

2018

Garfield
County
Colorado

Comprehensive
Annual Financial
Report

For the fiscal year ended
December 31, 2018





Garfield County, Colorado
Comprehensive Annual Financial Report

For the Fiscal Year Ended December 31, 2018

Prepared by the Finance Department



Prepared by the Finance Department

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Garfield County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018

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INTRODUCTORY SECTION



FINANCE DEPARTMENT
108 8th Street, Suite 201
Glenwood Springs, Colorado 81601
(970) 945-7284

June 4, 2019

To the Citizens and Board of County Commissioners of Garfield County:

State law requires Garfield County (County) to publish a complete set of financial statements prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted accounting standards by a firm of licensed certified public accountants.

Pursuant to those requirements we hereby present the Comprehensive Annual Financial Report (CAFR) of Garfield County, Colorado for the fiscal year ended December 31, 2018. This report was prepared by the Finance Department of Garfield County. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the County. We believe the data is accurate in all material respects and presented in a manner designed to set forth fairly the financial activity of the various funds. All disclosures necessary for the reader to gain the maximum understanding of the County's financial affairs have been included.

This report is the result of the cooperative effort between the Finance Department and McMahan and Associates, L.L.C., our independent auditors. The independent auditor's report has been included in the financial section of this report on pages B1, B2 and B3. In their opinion, the financial statements were presented fairly in all material respects.

Garfield County is also required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act of 1996 and the Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Information related to this single audit, including the schedule of expenditures of federal awards, the independent auditor's reports on the internal control and compliance with applicable laws, regulations, contracts, and grants is included in the single audit section located after the Statistical Section.

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

PROFILE OF GARFIELD COUNTY

Geography

Garfield County is located approximately 158 miles west of Denver and 88 miles east of Grand Junction and stretches from the foothills of the Colorado Rocky Mountains to the east to the high desert plateaus to the west. It encompasses 2,958 square miles and has an estimated population of 60,135 in 2018. Approximately two thirds of the land is publicly owned, controlled primarily by the U.S. Forest Service and the U.S. Bureau of Land Management. The County seat is Glenwood Springs.

Operating Structure

Incorporated February 10, 1883, Garfield County is a statutory county, defined as a service arm of the State, and derives its elected official structure and its powers from the State through enabling legislation. The three-member Board of County Commissioners serves as the legislative, policy-making and administrative body governing the unincorporated area of Garfield County. Commissioners are elected at large from one of three geographical districts and serve staggered four-year terms. In addition to having the power to levy taxes, the authority to represent the County, the responsibility for the care of County property, and the management of its affairs, the Board has the exclusive responsibility and power to adopt the annual budget for operation of County government, including all offices, boards, commissions, and other spending agencies funded in whole or in part by County appropriations.

Services

Garfield County provides the full range of services contemplated by State statute including, but not limited to, assessment and property tax administration; recording of vital documents and automobile registration; sheriff patrol and jail administration; court facilities; land use planning and building inspections; road maintenance and construction; welfare and public health services; a solid waste landfill disposal facility; general aviation airport operations; fairgrounds; and environmental health protection.

Component Units

The County, for financial reporting purposes, includes all funds of the primary government, as well as all of its component units. Component units are legally separate entities, which the primary government must disclose in its financial statements. Blended component units are, from an accounting perspective, part of the primary government's operation and are included as part of the primary government. Garfield County has one blended component unit: Travelers Highland Public Improvement District.

Budget Process

The annual budget serves as the foundation for the County's financial planning and control. All activities, departments, and funds of the County are prepared in compliance with State statute and generally accepted accounting principles. Supplemental appropriations are approved by the Board of County Commissioners as needed throughout the year. The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board of County Commissioners. Expenditures may not legally exceed appropriations at the fund or elected official level. Detailed line item records provide management the capability to monitor budgets for all areas. Budgetary control is exercised through the use of system controls, which restrict payments exceeding the budget.

Internal Control

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that:

- (1) The cost of a control should not exceed the benefits likely to be derived, and
- (2) The valuation of costs and benefits requires estimates and judgments by management.

LOCAL ECONOMY

Garfield County's economy, largely dominated by agriculture, tourism, and natural resource development, continued to show signs of growth in 2018 in all industry sectors. In 2018, unemployment rates increased slightly over the prior year but are still at their lowest level since the Great Recession. The volume and number of real estate transactions increased by 15% and 23% over 2017 while the average single family home prices increased 7%. As the housing market continues to grow, Garfield County continues to experience a drop in the number of foreclosures with 2018 recording 41 and thus bringing the foreclosure rate to its lowest level since 2000.

Oil and gas production is down, however, property tax revenues are expected to increase in 2019 due to increased natural gas prices in 2017. Property tax assessments for 2019 oil and gas related revenues are based off 2017 production and price. Nearly 20% of all Garfield County revenue is derived from property taxes on oil and gas production.

These trends are expected to continue in 2019 with growth in the housing and job markets, rising incomes, and increasing retail, tourism, and related sales tax revenues.

LONG-TERM FINANCIAL PLANNING

As mentioned previously, the financial health of Garfield County is significantly dependent on volatile natural resource development. Approximately 37% of the County's total revenue is related to property tax, and half of that property tax revenue is associated with the energy industry. Because of this and other factors, Garfield County has built up a healthy fund balance to ensure stable levels of service to Garfield County citizens, stable employment and benefits for its employees, and a strong assurance it will not need to ask the taxpayers for tax increases to pay for the growing needs of the County during downturns in our local economy.

In order to meet emergency obligations, avoid interruptions in cash flow, generate interest income, and maintain a sound bond rating, the County has determined it will maintain an unassigned fund balance in the General Fund plus the Oil and Gas Mitigation Fund of one third of the County's total General Fund expenditures. The County's unassigned fund balance in the General Fund is 51% of regular General Fund operating revenues, which falls above the policy guidelines set by the Board of County Commissioners for budgetary and planning purposes in addition to the Government Finance Officers Association recommended best practices (no less than five to fifteen percent of regular General Fund operating revenues, or no less than one to two months of regular General Fund operating expenditures). Due to the volatile economy driven by the oil and gas industry, Garfield County strives to maintain an unassigned fund balance in these Funds in excess of these recommendations.

Looking forward, the County sees a need for constant re-evaluation of its projects and programs. These are revisited, re-evaluated, and prioritized during the annual strategic planning process and in preparation for the budget. The County emphasizes continual improvement of work processes, and prudent stewardship of public resources, to ensure the County is providing the best services possible at the lowest possible cost. We also counsel prudence and restraint

regarding multiyear capital projects because a sustained reduction in natural gas production could put a significant strain on the county's reserves.

RELEVANT FINANCIAL POLICIES

Garfield County has a comprehensive set of financial policies. In 2018, there were no changes to policies that would directly affect the County's financial or budget situation.

MAJOR INITIATIVES

In 2018, Garfield County continued to focus on the strategic priorities identified by the Board of County Commissioners. Highlights included:

- Continue to execute the 10-year Master Plan for the Garfield County Airport including the completion of a snow removal equipment facility, UAV test facility, fog sealed runway and taxiway ramp;
- Improve the County's road and bridge system through construction, asphalt projects and utilization of the department's maintenance capabilities with nearly 30 miles of paved asphalt and two bridge/arch culvert projects;
- Realize the vision of maximizing the Fairgrounds as a year-round events center with capital investments including a covered area for equipment, LED lighting for the outdoor arena, and replacement of the sound system;
- Further develop the County's landfill as an enterprise fund by advancing capital projects including the purchase of a grinder and used roller, market the PCS Treatment Facility, and increase additional capacity for septage; and
- Upgrade and maintain the motor pool fleet and heavy equipment with the purchase of a dozer, one loader, one trackhoe, two plow trucks, eight sheriff vehicles and four fleet vehicles.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Garfield County, Colorado for its comprehensive annual financial report for the fiscal year ended December 31, 2017. This is the tenth consecutive year that Garfield County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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 GFOA to determine its eligibility for another certificate.

In addition, Garfield County also received the GFOA's Distinguished Budget Presentation Award for its budget document for the period beginning January 1, 2018. This is the ninth time Garfield County received this award. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document is judged to be proficient in several categories, including a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgements

The preparation of this report would not have been possible without the efficient and dedicated service of the Garfield County Finance Department. In addition, as a staff we are grateful for the assistance we receive from our independent auditors, McMahan and Associates, L.L.C.

In closing, we wish to acknowledge the leadership of the Board of County Commissioners and the cooperation of each of the County's elected officials and departments as we work together to conduct the County's financial operations. The Board supports prudent fiscal management and stewardship in a responsible and progressive manner, and the strong financial condition of Garfield County can be attributed to its positive leadership.

