258,264,695</u>	<u>299,953,042</u>	<u>303,546,532</u>
41,791,404	47,479,034	90,138,082	44,368,745	65,270,306
46,843,573	52,038,711	55,702,273	57,652,813	60,620,188
39,783,527	59,780,472	85,573,209	77,188,910	103,842,765
38,802,420	39,439,892	42,714,599	45,846,879	51,264,579
1,526,889	1,793,944	1,623,459	1,499,048	1,560,675
8,539,305	9,571,342	8,496,919	7,914,293	8,072,764
12,144,427	15,963,395	6,313,983	7,086,089	9,429,034
<u>189,431,545</u>	<u>226,066,790</u>	<u>290,562,524</u>	<u>241,556,777</u>	<u>300,060,311</u>
<u>27,635,598</u>	<u>32,557,143</u>	<u>(32,297,829)</u>	<u>58,396,265</u>	<u>3,486,221</u>
13,766,733	10,970,458	9,500,645	5,254,249	8,110,432
<u>14,166,733</u>	<u>13,370,458</u>	<u>9,500,645</u>	<u>6,254,249</u>	<u>11,110,432</u>
(400,000)	(2,400,000)	-	(1,000,000)	(3,000,000)
<u>\$ 27,235,598</u>	<u>\$ 30,157,143</u>	<u>\$ (32,297,829)</u>	<u>\$ 57,396,265</u>	<u>\$ 486,221</u>

COUNTY OF WELD
STATE OF COLORADO

Assessed Value and Estimated Actual Value of Taxable Property

Last Ten Years

<u>Levy Year</u>	<u>Vacant Land</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Agricultural</u>	<u>Natural Resources</u>
2008	125,609,000	1,258,374,790	654,957,800	216,214,910	97,874,960	14,996,920
2009	114,462,060	1,147,417,980	703,405,460	281,991,090	100,747,790	15,959,790
2010	107,499,350	1,161,670,030	713,727,230	338,066,670	100,999,290	12,388,270
2011	82,601,960	1,110,455,180	700,148,970	343,525,350	117,189,830	12,839,310
2012	76,770,990	1,126,143,600	741,004,020	405,141,700	120,086,240	12,176,900
2013	67,644,470	1,125,171,520	717,135,660	444,712,190	141,969,440	14,519,910
2014	62,623,500	1,153,472,230	733,310,060	540,611,520	148,595,520	14,908,830
2015	75,809,040	1,447,893,380	778,585,040	639,540,080	179,732,720	18,995,220
2016	65,331,620	1,512,440,970	805,968,490	797,643,050	184,339,480	18,552,540
2017	89,627,330	1,788,938,260	905,659,640	927,106,280	209,694,960	18,943,470

Source: Office of the Weld County Assessor

Note: The assessment ratio for Residential Property was 10.36 in 1995, changed to 9.74 in 1997, 9.15 in 2001 and 7.96 in 2003 as determined by State Law. Commercial Property and non-residential Personal Property has been assessed at 29% of actual value throughout the ten-year time frame.

<u>Oil & Gas</u>	<u>State Assessed</u>	<u>Total Taxable Assessed Value</u>	<u>Estimated Actual Taxable Value</u>	<u>Total Direct Tax Rate</u>	<u>Assessed Value as a Percentage of Actual Value</u>
1,709,997,160	487,797,900	4,565,823,440	23,564,608,165	16.804	19.376 %
2,868,304,890	538,504,800	5,770,793,860	24,007,360,964	16.804	24.038 %
1,673,838,130	593,020,000	4,701,208,970	23,154,987,218	16.804	20.303 %
2,439,298,540	615,803,700	5,421,862,840	22,248,958,038	16.804	24.369 %
3,382,053,530	650,106,300	6,513,483,280	25,455,503,949	16.804	25.588 %
3,900,510,227	707,171,100	7,118,834,517	33,821,697,185	16.804	21.048 %
5,738,450,910	738,109,300	9,130,081,870	29,739,252,147	15.800	30.700 %
7,669,479,580	773,068,200	11,583,103,260	36,760,335,781	15.800	31.510 %
4,959,441,120	808,231,100	9,151,948,370	35,356,229,261	15.800	25.885 %
4,611,244,810	849,916,610	9,401,131,360	40,177,028,127	15.800	23.399 %