Respectfully submitted,



Theresa Wagenman
Finance Director



Kevin Batchelder
County Manager



Government Finance Officers Association

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

Presented to

**Garfield County
Colorado**

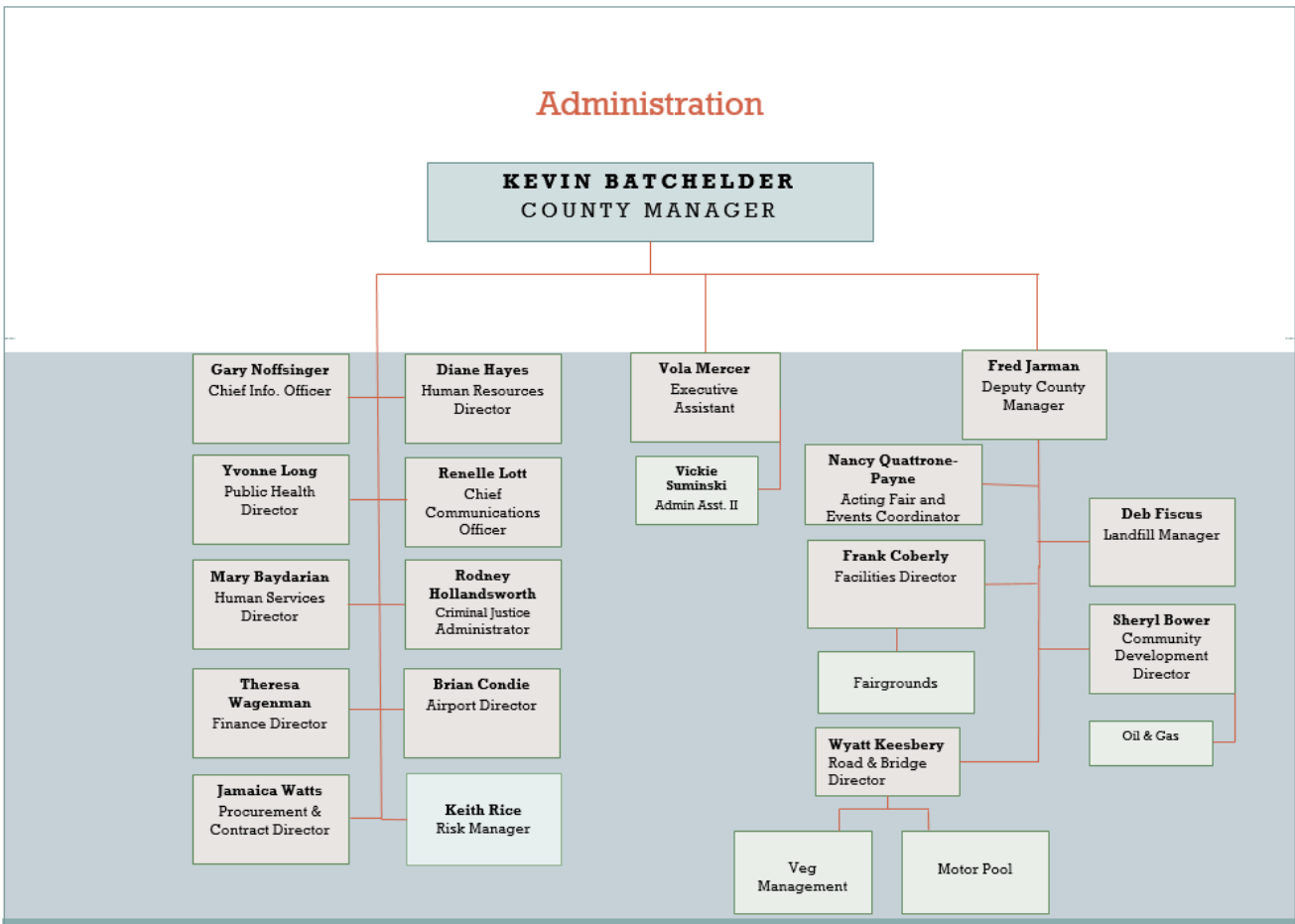
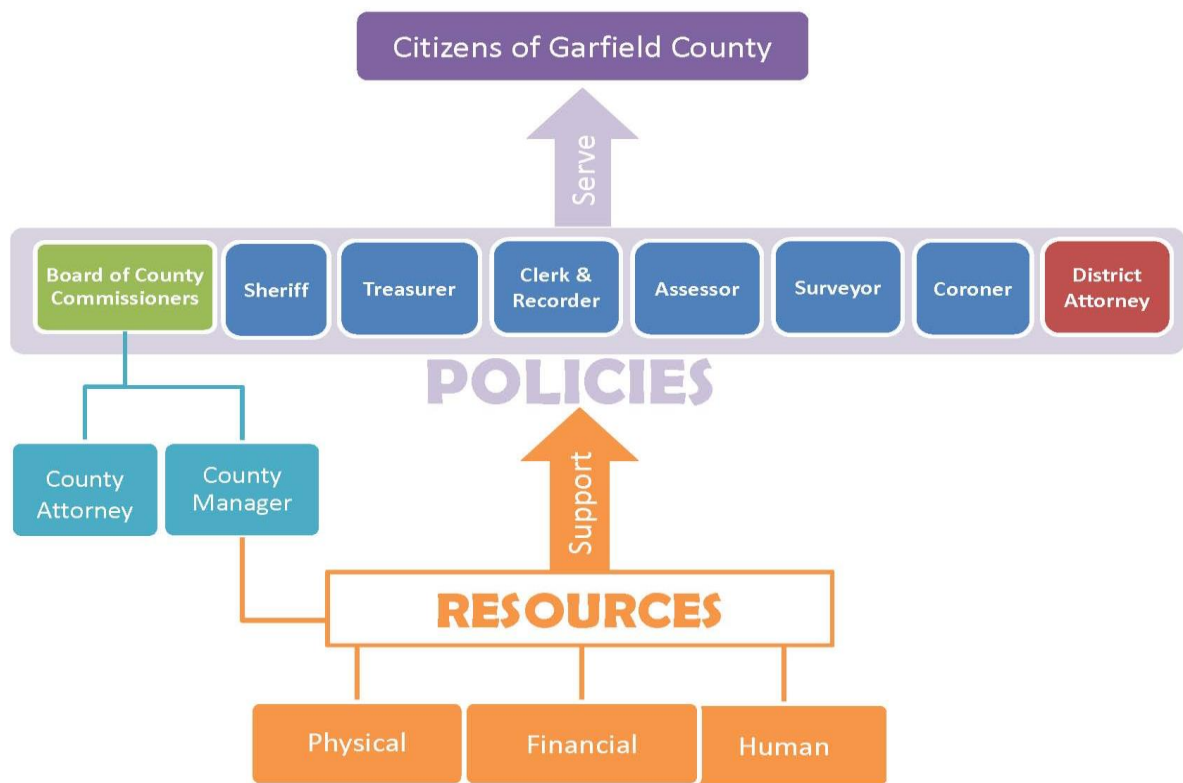
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

Garfield County Organization Chart - 2018



ELECTED OFFICIALS

Commissioner, District # 1	Tom Jankovsky
Commissioner, District # 2	John Martin
Commissioner, District # 3	Mike Samson
County Assessor	Jim Yellico
County Clerk	Jean Alberico
County Coroner	Robert Glassmire
County Sheriff	Lou Vallario
County Surveyor	Scott Aibner
County Treasurer/Public Trustee	Karla Bagley

APPOINTED BY BOARD OF COUNTY COMMISSIONERS

County Attorney	Tari Williams
County Manager	Kevin Batchelder
Deputy County Manager	Fred Jarman

ADMINISTRATION MANAGEMENT TEAM

Airport	Brian Condie
Criminal Justice Services	Rodney Hollandsworth
Communications	Renelle Lott
Community Development	Sheryl Bower
Road & Bridge	Wyatt Keesbery
Facilities	Frank Coberly
Fair & Events	Nancy Quattrone-Payne
Finance	Theresa Wagenman
Information Technology	Gary Noffsinger
Procurement	Jamaica Watts
Human Services	Mary Elliott Baydarian
Public Health	Yvonne Long
Human Resources	Diane Hayes
Risk Management	Keith Rice
Solid Waste	Deb Fiscus

BOARD OF COUNTY COMMISSIONERS



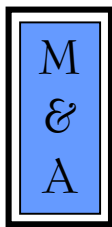
Tom Jankovsky

John Martin

Mike Samson

The **board of county commissioners** is a group of three elected officials which acts as the executive of the local government, levies local taxes, and is charged with the administration of county governmental services such as courts, public health oversight, building code enforcement, and public works such as road maintenance.

FINANCIAL SECTION



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Garfield County, Colorado, (the "County"), as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

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

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Garfield County, Colorado as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

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

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, the Local Highway Finance Report, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining fund financial statements, the individual fund budgetary information, and the Local Highway Finance Report are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections 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.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "McMahan and Associates, L.L.C.".

**McMahan and Associates, L.L.C.
June 3, 2019**

Garfield County, Colorado
Management's Discussion and Analysis
December 31, 2018

This section of Garfield County's (the County) Comprehensive Annual Financial Report (CAFR) presents narrative discussion and analysis of the financial activities of the County for the fiscal year ended December 31, 2018. This information should be considered in conjunction with that furnished in the letter of transmittal, which can be found preceding this narrative, and with the County's financial statements and notes to the financial statements, which follow.

FINANCIAL HIGHLIGHTS

- As of December 31, 2018, the County's total assets were \$432.2 million, and total liabilities and deferred inflow of resources were \$41.9 million. The total net position was therefore \$390.3 million, a decrease of 4.1 percent (\$16.6 million) under 2017.
- Total net position comprises the following:
 - (1) Investment in capital assets including property and equipment, net of related debt (if any) and accumulated depreciation and amortization, of \$287.0 million
 - (2) Restricted net position of \$54.1 million, which is constrained for specific purposes by external providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation
 - (3) Unrestricted net position of \$49.3 million, which represents the portion available to maintain the County's continuing obligations to its citizens and creditors.
- Total governmental fund revenues (including transfers in) in 2018 were \$86.3 million, a 4.0 percent (\$3.3 million) increase compared to 2017.
- Total governmental fund expenditures (including transfers out) in 2018 were \$96.7 million, a 1.2 percent (\$1.2 million) decrease compared to 2017.
- As of December 31, 2018, the County's governmental funds reported combined ending fund balances of \$96.7 million. This compares to the prior year ending fund balances of \$107.1 million, a decrease of 9.7 percent (\$10.4 million) during 2018. Approximately \$26.4 million (27.3 percent) is unassigned fund balance.
- At the end of 2018, fund balance for the General Fund was \$31.2 million, amounting to 57.4 percent of total General Fund expenditures. This compares to the prior year ending fund balance of \$36.7 million with a decrease of 15.0 percent (\$5.5 million) during 2018.

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

Garfield County, Colorado
Management's Discussion and Analysis
December 31, 2018

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Basic Financial Statements

The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds. The two statements are:

The **statement of net position** presents all of the County's assets, liabilities and deferred outflows and inflows, with the difference between reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County should extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The **statement of activities** reports how the County's net position changed during the fiscal year. All current year revenues and expenditures are included regardless of when cash is received or payments are made. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by property and sales taxes and from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government; public safety; health and welfare; culture and recreation; and maintenance and improvement of transportation, infrastructure, buildings, grounds, and public works. Business-type activities include the solid waste disposal operations (landfill).

The government-wide financial statements are presented on pages C1 and C2 of this report.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like other state and local governments, uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial statements focus on the County's most significant funds, known as major funds, rather than the County as a whole. Major funds are reported separately while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds are provided in the form of combining statements in a later section of this report.

All the funds of the County fall into one of three types: governmental funds, proprietary funds, and fiduciary funds.

Garfield County, Colorado
Management's Discussion and Analysis
December 31, 2018

Governmental funds. Most of the services provided by the County are accounted for in governmental funds. Governmental funds are used to account for essentially the same functions, which are reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, the governmental funds financial statements focus on the use of spendable resources during the year and the balances available at the end of the year for future spending. Such information is useful in determining whether there will be adequate financial resources available to meet the current and near-term needs of the County.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The County's governmental funds are comprised of a general fund, a capital projects fund and eleven special revenue funds. Four governmental funds, the General Fund, the Road and Bridge Fund, the Human Services Fund and the Capital Expenditures Fund are considered major funds for financial reporting purposes. Each of the major funds is presented in a separate column in the governmental fund financial statements presented on pages C3 through C6 of this report. Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Proprietary funds. Services for which the County charges customers a fee are accounted for in proprietary funds. The two County proprietary funds are the Solid Waste Disposal Fund and the Motor Pool Fund. The Solid Waste Disposal Fund is an enterprise fund, which encompasses the same functions reported as business-type activities in the government-wide statements. The Motor Pool Fund is an internal service fund which reports activities that provide services to the County's other programs and activities on a cost reimbursement basis. For reporting purposes, the Motor Pool Fund is included in the governmental activities in the government-wide financial statements. The basic proprietary fund financial statements are presented on pages C7 through C9 of this report.

Fiduciary funds. Assets held in a trustee or agency on behalf of another legally separate party or entity are accounted for in fiduciary funds. Since the resources of these funds are not available to support the County's own programs, they are not reflected in the government-wide financial statements and only balance sheet accounts are used. The County has no trustee funds. The County agency fund information is presented on pages C10 and F17 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page D1 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information on the County's annual budget. The County adopts a budget appropriated for each fund. Budgetary comparison statements are included as Required Supplementary Information for the General Fund, the Road and Bridge Fund, and the Human Services Fund on pages E1 – E3. Budgetary comparison schedules for all other governmental funds including the Capital Expenditures Fund type can be found in the Supplementary Information section of this report on pages F1, and F6 through F14. The proprietary funds budgetary comparison schedules are on pages F15 and F16. These statements and schedules demonstrate compliance with the County's adopted and amended budget.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of Net Position

An analysis of net position may serve as a useful indicator of a government's financial health. Total assets for the County on December 31, 2018 were \$432.2 million, total liabilities were \$9.4 million, and deferred inflows of resources were \$32.5 million. The County's net position is therefore \$390.3 million, a decrease of 4.1 percent compared to December 31, 2017. The following provides a summary of the County's net position (as presented on page C1):

SUMMARY OF NET POSITION (\$)						
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Assets:						
Current assets	\$139,805,593	\$150,055,295	\$5,451,290	\$5,940,263	\$145,256,883	\$155,995,558
Capital assets	283,525,266	289,553,725	3,446,840	3,064,727	286,972,106	292,618,452
Total Assets	423,330,859	439,609,020	8,898,130	9,004,990	432,228,989	448,614,010
Liabilities:						
Current liabilities	6,030,187	8,670,152	123,121	113,376	6,153,308	8,783,528
Non-current liabilities	1,811,598	1,715,951	1,456,631	1,446,873	3,268,229	3,162,824
Total Liabilities	7,841,785	10,386,103	1,579,752	1,560,249	9,421,537	11,946,352
Total Deferred Inflow of Resources	32,489,764	29,806,371	-	-	32,489,764	29,806,371
Net Position:						
Inv. in capital assets	283,525,266	289,553,725	3,446,840	3,064,727	286,972,106	292,618,452
Restricted	54,060,850	57,814,262	-	-	54,060,850	57,814,262
Unrestricted	45,413,194	52,048,559	3,871,538	4,380,014	49,284,732	56,428,573
Total Net Position	\$382,999,310	\$399,416,546	\$7,318,378	\$7,444,741	\$390,317,688	\$406,861,287

The County continues to maintain very strong current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay obligations within one year. The current ratio for governmental activities is 4:1 and 50:1 for business-type activities. For the County overall, the current ratio is 4:1 meaning current assets are four times greater than current liabilities.

The County reported positive balances in net position for both governmental and business-type activities. Net position decreased \$16.4 million for governmental activities and decreased by \$126 thousand for business-type activities. The County's overall total net position decreased during 2018 by \$16.6 million. The loss in net position is primarily due to capital expenditures above revenues received in 2018.

As of December 31, 2018, the County's governmental activities reported a combined ending net position of \$383.0 million, a decrease of 4.1 percent (\$16.4 million) compared to the prior year. Of this, 11.9 percent (\$45.4 million) is unrestricted and constitutes available funds for spending in the coming year at the County's discretion. Legally restricted net position includes \$24.5 million restricted to road and bridge, \$16.5 million restricted to human services, \$6.5 million restricted to capital projects, \$3.0 million restricted to public health, \$3.5 million restricted to emergency reserve, \$124 thousand conservation trust and \$5 thousand to grants.

Approximately 74.0 percent of the governmental activities' net position is invested in capital assets. Capital assets are tangible property used in the operation of the County such as land, roads and bridges, buildings, machinery, furnishings and equipment. The County uses these capital assets to provide services to its citizens. For business-type activities, 46.6 percent of its net position is invested in capital assets providing facilities and equipment for the Solid Waste Disposal Fund.

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Summary of Changes in Net Position

Governmental activities and business-type activities decreased the County's net position by \$16.6 million or 4.1 percent.

The following table provides a summary of the County's changes in net position for governmental and business-type activities in 2018 and 2017:

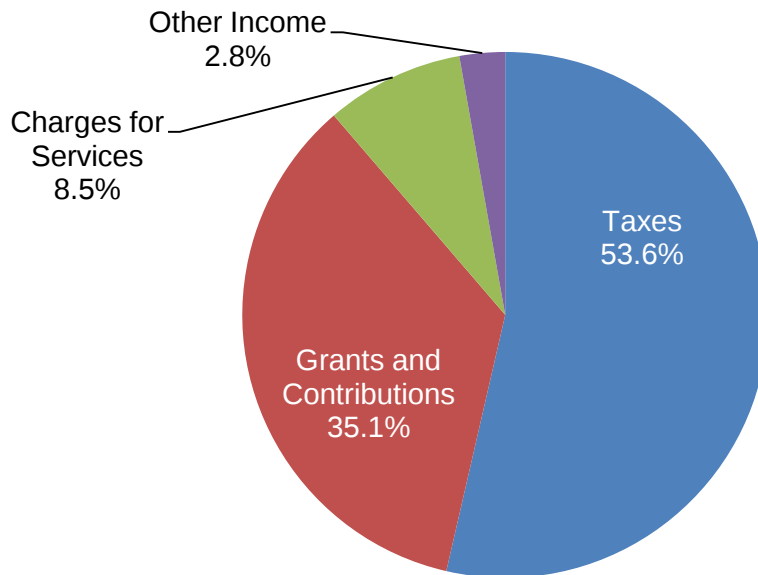
SUMMARY OF CHANGES IN NET POSITION						
	Governmental Activities		Business-type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Revenues:						
Program:						
Charges for services	\$ 7,036,217	\$ 6,254,511	\$1,482,381	\$1,692,481	\$ 8,518,598	\$ 7,946,992
Operating grants	27,631,947	27,498,668	2,482	41	27,634,429	27,498,709
Capital grants and contributions	1,419,163	621,252	-	-	1,419,163	621,252
General:						
Taxes	44,336,435	43,399,022	-	-	44,336,435	43,399,022
Other	2,287,154	541,581	(34,458)	-	2,252,696	541,581
Total Revenues	82,710,916	78,315,034	1,450,405	1,692,522	84,161,321	80,007,556
Program Expenses:						
General government	26,146,983	28,133,188	-	-	26,146,983	28,133,188
Public safety	22,794,187	22,756,808	-	-	22,794,187	22,756,808
Public works	24,999,257	22,447,525	-	-	24,999,257	22,447,525
Health and welfare	22,071,607	22,600,413	-	-	22,071,607	22,600,413
Culture and recreation	3,073,737	2,305,715	-	-	3,073,737	2,305,715
Interest	-	-	-	-	-	-
Solid waste	-	-	1,619,149	1,741,184	1,619,149	1,741,184
Total Expenses	99,085,771	98,243,649	1,619,149	1,741,184	100,704,920	99,984,833
Excess (Deficiency)	(16,374,855)	(19,928,615)	(168,744)	(48,662)	(16,543,599)	(19,977,277)
Transfers	(42,381)	(74,874)	42,381	74,874	-	-
Change in Net Position	(16,417,236)	(20,003,489)	(126,363)	26,212	(16,543,599)	(19,977,277)
Beginning Net Position	399,416,546	419,420,035	7,444,741	7,418,529	406,861,287	426,838,564
Ending Net Position	\$382,999,310	\$399,416,546	\$7,318,378	\$7,444,741	\$390,317,688	\$406,861,287

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GOVERNMENTAL REVENUES

Total governmental revenues for 2018 were \$82.7 million (excluding transfers in) compared to \$78.3 million in 2017, an increase of 5.6 percent. The source of revenues is as follows:

Governmental Revenues by Source 2018	
Taxes	\$44,336,435
Grants and Contributions	29,051,110
Charges for Services	7,036,217
Other Income	2,287,154
Total	\$82,710,916



The County is heavily reliant on taxes, and grants and contributions to support governmental operations and capital improvements.