COUNTY OF WELD
STATE OF COLORADO

Property Tax Rates Direct and Overlapping Governments

Last Ten Years

Levy Year	General Government	Road & Bridge	Public Welfare	Contingent	Capital	Insurance	Total Direct County
2008	11.736	1.647	1.293	0.448	1.344	0.336	16.804
2009	11.842	1.613	1.266	-	1.754	0.329	16.804
2010	11.389	1.498	1.965	0.215	1.415	0.322	16.804
2011	10.479	1.303	1.863	1.491	1.342	0.326	16.804
2012	10.476	1.303	1.864	1.492	1.343	0.326	16.804
2013	11.788	1.639	1.203	0.713	1.176	0.285	16.804
2014	12.797	1.839	0.941	-	-	0.223	15.800
2015	9.881	1.444	0.843	2.013	1.444	0.175	15.800
2016	10.300	1.837	1.284	0.890	1.266	0.223	15.800
2017	10.092	1.789	1.236	1.301	1.111	0.271	15.800

Overlapping Rates					
Levy Year	Direct County	City of Greeley	School District 6	Aims College	Weld Library
2008	16.804	11.274	36.922	6.308	3.253
2009	16.804	11.274	36.600	6.323	3.260
2010	16.804	11.274	36.633	6.312	3.255
2011	16.804	11.274	37.104	6.360	3.281
2012	16.804	11.274	37.856	6.355	3.271
2013	16.804	11.274	38.175	6.320	3.261
2014	15.800	11.274	37.880	6.330	3.267
2015	15.800	11.274	36.003	6.325	3.308
2016	15.800	11.274	36.335	6.308	3.271
2017	15.800	11.274	45.628	6.317	3.256

The basis for the property tax rates is per \$1,000 assessed valuation

Source: Office of the Weld County Assessor.

COUNTY OF WELD
STATE OF COLORADO

Principle Property Tax Payers
Current Year and Nine Years Ago

	2017			2008		
	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total County Taxable Assessed Value
Kerr-McGee Oil & Gas Onshore LP	\$ 1,369,994,390	1	14.57 %	\$		%
Noble Energy Inc	1,049,012,990	2	11.16 %	644,235,940	1	14.11 %
PDC Energy Inc	550,342,390	3	5.85 %			
Extraction Oil & Gas LLP	350,298,070	4	2.65 %			
Crestone Peak Resources LP	249,019,010	5	2.65 %			
Public Service Company of CO (Xcel)	244,344,900	6	2.60 %	90,839,600	5	1.99 %
DCP Midstream LP	198,818,400	7	2.11 %	50,982,630	10	1.12 %
Kerr McGee Gathering LLC	184,293,500	8	1.96 %	53,956,900	8	1.18
Bonanza Creek Energy Inc	183,544,240	9	1.95 %			
DCP Lucerne 2 Plant LLC	163,321,640	10	1.76 %			
Kerr-McGee Rocky Mountain Corp				465,886,260	2	10.20 %
Encana Oil & Gas On Shore LP				146,511,560	3	3.21 %
Petroleum Development Corp (PDC)				114,541,120	4	2.51 %
Petro-Canada Resources (USA) Inc				89,325,500	6	1.96 %
Rocky Mountain Energy Center				74,138,000	7	1.62 %
Merit Energy				53,674,970	9	1.18 %
	<u>\$ 4,542,989,530</u>		<u>47.26 %</u>	<u>\$ 1,784,092,480</u>		<u>39.08 %</u>

Source:

Weld County Assessor

COUNTY OF WELD
STATE OF COLORADO

Principle Property Tax Payers
Current Year and Nine Years Ago

Levy Year	Collect Year	Taxes Levied for the Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (3)	Total Collections to Date	
			Tax Amount (2)	Percentage of Levy		Tax Years (3)	Percentage Years (3)
2007	2008	75,088,043	74,877,199	99.719 %	168,042	75,045,241	99.943 %
2008	2009	76,724,097	75,903,359	98.930 %	160,893	76,064,252	99.140 %
2009	2010	96,972,420	96,736,465	99.757 %	289,774	97,026,239	100.055 %
2010	2011	78,999,116	78,833,201	99.790 %	171,734	79,004,935	100.007 %
2011	2012	91,108,983	90,504,925	99.337 %	687	90,505,612	99.338 %
2012	2013	109,452,573	109,154,195	99.727 %	806,609	109,960,804	100.464 %
2013	2014	119,624,895	119,187,099	99.634 %	33,438	119,220,537	99.662 %
2014	2015	144,255,294	143,469,905	99.456 %	30,811	143,500,716	99.477 %
2015	2016	183,013,297	181,975,712	99.433 %	9,942	181,985,654	99.438 %
2016	2017	144,601,001	143,458,839	99.210 %	-	143,458,839	99.210 %

Source:

1) Office of the Weld County Assessor

2) YTD Treasurer's Tax Distribution for tax years 2004-2010. Values from 2011 forward taken from the Treasurer's Authority Receivable Report

3) YTD Treasurer's Tax Distribution for tax years 2004-2010. Values from 2011 forward taken from the Treasurer's Authority Receivable Report.