Property taxes are the largest source of revenue with \$29.8 million accounting for 36.0 percent of total revenues. Sales taxes of \$11.3 million represents 13.7 percent of revenues.

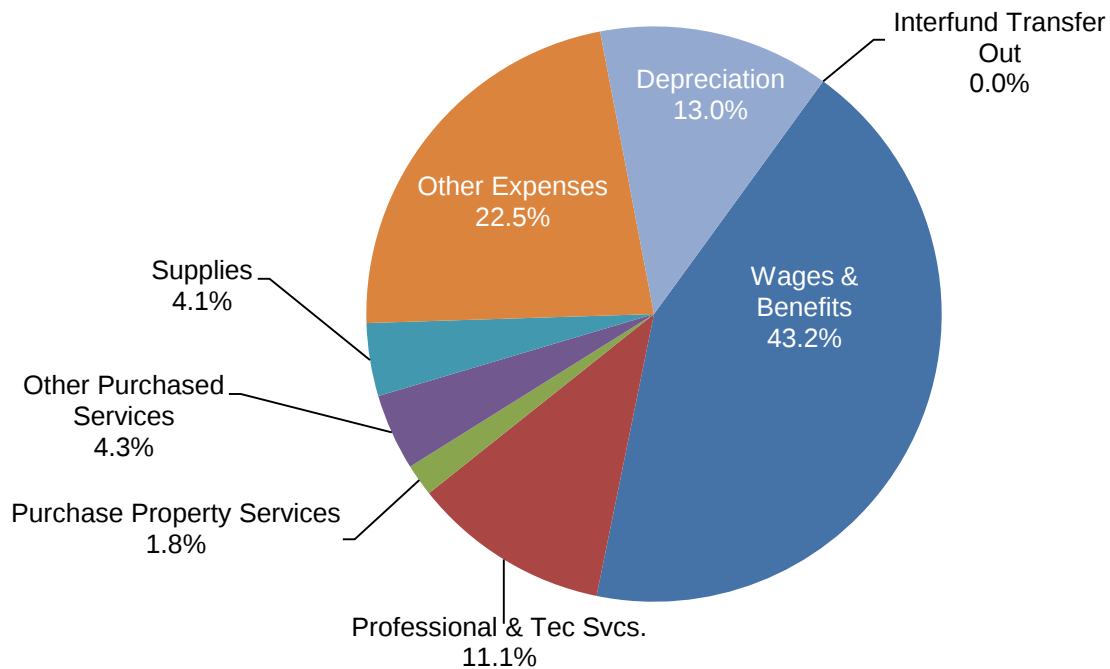
Intergovernmental revenues included in grants and contributions of \$29.1 million represents 35.1 percent of the County's total governmental revenues. This includes \$16.0 million from the State for Human Services programs; \$4.1 million from the State Highway Users Tax Fund for road and bridge purposes; \$3.2 million from the Payment in Lieu of Taxes (PILT); \$0.8 million in federal mineral severance taxes; and \$5.0 million of other various items.

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GOVERNMENTAL EXPENSES

Total governmental expenses for 2018 were \$99.1 million compared with \$98.3 million in 2017, an increase of 0.8 percent. Expenses by classification are as follows:

Governmental Expenses by Classification 2018	
Wages and Benefits	\$42,834,579
Professional and Technical Services	10,961,052
Purchase Property Services	1,745,901
Other Purchased Services	4,220,081
Supplies	4,026,517
Other Expenses	22,338,766
Depreciation	12,958,875
Sub-Total	99,085,771
Interfund Transfer Out	42,381
Total	\$99,128,152



Other expenses of \$22.3 million included DHS other expenses of \$7.5 million; sales tax distribution to Garfield County's municipalities of \$5.9 million; BOCC approved grants of \$4.1 million; District Attorney Fees of \$2.3 million; and other various items totaling \$2.5 million.

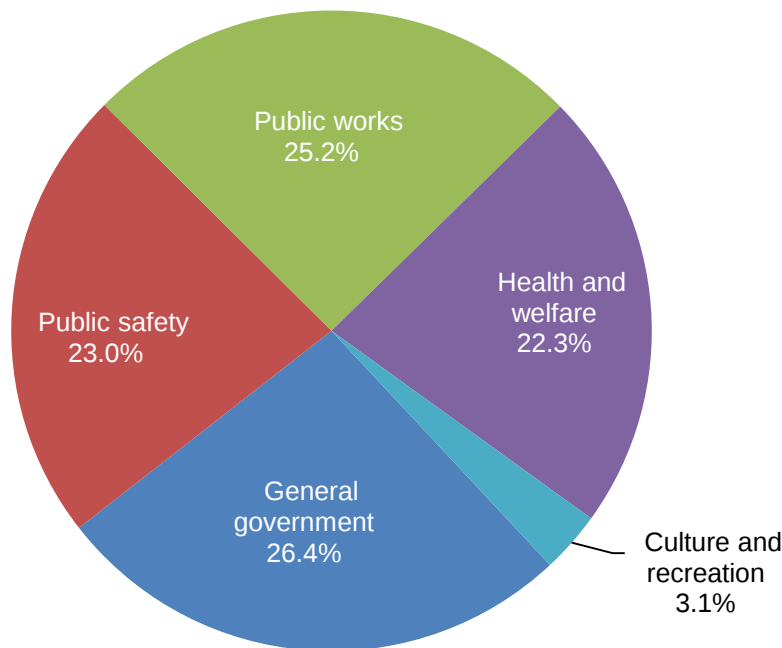
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GOVERNMENT-WIDE – GOVERNMENTAL ACTIVITIES – FUNCTION/PROGRAM ANALYSIS

Program revenues such as charges for services, operating and capital grants and contributions, cover 36.4 percent of governmental activities expenses. This is a very high percentage and largely relates to the social services grants and other grants mentioned above. This means that the government's taxpayers and the County's other general governmental revenues fund 63.6 percent of the governmental activities. As a result, the general economy and the County businesses have a major impact on the County's revenue streams.

Total governmental activities expenses by function or program are as follows:

Governmental Activities Expenses by Function/Program 2018	
General government	\$26,146,983
Public safety	22,794,187
Public works	24,999,257
Health and welfare	22,071,607
Culture and recreation	3,073,737
Total	\$ 99,085,771

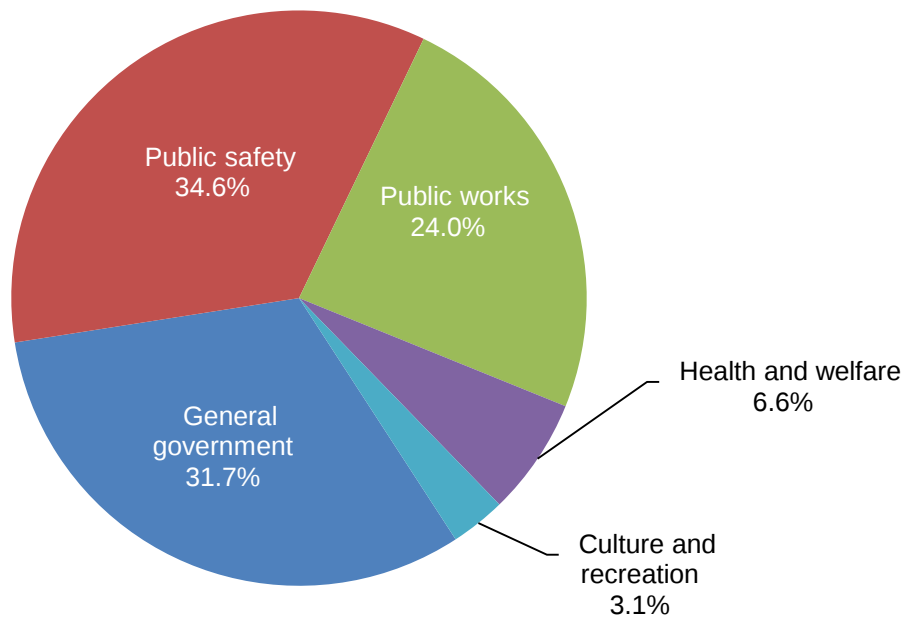


The general government, public safety, public works, and health and welfare functions account for 96.9 percent of governmental activities expenses.

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Each of these functions generates some form of revenue. The following table presents the net cost of the functions, i.e. the expenses less revenues generated by the activities. The net costs illustrate the financial burden placed on the County's taxpayers by each of these functions.