COUNTY OF WELD
STATE OF COLORADO

Direct and Overlapping Debt Governmental Activities Debt

December 31, 2017

<u>Jurisdiction</u>	<u>Net General Obligation Bonded Debt Outstanding</u>	<u>Percentage Applicable to Government (1)</u>	<u>Amount Applicable to Government (2)</u>
Cities & Towns	76,380,445	60.13%	45,930,364
Schools	1,274,364,527	46.94%	598,156,577
Special Districts	<u>143,307,446</u>	56.08%	<u>80,362,715</u>
Total Overlapping	<u>\$ 1,494,052,418</u>		<u>\$ 724,449,656</u>

Source: Debt outstanding provided by each governmental unit.

Note:

(1) 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 residents and businesses of Weld County. This process recognizes that, when considering the county'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.

(2) Overlapping debt applicable to the County is figured by prorating each local jurisdiction's debt by the percentage of the jurisdiction's inside and outside the county.

COUNTY OF WELD
STATE OF COLORADO

Legal Debt Margin Information
Last Ten Years

Legal Debt Margin Calculation for Fiscal Year 2017

Assessed Value, 2017	\$ 9,401,131,360
Debt Limit 3% of Assessed Value	282,033,941
 Total Bond Debt	 \$0
Installment Purchase Agreements	<u>0</u>
 Total Amount of debt applicable to limit	 <u>0</u>
 Legal Debt Margin	 <u><u>\$ 282,033,941</u></u>

Legal Debt Margin Information
Last Ten Fiscal Years

	2008	2009	2010	2011
Debt limit	\$ 136,974,703	173,123,816	141,036,269	162,655,885
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u><u>\$ 136,974,703</u></u>	<u><u>\$ 173,123,816</u></u>	<u><u>\$ 141,036,269</u></u>	<u><u>\$ 162,655,885</u></u>
 Total net debt applicable to the limit as a percentage of debt limit	 0.00 %	 0.00 %	 0.00 %	 0.00 %

Note:

Debt Limitation: Under Section 30-35-201, Colorado Revised Statutes, 1973, the County may incur indebtedness for general County purposes in an amount not to exceed 3% of assess valuation of all taxable property.

2012	2013	2014	2015	2016	2017
195,404,498	213,565,036	273,902,456	347,493,098	274,558,451	282,033,941
-	-	-	-	-	-
<u>\$ 195,404,498</u>	<u>\$ 213,565,036</u>	<u>\$ 273,902,456</u>	<u>\$ 347,493,098</u>	<u>\$ 274,558,451</u>	<u>\$ 282,033,941</u>
0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %

COUNTY OF WELD
STATE OF COLORADO
Private Purpose Revenue Bonds
December 31, 2017

INDUSTRIAL REVENUE BONDS:

<u>ISSUER</u>	<u>TYPE OF FACILITY</u>	<u>AMOUNT</u>	<u>ISSUE DATE</u>	<u>DEBT OUTSTANDING BEGINNING OF YEAR</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>REVENUE BOND OUTSTANDING END OF YEAR</u>
GSSLB Association Nursing Home	Nursing Home	\$ 2,020,000	10/98	\$710,000	0	\$75,000	\$635,000
North Range Behavioral Health	Office	\$ 4,500,000	5/07	<u>\$2,286,860</u>	<u>0</u>	<u>\$152,750</u>	<u>\$2,134,110</u>
TOTAL PRIVATE PURPOSE REVENUE BONDS				<u>\$2,996,860</u>	<u>\$0</u>	<u>\$227,750</u>	<u>\$2,769,110</u>

COUNTY OF WELD
STATE OF COLORADO

Demographic and Economic Statistics

Last Ten Years

<u>Year</u>	<u>Population</u>	<u>Total Personal Income (\$ billion)</u>	<u>Per Capita Income</u>	<u>Unemployment Rate</u>
2008	244,515	6.66	27,238	6.30 %
2009	251,220	7.38	27,788	8.16 %
2010	252,825	7.07	28,503	9.80 %
2011	254,759	6.93	27,186	9.10 %
2012	263,691	7.76	25,233	8.70 %
2013	263,691	8.35	29,986	6.70 %
2014	269,785	8.35	31,657	3.90 %
2015	274,487	10.74	27,047	3.80 %
2016	284,876	10.60	42,787	3.80 %
2017	294,397	11.20	42,701	3.40 %

Source: Upstate Colorado in cooperation with University of Northern Colorado and the State of Colorado demographer.