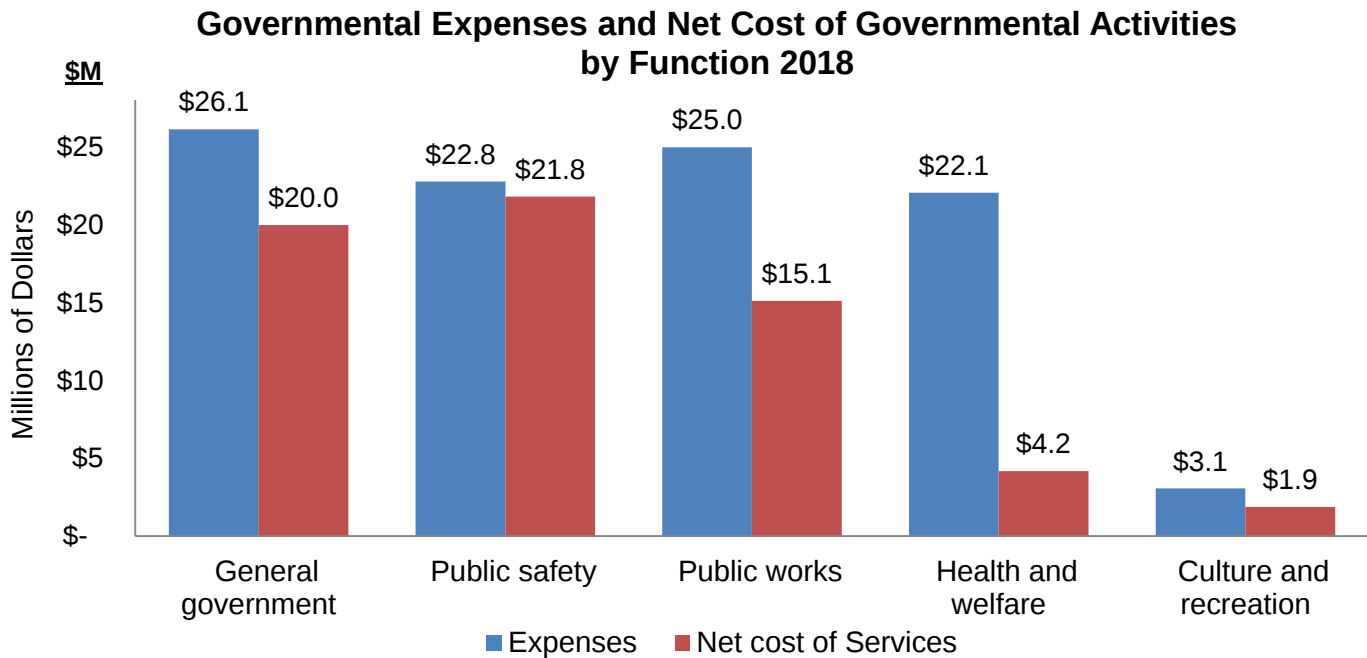
Net Cost of Governmental Activities by Function/Program 2018	
General government	\$ 19,998,344
Public safety	21,822,094
Public works	15,119,599
Health and welfare	4,184,940
Culture and recreation	1,873,467
Total	\$ 62,998,444



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Total net cost of governmental activities of \$63.0 million is 63.6 percent of the total cost of governmental activities of \$99.1 million. This means 63.6 percent of governmental activities are paid for with taxpayer dollars and 36.4 percent are funded with program revenues such as charges/fees for services, grants and contributions.

A comparison of the expenses on governmental activities and the net cost of governmental activities, by function, is as follows:



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BUSINESS-TYPE ACTIVITIES

The Solid Waste Disposal Fund, which accounts for the activities of the landfill, is the only business-type activity of the County. In 2018, the fund accounted for a decrease in the County's net position of \$126 thousand primarily due to lower charges for services collected compared to 2017.

Operating revenues of the fund were \$1.5 million and operating expenses were \$1.6 million. At 97.1 percent, charges for services (tipping fees) accounted for the majority of revenues. Other revenues included an interfund transfer of \$42 thousand from the General Fund for cost reimbursement.

Wages and benefits accounted for 58.5 percent of expenses and the remaining 41.5 percent was for other operating expenses.

ANALYSIS OF THE COUNTY'S GOVERNMENTAL FUNDS

As previously discussed, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows and balance of resources. This information is useful in assessing the County's financing requirements.

Overall, governmental fund revenues totaled approximately \$82.7 million in 2018, an increase of 4.7 percent over the prior year. Taxes, primarily property tax, increased by 1.6 percent (\$0.7 million) and intergovernmental increased by 4.6 percent (\$1.2 million) partially due to receiving \$658 thousand from the FAA for a Multi Task Snow Removal Truck. Investment Income increased by 90.9 percent (\$1.0 million). Modest increases and decreases took place in other revenue sources.

In 2018, expenditures for governmental funds totaled \$93.1 million, a decrease of 1.4 percent (\$1.3 million). A 9.3 percent decrease (\$2.6 million) took place in General Government, mostly due to a 2017 property tax abatement of \$3.2 million that significantly affected 2017 expenditures. Public Safety was similar in cost to 2017 with no significant increases or decreases. Public Works has a 19.5 percent increase (\$2.3 million) which reflects (\$2.1 million) more investment in road and bridge asphalt projects in 2018. Culture and recreation increased 35.0 percent (\$0.7 million) resulting from increased activity at the County Fairgrounds in 2018. Capital Outlay decreased 13.8 percent (\$1.2 million) compared to 2017.

Information on the County's major funds is as follows:

General Fund

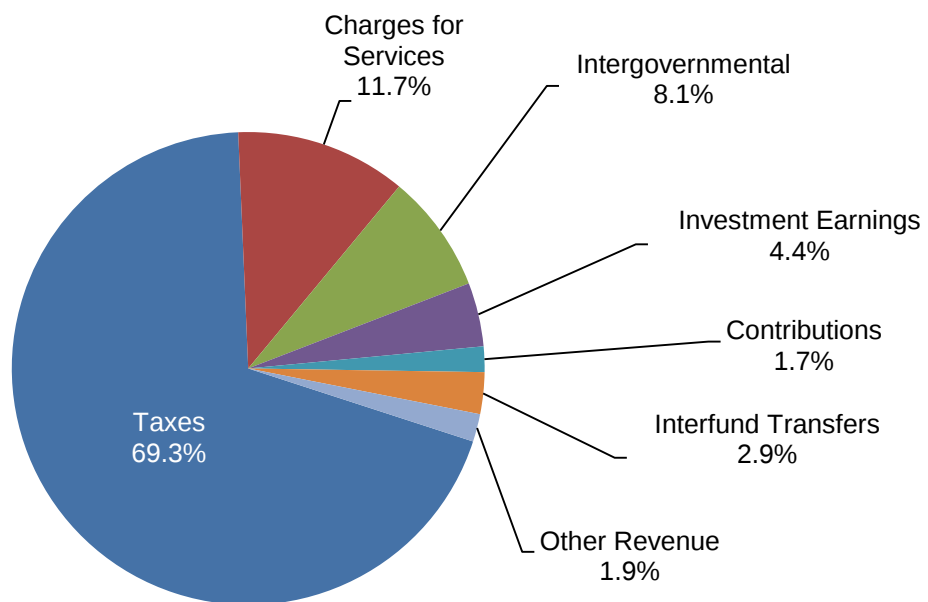
The General Fund is the primary operating fund for the County and the largest source of day-to-day service delivery.

The General Fund's fund balance decreased by 15.0 percent (\$5.5 million) in 2018 to \$31.2 million. Unassigned fund balance constitutes 84.6 percent (\$26.4 million) of fund balance available for spending in the coming year at the County's discretion. 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 51.6 percent of total General Fund expenditures and total fund balance represents 61.0 percent of expenditures.

In 2018, total revenues for the General Fund were \$48.9 million (including interfund transfers in from other funds), an increase of 11.7 percent over the prior year. Taxes generated more than half this revenue, followed by charges and fees for services, and intergovernmental. The following represents General Fund revenues by classification in 2018, which was similar to the prior year:

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General Fund Revenues 2018	
Taxes	\$33,877,547
Charges for Services	5,715,878
Intergovernmental	3,970,224
Investment Earnings	2,130,693
Contributions	852,758
Interfund Transfers	1,394,923
Other Revenue	925,811
Total	\$48,867,834



General Fund revenues were 1.9 percent over the amended budget in 2018. Property tax revenues were \$1.9 million higher than last year due to increased ad valorem taxes from oil and gas industry. Investment Income was higher by \$1.1 million over 2017 due to higher returns on the county's investments.

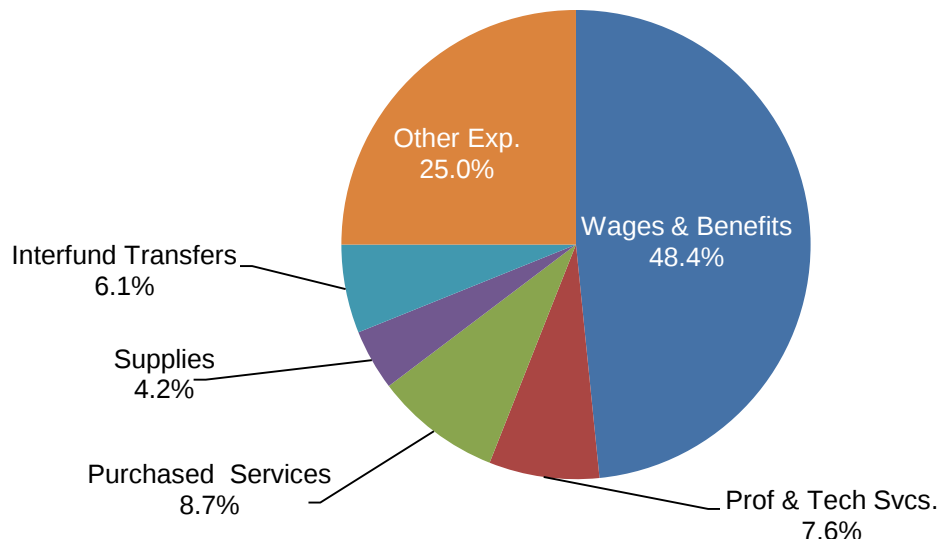
General Fund Revenues Budgetary Comparison					
	2018 Adopted Budget	2018 Amended Budget	2018 Actual	Amount Over/(Under) Amended	% Over/(Under) Amended
Taxes	\$33,113,393	\$33,113,393	\$33,877,547	\$764,154	2.3%
Charges for Services	5,989,950	6,107,950	5,562,799	(545,151)	(8.9%)
Intergovernmental	3,541,875	3,541,875	3,970,224	428,349	12.1%
Investment Income	1,900,460	1,900,460	2,283,771	383,311	20.2%
Contributions	937,500	960,500	852,758	(107,742)	(11.2%)
Interfund Transfers In	800,000	895,000	894,924	(76)	0.0%
Other Revenue	1,147,391	1,455,737	1,425,811	(29,926)	(2.1%)
Totals	\$47,430,569	\$47,974,915	\$48,867,834	\$892,919	1.9%

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Total expenditures for the General Fund in 2018 (including interfund transfers to other funds) were \$54.4 million, a 3.8 percent increase over 2017. A large part was due to an increase in other expenditures of \$1.3 million and increased wages and benefits for \$0.6 million.