COUNTY OF WELD
STATE OF COLORADO

Principal Employers
Current Year and Nine Years Ago

	2017			2008		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total County Employment</u>
JBS Swift Beef Company	4,520	1	3.03 %	3,250	1	2.79 %
Banner Health (NCMC)	3,600	2	2.41 %	2,700	2	2.32 %
Vestas	2,570	3	1.72 %			
School District 6	1,923	4	1.29 %	2,400	3	2.06 %
University of Northern Colorado	1,623	5	1.09 %	1,701	4	1.46 %
Weld County Government	1,615	6	1.08 %	1,490	5	1.28 %
State Farm Insurance Companies	1,300	7	0.87 %	1,310	7	1.12 %
City of Greeley	812	8	0.54 %	1,160	8	0.99 %
TeleTech	780	9	0.52 %			
Halliburton Energy Services Inc	700	10	0.47 %			
US Government				1,400	6	1.20 %
Wal-Mart				1,015	9	0.87 %
Aims Community College				874	10	0.75 %
Total Principal Employers	<u>19,443</u>		<u>13.02%</u>	<u>17,300</u>		<u>14.84 %</u>
Other Employers	<u>129,922</u>		<u>86.98 %</u>	<u>99,286</u>		<u>85.16 %</u>
Total County Employment	<u><u>149,365</u></u>		<u><u>100.00%</u></u>	<u><u>116,586</u></u>		<u><u>100.00 %</u></u>

Source: Upstate Colorado



COUNTY OF WELD
STATE OF COLORADO

Full-Time Equivalent County Government Employees by Function/Program

Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Function/Program						
General government (6)(7)	269	247	244	251	239	243
Public safety (1) (5)	352	365	345	351	357	432
Public works	165	163	161	161	164	179
Health and welfare (2)	357	372	378	368	380	374
Culture and recreation	1	1	2	2	2	2
Economic assistance (3)	148	144	78	73	79	89
 Total General Government	 1,292	 1,292	 1,208	 1,206	 1,221	 1,319
Business-type activities:						
Paramedic Service (4)	74	72	69	69		
 Total primary government	 1,366	 1,364	 1,277	 1,275	 1,221	 1,319

Source: Weld County Human Resources

Notes:

(1) A traffic unit was added in 2001 funded by the CDOT Office of Highway Safety Grant and initially required 5 positions. The North Jail Complex was built in 1997 with 160 beds and a staffing level of 75. Phase II added 226 beds in 2004 and increased projected 2005 staffing to 132. Phase III construction in 2006-07 added 374 beds and increased staffing by 42 in 2007. Twelve additional management and support positions were added in 2008. The deferred opening of 122 secure confinement beds prevented further hiring.

(2) The demand for welfare and public health care has increased more rapidly with the economic downturn.

(3) As of 12/31/2009 Headstart responsibilities were relinquished back to the Federal Agency for operational purposes.

(4) As of 05/07/2012 Paramedic Services was transferred by Weld County to Northern Colorado Medical Center Inc.

(5) In 2013 the Communications Department brought on employees to operate the Call Center for Weld County.

(6) In 2014 the Weld County Commissioners decided to no longer outsource the Information Technology Department. Therefore, employees were added for this department.

(7) In 2017 Weld County Commissionser decided to no longer outsource the Motor Pool Department. Therefore, employees have been added for this department.

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
290	287	294	333
436	471	574	512
176	183	195	188
383	403	425	415
2	3	2	2
86	89	94	108
1,373	1,436	1,584	1,558
	-	-	-
1,373	1,436	1,584	1,558

COUNTY OF WELD
STATE OF COLORADO

Operating Indicators by Function/Program
Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Function/Program					
General government:					
Motor vehicle registration	493,544	478,202	482,841	541,678	537,483
Registered voters (1)	116,269	112,276	145,692	101,085	162,517
Number of votes cast (2)	106,518	34,027	80,893	42,937	117,121
Percent of registered voters voting	91.6%	30.3%	55.5%	42.5%	72.1%
Public safety:					
Adult arrests	1,122	1,059	1,084	1,795	1,535
Juvenile arrests	110	98	96	73	105
Average secure jail population	610	538	570	557	573
E911 Calls	99,951	95,383	95,866	93,900	100,230
Building Permits	2,571	1,976	2,143	2,316	2,327
Valuation (thousands)	\$120,118	\$ 86,794	\$392,380	\$126,194	\$322,183
Public works:					
Miles of road graveled	312	205	416	419	482
Snow removal lane miles	94,685	176,786	77,889	89,503	57,474
Grading lane miles	148,324	152,568	154,602	133,297	157,634
Miles of Upgrade-Aggregate Surfaced Roads	52	33	36	41	16
Culverts (new and repaired) 15" and larger	252	233	264	254	222
Tons of asphalt laid	67,548	90,664	101,431	86,805	125,668
Tons of gravel crushed	231,359	282,315	372,709	436,880	270,441
Health and welfare:					
Social Services Caseload	15,500	16,000	20,500	23,017	25,500
Patient contacts	11,500	15,000	11,769	8,778	12,727
Immunizations	7,000	7,000	8,159	7,333	4,873
Culture and recreation:					
Visitors-Missile Park	600	600	500	650	600
County Fair Exhibitors	2,335	2,425	2,383	2,436	2,489
Economic assistance: (3)					
Headstart clients	562	562	-	-	-
Migrant Headstart clients	275	180	-	-	-
Business-type activities:					
Paramedic Services					
Patients transported (4)	8,866	9,214	6,470	9,470	-

Source: Various Weld County Department Records

Notes:

- (1) Beginning in 1999 the number of registered voters reflects active voters.
- (2) Even years represent general elections, odd years coordinated elections.
- (3) As of 12/31/2009 Headstart responsibilities were relinquished back to the Federal Agency for operational purposes.
- (4) As of 05/07/2012 Paramedic Services was transferred by Weld County to Northern Colorado Medical Center Inc.

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
573,537	602,536	636,302	671,545	695,094
134,936	167,306	162,239	184,077	183,256
66,368	92,525	49,638	138,792	49,353
49.2%	55.3%	30.6%	75.4%	26.9%
970	726	739	1,433	1,319
44	37	45	108	85
575	577	604	630	628
101,000	105,726	114,548	130,442	148,463
2,451	2,674	2,318	2,225	2,259
\$365,074	\$782,793	\$461,167	\$297,958	\$358,472
402	145	328	321	388
65,342	75,302	86,064	76,926	72,213
144,036	194,527	167,239	188,838	169,638
91	87	90	89	87
224	170	137	148	187
106,155	147,496	134,936	124,521	107,612
238,395	247,935	219,470	224,115	108,840
30,000	31,400	62,000	71,500	97,744
15,084	24,619	43,518	43,518	46,327
6,333	5,674	5,459	5,964	5,703
625	550	600	600	600
2,468	1,837	1,568	1,758	1,464
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

COUNTY OF WELD
STATE OF COLORADO

Capital Asset Statistics by Function/Program

Last Ten Years

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Function/Program					
General government:					
Building Square Footage	854,081	860,399	984,052	984,052	984,052
Court rooms	17	22	22	21	21
Information Systems Connections	1,320	1,320	1,320	1,320	1,320
Public safety:					
Jail capacity (beds)	760	760	760	779	779
Patrol cars	55	62	60	60	62
Radios and cell phones	1,359	1,179	1,220	1,064	1,035
Public works:					
Miles of Roads					
Paved	684	674	689	696	717
Unpaved	2,352	2,331	2,307	2,289	2,262
Un-maintained	490	493	351	354	355
Grader sheds	18	18	18	18	18
Motor graders	30	30	30	30	32
Health and welfare:					
Alternative fuel vehicles	4	5	5	5	7
Economic assistance:					
Headstart sites	11	-	-	-	-
Business-type activities:					
Paramedic Services					
Ambulances (1)	11	11	12	12	-

Source: Weld County Department records and Fixed Asset Inventory

(1) As of 05/07/2012 Paramedic Services was transferred by Weld County to Northern Colorado Medical Center Inc.