As mentioned previously, the General Fund is the County's primary operating fund and consequently it contains a total of eighteen elected official offices and departments. Wages and benefits, therefore, make up 48.4 percent of total expenditures, while services provided for the County (professional and technical services, and purchased services) comprised 16.3 percent of the total. The following presents the total General Fund expenditures by classification:

General Fund Expenditures 2018	
Wages & Benefits	\$26,347,786
Professional and Technical Services	4,121,008
Purchased Services	4,754,789
Supplies	2,310,082
Interfund Transfers	3,310,148
Other Expenditures	13,542,029
Total	\$54,385,842



During 2018, there was a \$1.0 million (1.8 percent) increase in appropriations between the adopted and amended budgets for General Fund expenditures. The majority of the increase was in both professional and technical services of \$0.5 million and other expenditures of \$0.4 million.

General Fund expenditures were 3.4 percent (\$1.9 million) below the amended budget in 2018, which is the normal trend the County has experienced in previous years. There was a multitude of cost savings across the board with all departments and offices coming under budget. Notable variances included: 1. lower than budgeted wages and benefits primarily due to vacancy savings of \$0.5 million; 2. A hiring lag/vacancy savings adjustment of \$1.1 million as shown on page E1; 3. property insurance was under-spent by \$120 thousand; and 4. the Sheriff's office only spent 7 percent of the emergency management contingency returning \$465 thousand to fund balance.

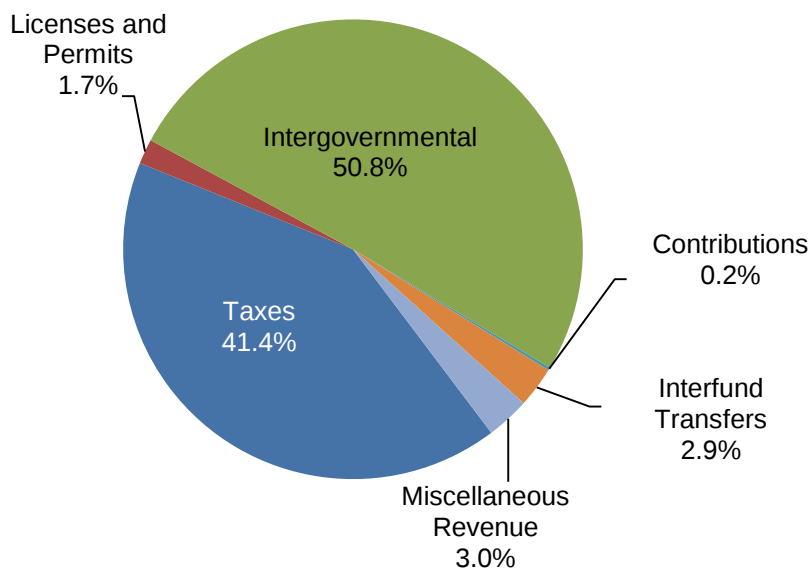
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General Fund Expenditures Budgetary Comparison					
	2018 Adopted Budget	2018 Amended Budget	2018 Actual	Amount Over/(Under) Amended	% Over/ (Under) Amended
Wages & Benefits	\$26,839,454	\$26,849,689	\$26,347,786	(\$501,903)	(1.9%)
Professional & Tech Svcs	4,268,508	4,810,241	4,121,008	(689,233)	(14.3%)
Purchased Services	5,322,722	5,295,022	4,754,789	(540,233)	(10.2%)
Supplies	2,394,116	2,478,150	2,310,082	(168,068)	(6.8%)
Interfund Transfers Out	3,353,535	3,353,535	3,310,148	(43,387)	(1.3%)
Other Expenditures	13,097,701	13,505,377	13,542,029	36,652	0.3%
Totals	\$55,276,036	\$56,292,014	\$54,385,842	(\$1,906,172)	(3.4%)

Road and Bridge Fund

The Road and Bridge Fund is used to account for the construction, maintenance, and snow removal on all County roads and bridges. Due to healthy fund balance levels in this fund, the 2017 & 2018 mill levy was zeroed out. Thus, the fund balance decreased by \$4.3 million in 2018 and has \$24.7 million available for future spending at the year-end. In 2018, total revenues of \$8.1 million in this fund increased by 15.7 percent over 2017 and total expenditures of \$12.4 million increased by 18.1 percent over 2017.

Road and Bridge Fund Revenues 2018	
Taxes	\$3,356,891
Licenses and Permits	141,803
Intergovernmental	4,115,829
Contributions	15,866
Interfund Transfers	232,394
Miscellaneous Revenue	246,582
Total	\$8,109,365

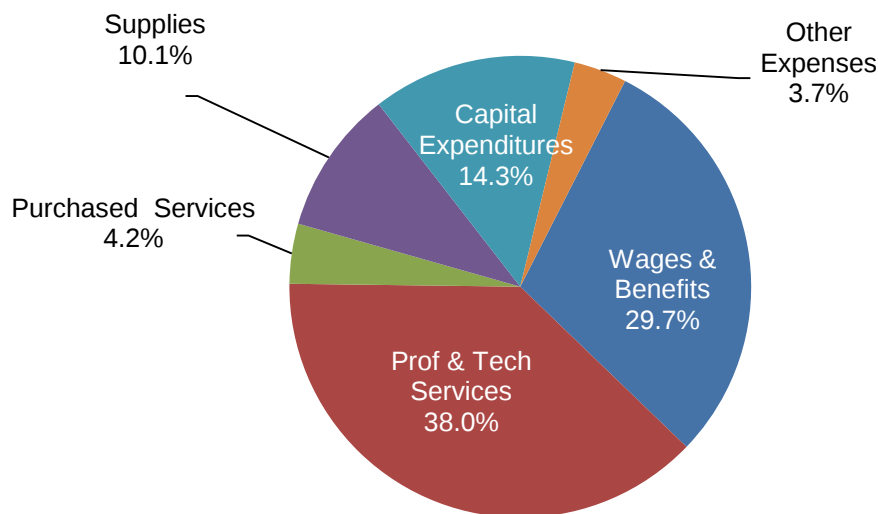


In 2018, the primary increase in revenues were in sales taxes of \$0.4 million and in State Highway Users Tax Fund (HUTF) of \$0.5 million with minimal revenue offsets.

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All expenditures in the Road and Bridge Fund are a public works function. Expenditures by classification were as follows:

Road and Bridge Fund Expenditures 2018	
Wages and benefits	\$3,682,132
Professional and technical services	4,711,642
Purchased services	517,149
Supplies	1,253,620
Capital expenditures	1,769,597
Other expenditures	462,513
Total	\$12,396,653



Human Services Fund

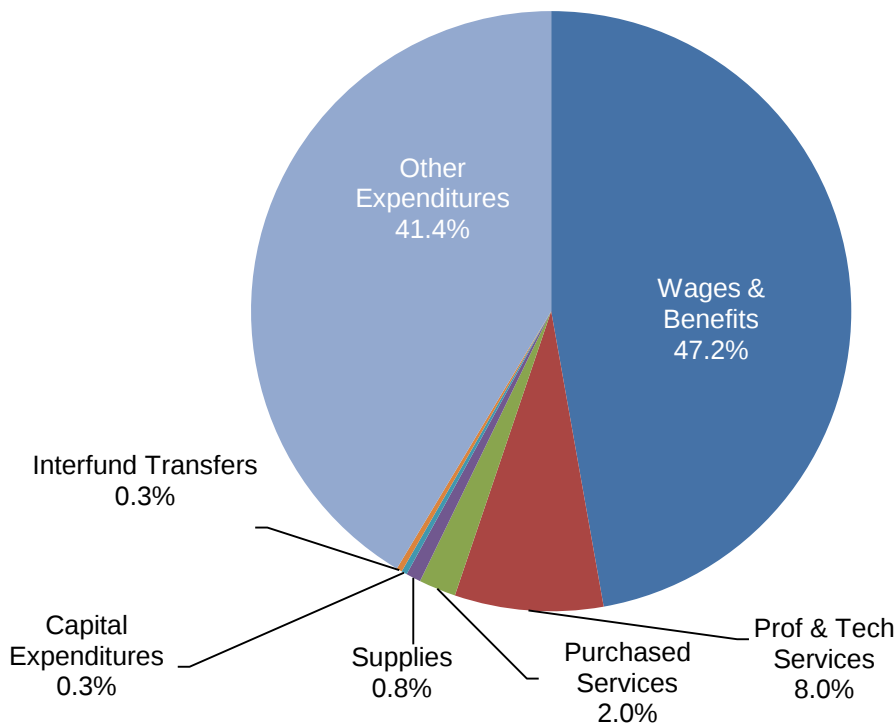
The Human Services Fund is used to account for a variety of State mandated social services including public assistance, child support, and family service programs. These services are provided by the County's Department of Human Services (DHS). In 2018, expenditures in excess of revenues caused the Human Services fund balance to decline 10.7 percent from \$18.7 million to \$16.7 million. When compared to 2017, total revenues decreased by 15.3 percent (\$2.9 million); property taxes decreased by 100 percent (\$2.4 million) due to no mill levy in 2018, and intergovernmental revenues decreased by 1.9 percent (\$0.3 million). The majority of revenues (99.3 percent) in this Fund are from intergovernmental sources.

Total expenditures decreased by 3.1 percent (\$573 thousand) compared with 2017. This was due to decreases in most expenses, by 6.0 percent (\$607 thousand), except for wages and benefits. They increased by 0.4 percent (\$35 thousand) due to annual merit increases and increases in health insurance costs.