<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
1,003,846	1,003,846	1,383,120	1,383,120	1,385,871
22	22	22	22	22
2,537	2,798	2,502	2,495	2,534
779	779	779	779	779
61	64	65	67	59
1,055	1,155	1,393	1,403	1,615
726	738	737	744	744
2,241	2,224	2,217	2,209	2,209
357	356	356	356	356
18	18	20	20	20
34	35	36	36	36
6	6	6	5	5
-	-	-	-	-
-	-	-	-	-

COUNTY OF WELD
STATE OF COLORADO

Insurance in Force

December 31, 2017

<u>Name of Company</u>	<u>Policy Number</u>	<u>Policy Period</u>		<u>Details of Coverage</u>	<u>Liability Limits</u>	<u>Annual Premium</u>
		<u>Begins</u>	<u>Expires</u>			
Safety National Casualty Company	SP4054230	12/31/15	12/31/17	Excess Worker's Compensation	Employer's Liability \$1,000,000/Accident Worker's Compensation Statutory Limits with County retaining first \$750,000 per claim	132,977
Colorado Counties Casualty and Property Pool	(CAPP Reference)	1/1/2016	12/31/16	Property Damage, Liability, Crime, Boiler and Machinery, Network	Property: \$150,000/\$500 Deductible Liability: \$250,000 Crime: \$150,000/\$500 deductible Boiler and Machinery: \$5,000/\$500 deductible Network Security: \$10,000	576,117
Lexington with CAPP	20412751	01/01/17	01/01/18	Property damage, Automobile, Equipment breakdown	Property: \$100,000,000 Crime; \$1,000,000 Excess Liability: \$100,000,000 per claim/\$150,000 CAPP deductible	
One Beacon/ Atlantic Specialty with CAPP	791-00-03-55-0004		1/1/2018	Premises and Operations, Products/Completed operations Law enforcement Liability Employee Benefit Liability Public Officials Errors and Omissions	\$10,000,000 liability coverage per occurrence County retaining first \$250,000 each claim	
		1/1/2017				
Hisox with CAPP	UC2119117.16	1/1/2017	1/1/2018	Master Crime Program: Employee theft, forgery, premises, computer fraud	\$1,000,000	
Illinois union Insurance with CAPP	G25660328002	1/1/2016	1/1/2017	Network Security Liability	\$1,000,000 per claim	\$ 23,000
Markel American Insurance	AGL001136000	9/1/16	9/1/2017	Weld County Retirement Plan Fiduciary Liability	Each Claim & Aggregate: \$1,000,000	\$ 10,165

Single



Audit

WELD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Program Description</u>	<u>FEDERAL CFDA #</u>	<u>Federal Expenditure</u>
<u>Department Of Agriculture</u>		
Passed Through the State Of Colorado Department Of Human Services: State Admin Matching Grant for Supplemental Nutrition Assistance Programs	10.561	2,835,662
<u>Department Of Justice</u>		
Passed Through the State of Colorado Division Of Criminal Justice: Victims of Crime Assistance	16.725	55,984
<u>Total Department Of Justice</u>		<u>55,984</u>
<u>Department Of Treasury</u>		
Drug Task Force Equitable Shares	21.016	38,234
<u>Total Department Of Treasury</u>		<u>38,234</u>
<u>Department Of Labor Training Administration</u>		
Local Veterans Employment Representative Program	17.207	478,150
DVOP	17.801	7,000
Total Employment Service Cluster		
Reemployment Services & Assessments	17.225	37,850
TAA Case Management	17.245	6,593
WIA Cluster		
WIA Adult Program	17.258	670,633
WIA Youth Activities	17.259	466,908
Dislocated Worker	17.260	1,964
WIA ADMIN Disaster NEG	17.277	325,799
Total WIA Cluster		<u>1,465,304</u>
WIA ADMIN Adult H1B	17.268	480,567
<u>Total Department Of Labor Training Administration</u>		<u>2,475,464</u>
<u>Department Of Transportation</u>		
Passed Through the State Of Colorado Department Of Transportation:		
Road Contracts	20.205	3,148,233
Congestion Mitigation and Air Quality	20.205	405,238
Flood Relief	20.205	414,944
Traffic Safety		58,230
Safe Traffic Studies		19,462
<u>Total Department Of Transportation</u>		<u>4,046,107</u>
<u>Environmental Protection Agency</u>		
Passed Through the State Of Colorado Department Of Health:		
Non Community Ground Water	66.468	235
Radon Out Reach	63.605	9,977
<u>Total Environmental Protection Agency</u>		<u>10,212</u>
<u>Department Of Health And Human Services</u>		
Passed Through the State Of Colorado Department Of Local Affairs:		
Community Services Block Grant	93.569	348,942
Community Services Block Grant	14.228	381,267
Passed Through the State Of Colorado Department Of Health:		
Public Health Emergency Preparedness	93.074	251,801
Family Planning Services	93.217	47,888
Immunizations Cluster		
Immunizations Cooperative Agreements	93.268	88,758
TB Control and Outreach	93.116	5,089
Lead Surveillance	93.753	9,215
Heart Associated Infections	93.323	11,860
Heart Associated Infections	93.521	2,241
Preventative Health Services	93.977	13,132
Maternal and Child Health Services Block Grant	93.994	183,816

WELD COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2017

<u>Program Description</u>	<u>FEDERAL CFDA #</u>	<u>Federal Expenditure</u>
womens Wellness	93.752	15,936
Wise Woman	93.094	12,931
Total Passed Through the State Of Colorado Department Of Health:		<u>642,667</u>
Passed Through the State Of Colorado Department Of Human Services :		
OAA -Elder abuse	93.041	2,253
OAA-Ombudsman Support	93.042	6,967
OAA-D in Home Support	93.043	8,381
Aging Cluster		
OAA-B Admin/Support Services	93.044	272,207
OAA-C-1-Congregate Meals	93.045	461,257
Nutrition Services Incentive Programs	93.053	47,919
Total Aging Cluster		<u>781,383</u>
OAA-E National Caregiver	93.052	78,040
Substance Abuse and Mental Health Programs	93.243	
TANF Cluster		
Temporary Assistance for Needy Families	93.558	5,242,981
	93.556	67,989
Child Support Enforcement	93.563	2,738,820
Low-Income Home Energy Assistance	93.568	307
CCDF Cluster		
Child Care and Development Block Grant	93.575	2,040,713
Child Care and Development Fund	93.596	953,322
Total CCDF Cluster		<u>2,994,035</u>
Guardian Assistance	93.090	32,212
Child Welfare Services Program	93.645	215,809
Foster Care_ Title IV-E	93.658	4,775,203
Adoption Assistance	93.659	689,809
Social Services Block Grant	93.667	1,652,420
Chafee Foster Care Independence Program	93.674	98,658
Medicaid Assistance Programs	93.778	2,827,083
Countywide Cost Allocation	93.XXX	(2,810)
Automated Data Processing Pass Thru	93.XXX	(51,606)
Total Passed Through the State Of Colorado Department Of Human Services:		<u>10,236,778</u>
Passed Through the State Of Colorado Dept of Health Care Policy and Finance:		
Medicaid Assistance Programs	93.778	873,432
Children's Health Insurance Program	93.767	23,438
Total Passed Through the State Of Colorado Dept of Health Care Policy and Finance:		<u>896,870</u>
<u>Total Department of Health and Human Services</u>		<u><u>24,427,680</u></u>
<u>Corporation For National And Community Services</u>		
Passed Through the Governor's Commission on Community Service		
AmeriCorps	94.006	76,953
<u>Department Of Homeland Security</u>		
Passed Through the State Of Colorado Department Of Local Affairs:		
Emergency Management Performance	97.042	65,000
Hazard Mitigation		<u>34,495</u>
Total Passed Through the State Of Colorado Dept of Health Care Policy and Finance:		<u>99,495</u>
<u>Total Department of Homeland Security</u>		<u><u>99,495</u></u>
		<u>34,065,791</u>

COUNTY OF WELD
STATE OF COLORADO

Year End December 31, 2017

Notes to the Schedule of Federal Expenditures

Note 1 – Basis of Presentation:

The accompanying schedule of expenditures of Federal awards, which includes the Federal grant activity of Weld County, is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirement of the U.S. Office of Management and Budget Circular A-133, Audits of States and Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in, the preparation of the Weld County, Colorado's financial statements for the year ended December 31, 2017.

Note 2 – Sub-Recipient

Weld County, Colorado does not have any significant sub-recipients.

Note 3 - Indirect Costs

Weld County's federal programs generally do not utilize the 10% de minimis cost rate.