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All expenditures in the Human Services Fund are a Health and Welfare function. Expenditures by classification were as follows:

Human Services Fund Expenditures 2018	
Wages and benefits	\$8,500,232
Professional and technical services	1,436,210
Purchased services	356,931
Supplies	138,788
Capital expenditures	56,590
Interfund Transfers	50,000
Other expenditures	7,475,591
Total	\$18,014,342



Of the \$7.5 million categorized as other expenditures; \$1.4 million was spent on Child Welfare Block Grant programs; \$4.5 million on the Food Assistance Benefits program; \$0.6 million on the Old Age Pension program; and \$1.0 million on Child Care Assistance program.

Capital Expenditures Fund

The Capital Expenditures fund balance increased by 73.0 percent from \$3.7 million in 2017 to \$6.5 million in 2018.

In 2018, revenues were \$5.2 million due to property taxes of \$4.0 million, mineral severance taxes of \$0.8 million and specific ownership taxes of \$0.3 million.

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Total capital expenditures were \$2.4 million, as follows:

Capital Expenditures Fund Expenditures 2018

Land Improvements:

- GWS Sheriff's Office (SO) Parking Lot Redesigned & Pavement Replaced	\$ 62,484
- Fairgrounds Installed LED Lighting for Outdoor Arena	145,414
- Fairgrounds Added Directional Signage	22,550
- GWS Sheriff's Office Courthouse Sidewalk Snowmelt	56,855
- Remote Communications Replace Lookout Mtn Communications Tower	442,000
- Remote Communications Broadband Wireless Improvements Project	15,000

Building Improvements:

- GWS Admin Building Replaced/Installed (2) Trane RTU HVAC Units	174,627
- Coroner's Garage Being Renovated into a Work-Space	26,288
- Fairgrounds Added (2) Announcer Booths to Indoor Arena	50,849
- Fairgrounds Installed LED Lighting Indoor Arena and Offices	24,733
- Fairgrounds Installed Card/Badge Access	17,051
- Fairgrounds Replaced Indoor Arena and Event Hall Overhead Doors	7,204
- Facilities Management Installed LED Lighting GWS Courthouse	26,858
- IT Installed Data Center Clean Agent Fire Systems	10,028
- GWS Public Health Renovated Mountain View Restroom	27,150
- Rifle HHS Building Floor Remodel with New Carpet	95,977
- River Bridge II HVAC Replacement	24,910
- Sheriff's Office Jail Remodel	45,892
- Rifle Facilities Management Stucco Maintenance Building	22,576

Machinery and Equipment:

- Clerk & Recorder Purchased OCE Plotwave 345 Scanner and Printer	16,155
- Sheriff's Office IT Replaced Network Switches and Storage at Rifle Annex	49,179
- Fairgrounds Installed Security Camera Upgrade	55,468
- Fairgrounds Engineered, Designed and Installed New Sound System	203,665
- C&R Security Camera Upgrade for Elections/Vital Records/Office Security	28,707
- Communications Purchased New Video Equipment	14,290
- Sheriff's Office Installed Jail Security Upgrades Mostly Cameras	25,537
- SO Purchased (10) APX4000 Handheld Radios and Accessories	35,387

Rolling Stock:

- Facilities Bought 2018 CanAm Outlander ATV and Plow for Sidewalks	8,064
- SO Acquired a Trailer and Side by Side ATV for EM Back Country Uses	31,898

Computer Hardware:

- IT Updated Cisco Unity VOIP Systems	31,206
- IT Input Switch Replacement Two Data Centers in Both Admin Bldgs	157,425
- IT Purchased Two Nimble HF20 SAN Appliances	115,130
- IT Voice Gateway Replaced Phone Routers Countywide	34,876
- Annual Countywide Hardware Replacement (Computers)	16,799

Computer Software:

- Finance (NWS) Time Keeping and Leave Management Software	15,985
- SO Acquired Brazos Eticketing Module from Tyler Technologies	99,763

Furnishings:

- Fairgrounds Purchased Event Tables and Chairs for Event Halls	22,507
- County Attorney Purchased Furniture for Remodel	15,634
- Rifle IT Purchased Office Furniture and Cubicles	16,452

Miscellaneous Countywide Capital Expenditures:	120,782
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TOTAL	\$2,413,355
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Garfield County, Colorado
Management's Discussion and Analysis
December 31, 2018

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

Capital Assets

As of December 31, 2018, the County's investment in capital assets (less accumulated depreciation) for governmental activities (including the Motor Pool Fund) was \$283.5 million. The investment in capital assets activities (less accumulated depreciation) for business-type activities was \$3.5 million.

In 2018, major capital expenditures included:

- Road & Bridge (R&B) constructed (3) culverts in-house: CR207 Carr Creek for \$126 thousand; Fairgrounds Arch for \$50 thousand; and CR117 Four Mile Creek for \$12 thousand. R&B entered into an IGA with the Town of Carbondale for paving CR101 Snowmass Drive for \$353 thousand. There were (3) Battlement Mesa Drainage projects being engineered for \$51 thousand to be carry-forward to 2019.
- The Airport purchased a Multi Task Snow Removal Truck for \$748 thousand and began construction on a new Snow Removal Equipment Facility for \$1.6 million that was completed in March 2019 for a total of \$1.9 million. Runway, taxiway and ramps were fog sealed for \$461 thousand. Airport purchased a 2003 Snow Plow through the DIA Surplus Auction for \$20 thousand.
- Remote Communications purchased a Lookout Mountain Communications Tower for \$442 thousand to be erected in the summer of 2019.
- The Sheriff's Office acquired and installed Brazos Eticketing Software Module from Tyler Technologies for \$100 thousand.
- In 2018, Information Technology department replaced the Network Switches in the Glenwood Springs Administration building and in the two data centers in Rifle and Glenwood Springs for \$157 thousand and purchased two Countywide Data Storage devices – one for Rifle and the other one for Glenwood Springs for \$115 thousand.
- In the Motor Pool Fund: Criminal Justice Services purchased a 2018 Chevy Suburban for \$45 thousand; Coroner purchased a 2018 F150 Ford longbed with topper pick-up truck for \$33 thousand; the Sheriff's Office replaced eight vehicles with Chevy Tahoes with upfitting (lighting, accessory and warning systems) totaling \$460 thousand; and Road & Bridge purchased two replacements, a 2018 RAM 3500 and a 2018 RAM 350 pick-up trucks for \$98 thousand.
- The purchase of seven pieces of heavy equipment in the Road & Bridge Fund totaling \$1.1 million includes: two 2018 International Tandem Dump/Plow Trucks for \$422 thousand; a 2018 John Deere Dozer for \$223 thousand; a 2018 John Deere Trackhoe for \$165 thousand; a 2018 John Deere 4WD Loader for \$195 thousand; a 2015 Bomag Roller for \$80 thousand and a 2018 Vacuum Tank for Hook Truck for \$37 thousand.
- Landfill purchased a 2018 Komptech Dual Shaft Shredder for \$616 thousand; a 2015 Bomag Roller for \$83 thousand; and with the help of R&B the landfill began working on a new large septic pond for \$127 thousand, to be completed within the first half of 2019.
- Fairgrounds improvements included an Arch Culvert over to the Facility's Maintenance Building for \$50 thousand constructed by R&B; installed a New Sound System through-out the Fairgrounds property for \$204 thousand; put up LED Lighting in the Outdoor Arena for \$145 thousand; installed two Announcer Booths in the Indoor Arena for \$51 thousand; installed LED Lighting in the Indoor Arena and Offices for \$25 thousand and installed Security Camera Upgrade for \$55 thousand.
- The Coroner's construction in progress was for Architectural Engineering to remodel the Coroner's Garage into a work-space for \$26 thousand, to be completed in 2019 for a total of \$151 thousand.

Garfield County, Colorado
Management's Discussion and Analysis
December 31, 2018

Overall, the County saw a decrease of 1.9 percent in total capital assets. Note 3D Capital Assets on pages D11 and D12 provide additional information about changes in capital assets during the calendar year. The following table provides a summary of capital asset activity:

	CAPITAL ASSETS					
	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Non-depreciable assets:						
Construction in progress	\$ 2,645,313	\$ 453,146	\$ 126,646	\$ -	\$ 2,771,959	\$ 453,146
Land	16,169,671	16,169,671	300,000	300,000	16,469,671	16,469,671
Total non-depreciable assets	18,814,984	16,622,817	426,646	300,000	19,241,630	16,922,817
Depreciable assets:						
Land improvements	62,767,264	62,452,634	1,901,732	1,901,732	64,668,996	64,354,366
Buildings	60,967,335	60,967,335	768,258	768,258	61,735,593	61,735,593
Building improvements	11,796,702	11,349,022	17,800	17,800	11,814,502	11,366,822
Machinery and equipment	30,568,220	28,908,734	2,602,424	2,500,176	33,170,644	31,408,910
Intangibles	3,002,106	2,843,952	-	-	3,002,106	2,843,952
Infrastructure	291,886,940	291,408,019	-	-	291,886,940	291,408,019
Total depreciable assets	460,988,567	457,929,696	5,290,214	5,187,966	466,278,781	463,117,662
Less accumulated depreciation	196,278,285	184,998,788	2,270,020	2,423,239	198,548,305	187,422,027
Book value - depreciable assets	264,710,282	272,930,908	3,020,194	2,764,727	267,730,476	275,695,635
Percentage depreciated	43%	40%	43%	47%	43%	40%
Book value - all assets	\$283,525,266	\$289,553,725	\$3,446,840	\$3,064,727	\$286,972,106	\$292,618,452

At December 31, 2018, the depreciable capital assets for governmental activities were 43 percent depreciated. This compares with 40 percent at December 31, 2017. The County's business-type activities asset values were 43 percent depreciated by December 31, 2018, which compares to 47 percent at December 31, 2017. The County continued to replace its capital assets in 2018 at a consistent level, and accumulated another year's worth of depreciation on its capital assets.