A Professional Corporation of
Certified Public Accountants

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*

Board of County Commissioners
Weld County, Colorado

We have audited in accordance with auditing standards generally accepted in the United States 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 discretely presented component units and remaining fund information of Weld County, Colorado and the related notes to the financial statements, which collectively comprise Weld County, Colorado's basic financial statements as of and for the year ended December 31, 2017, and have issued our report thereon dated June 28, 2018. Our report includes a reference to other auditors who audited the financial statements of the Weld County Housing Authority, as described in our report on the County's financial statements. This report does not include the results of the other auditor's testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

In planning and performing our audit of 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 misstatements on a timely basis. A *material weakness* is a deficiency, or a 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 would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Weld 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Anderson & Whitney, P.C.

June 28, 2018



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Certified Public Accountants

Report on Compliance for Each Major Federal Program and
Report on Internal Control Over Compliance Required by the Uniform Guidance

Board of County Commissioners
Weld County, Colorado

Report on Compliance for Each Major Federal Program

We have audited the compliance of Weld County, Colorado with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2017. Weld County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

The County's basic financial statements include the operations of the Weld County Housing Authority, a component unit, who received \$2,971,106 in Federal awards which is not included in the County's schedule during the year ended December 31, 2017. Our audit, as described below, did not include the operations of the Weld County Housing Authority because those financial statements were audited by other auditors.

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 Weld 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; 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* (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.

5801 West 11th Street • Suite 300
Greeley, Colorado 80634-4813

(970) 352-7990
www.awhitney.com

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 of Weld County's compliance.

Opinion on Each Major Federal Program

In our opinion, Weld County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended December 31, 2017.

Internal Control Over Compliance

Management of Weld 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 Weld County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program in order 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, 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 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 a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for 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 deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses.

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.

Anderson & Whitney, P.C.

June 28, 2018

WELD COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2017

SUMMARY OF INDEPENDENT AUDITORS' RESULTS

- | | |
|--|---|
| ➤ Type of report issued on financial statements | Unmodified |
| ➤ Internal control over financial reporting: | |
| Material weaknesses identified | No |
| Significant deficiencies identified | None reported |
| ➤ Noncompliance material to the financial statements noted | No |
| ➤ Internal control over federal awards: | |
| Material weaknesses identified | No |
| Significant deficiencies identified | None reported |
| ➤ Type of report issued on major programs | Unmodified |
| ➤ Audit findings disclosed | None |
| ➤ Major programs | 10.561 State Administrative Matching Grant for SNAP
93.778 Medical Assistance Program (Medicaid; Title XIX)
93.558 Temporary Assistance for Needy Families (TANF) |
| ➤ Dollar threshold between Type A and Type B programs | \$1,021,974 |
| ➤ Low-risk auditee | Yes |

FINDINGS RELATED TO FINANCIAL STATEMENTS

- None Reported

FINDINGS AND QUESTIONED COSTS RELATED TO FEDERAL AWARDS

- None Reported

WELD COUNTY, COLORADO

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 31, 2017

➤ **Finding 2016-001:**

CFDA 93.044, 93.045 & 93.053 – Aging Cluster

Pass-Through Agency: State of Colorado

Criteria: *Program Income* – The Aging Cluster *Compliance Supplement* indicates that “Service providers are required to provide an opportunity to individuals being served under all Part B and C services programs to make voluntary contributions for services received.”

Condition: The County method of monitoring this requirement is to require the vendor Meals on Wheels to document and report any program income as part of the grant agreement. Of the three monthly reports from Meals on Wheels (MOW), we noted one instance in June 2016 when program income was reported of \$-0- when other information indicates “Area Agency Client Donations” of \$7,156.

Questioned Costs: None

Effect: Program income is not completely and accurately reported to the County and thus cannot be completely monitored by the County.

Cause: When the Meal on Wheels grant amount has been fully earned, they do not complete the section of the monthly report to the County that includes program income.

Recommendation: We recommend the County ensure program income and contributions received by the vendor are reported to them monthly as required by their agreement to ensure accurate monitoring. We further recommend clarifying the language in the Purchase Service Agreement as to whether MOW retains the program income or gives it to the County.

Management’s Response: Agree

Contact Person: Eva Jewell, Division Head

Corrective Action Planned: We will develop a checklist of verifications to be followed by our vendors before submitting invoices, by AAA Staff before authorizing invoices for payment, and by the Fiscal Office before payment of invoice, to verify that the Program Income has been reported on the invoice and has been verified to not create an inappropriate over-reimbursement of vendor costs. The AAA Staff and Fiscal Office portions of this will be implemented immediately (Prior to July 31, 2017).

Status: Implemented