Long-term Obligations

During 2018, the County has the following long-term obligations for landfill closure and post closure costs and compensated absences:

	Long-term Obligations					
	Governmental Activities		Business-type Activities		Totals	
	2018	2017	2018	2017	2018	2017
Landfill closure and postclosure care	\$ -	\$ -	\$ 1,414,472	\$ 1,410,730	\$ 1,414,472	\$ 1,410,730
Compensated absences	2,415,464	2,287,935	56,212	48,191	2,471,676	2,336,126
Total	\$ 2,415,464	\$ 2,287,935	\$ 1,470,684	\$ 1,458,921	\$ 3,886,148	\$ 3,746,856

Additional information about the County's long-term obligations is available on page D14.

Garfield County, Colorado
Management's Discussion and Analysis
December 31, 2018

ECONOMIC OUTLOOK AND 2019 BUDGET

Garfield County's economy, largely dominated by agriculture, tourism, and natural resource development, continued to show signs of improvement in 2018 in all industry sectors. These trends are expected to continue in 2019 with growth in the housing and job markets; rising incomes; and increasing retail, tourism, and related sales tax revenues. Property tax revenues are expected to increase in 2019 due to increases in the price of natural gas in 2017, the year in which assessments are made for 2019 revenues.

The County continues to experience strong demand for many of its services, especially Human Services and Road and Bridge projects. With careful and prudent management and efficient use of funds, the County will continue to provide quality services and maintain operating expenditures in 2019. The operating budget is balanced with revenues in excess of expenditures of more than \$13 thousand. The Board's policy called for the adoption of a balanced operating budget and total fund balances near \$100 million. The 2019 adopted budget achieved both goals.

The 2019 budget adopted \$89,583,728 in revenues and appropriated \$101,952,394 in expenditures. The difference of \$12,368,666 was taken from fund balances and will be used for discretionary grants and capital projects that support the Airport, Remote Communications, Fairgrounds and various infrastructure improvements, some of which were carried forward from 2018. Priorities for 2019 include the Clerk & Recorder's new clear ballot voting system; heat exchanger removal and replacement at the Glenwood Spring jail; safe fencing for the Glenwood Springs jail's second tier PODS; relocation and construction of a new scale house to support the County's landfill operations; continued development of the Fairgrounds as a year round event center; Road and Bridge construction and maintenance projects including various asphalt paving projects; and discretionary grant funding for RFTA bus services, grants to non-profits and property tax back-fill grants to the municipalities within Garfield County.

Overall, the 2019 budget and the policy-driven strategic plan enable Garfield County to continue to provide high levels of service to its citizens; invest in prudent capital improvements; and support municipalities with key infrastructure projects, while maintaining a strong financial position.

REQUESTS FOR INFORMATION

This financial report is designed to provide an overview of the County's financial activities for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

Theresa Wagenman
Finance Director
108 8th Street, Suite 201
Glenwood Springs, Colorado, 81601
(970)945-7284 ext. #3
twagenman@garfield-county.com

BASIC FINANCIAL STATEMENTS

Garfield County, Colorado
Statement of Net Position
December 31, 2018

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 104,162,236	\$ 5,296,967	\$ 109,459,203
Due from other governments	866,362	-	866,362
Accounts, taxes, and other receivables	34,441,899	127,507	34,569,406
Prepays	65,000	-	65,000
Inventories	291,897	5,015	296,912
Internal balances	(21,801)	21,801	-
Capital assets:			
Capital assets not being depreciated	18,814,984	426,646	19,241,630
Capital assets - depreciable, cost	460,988,567	5,290,214	466,278,781
Accumulated depreciation and amortization	(196,278,285)	(2,270,020)	(198,548,305)
Total Assets	423,330,859	8,898,130	432,228,989
Liabilities			
Accounts payable	2,987,667	77,496	3,065,163
Accrued expenses	2,182,543	31,572	2,214,115
Unearned revenue	256,111	-	256,111
Noncurrent liabilities:			
Due within one year:			
Accrued compensated absences	603,866	14,053	617,919
Due in more than one year:			
Accrued compensated absences	1,811,598	42,159	1,853,757
Landfill closure and postclosure obligations	-	1,414,472	1,414,472
Total Liabilities	7,841,785	1,579,752	9,421,537
Deferred Inflow of Resources			
Property tax revenue	32,489,764	-	32,489,764
Total Deferred Inflow of Resources	32,489,764	-	32,489,764
Net Position			
Net investment in capital assets	283,525,266	3,446,840	286,972,106
Restricted for:			
Public health	2,966,438	-	2,966,438
Road and bridge	24,483,423	-	24,483,423
Human services	16,518,151	-	16,518,151
Conservation trust	123,806	-	123,806
Emergency reserve	3,483,290	-	3,483,290
Grants	5,000	-	5,000
Capital projects	6,480,742	-	6,480,742
Unrestricted	45,413,194	3,871,538	49,284,732
Total Net Position	\$ 382,999,310	\$ 7,318,378	\$ 390,317,688

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

Garfield County, Colorado
Statement of Activities
For the Year Ended December 31, 2018

Function/Program	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
General government	\$ 26,146,983	\$ 3,974,527	\$ 1,471,314	\$ 702,798	\$ (19,998,344)	\$ -	\$ (19,998,344)
Public safety	22,794,187	411,349	560,744	-	(21,822,094)	-	(21,822,094)
Public works	24,999,257	1,403,063	7,760,230	716,365	(15,119,599)	-	(15,119,599)
Health and welfare	22,071,607	400,062	17,486,605	-	(4,184,940)	-	(4,184,940)
Culture and recreation	3,073,737	847,216	353,054	-	(1,873,467)	-	(1,873,467)
Total Governmental Activities	99,085,771	7,036,217	27,631,947	1,419,163	(62,998,444)	-	(62,998,444)
Business-type Activities:							
Solid waste	1,619,149	1,482,381	2,482	-	-	(134,286)	(134,286)
Total	\$ 100,704,920	\$ 8,518,598	\$ 27,634,429	\$ 1,419,163	(62,998,444)	(134,286)	(63,132,730)
General Revenues:							
Property taxes					29,762,147	-	29,762,147
Sales taxes					11,337,745	-	11,337,745
Specific ownership taxes					2,254,587	-	2,254,587
Severance taxes					824,385	-	824,385
Other taxes					157,571	-	157,571
Interest income					2,453,335	-	2,453,335
Investment earnings (loss)					(627,305)	-	(627,305)
Unrealized gain (loss) on investments					305,061	-	305,061
Gain on sale of capital assets					156,063	(34,458)	121,605
Transfers					(42,381)	42,381	-
Total General Revenues and Transfers					46,581,208	7,923	46,589,131
Change in Net Position					(16,417,236)	(126,363)	(16,543,599)
Net Position Beginning of Year					399,416,546	7,444,741	406,861,287
Net Position End of Year					\$ 382,999,310	\$ 7,318,378	\$ 390,317,688

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

Garfield County, Colorado
Balance Sheet
Governmental Funds
December 31, 2018

	General	Road and Bridge	Human Services	Capital Expenditures	Total Non-major Funds	Total Governmental Funds
Assets						
Cash and investments, unrestricted	\$ 32,538,525	\$ 24,554,534	\$ 16,718,944	\$ 6,983,752	\$ 18,341,898	\$ 99,137,653
Accounts receivable	31,212,983	12,435	868,826	2,026,071	319,151	34,439,466
Due from other governments	282,261	519,817	-	-	64,284	866,362
Prepays	65,000	-	-	-	-	65,000
Due from other funds	405,530	89,180	-	7,871	33,347	535,928
Inventories	-	223,478	-	-	-	223,478
Total Assets	\$ 64,504,299	\$ 25,399,444	\$ 17,587,770	\$ 9,017,694	\$ 18,758,680	\$ 135,267,887
Liabilities						
Accounts payable	\$ 1,388,244	\$ 272,609	\$ 180,633	\$ 515,281	\$ 611,559	\$ 2,968,326
Accrued expenditures	1,158,102	194,947	457,529	22,100	330,152	2,162,830
Unearned revenue	-	-	85,721	-	170,390	256,111
Due to other funds	312,960	224,987	116,162	-	34,199	688,308
Total Liabilities	2,859,306	692,543	840,045	537,381	1,146,300	6,075,575
Deferred Inflow of Resources						
Property tax revenue	30,466,711	-	-	1,999,571	23,482	32,489,764
Total Deferred Inflow of Resources	30,466,711	-	-	1,999,571	23,482	32,489,764
Fund Balances						
Non-spendable	65,000	223,478	-	-	-	288,478
Spendable:						
Restricted	3,483,290	24,483,423	16,518,151	6,480,742	3,095,244	54,060,850
Committed	1,256,738	-	-	-	14,493,654	15,750,392
Assigned	-	-	229,574	-	-	229,574
Unassigned	26,373,254	-	-	-	-	26,373,254
Total Fund Balances	31,178,282	24,706,901	16,747,725	6,480,742	17,588,898	96,702,548
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 64,504,299	\$ 25,399,444	\$ 17,587,770	\$ 9,017,694	\$ 18,758,680	\$ 135,267,887

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

Garfield County, Colorado
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
December 31, 2018

Total Governmental Fund Balances	\$ 96,702,548
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities (excluding the Motor Pool Fund) are not financial resources and therefore not reported in the funds. However, in the Statement of Net Position the cost of these assets are capitalized and expensed over their estimated lives through annual depreciation expense:	
Cost of capital assets	\$ 473,090,263
Less accumulated depreciation	<u>(191,190,461)</u>
	281,899,802
Interfund receivables and payables between governmental funds are reported on the fund Balance Sheet but eliminated on the government-wide Statement of Net Position:	
Interfund receivables	\$ 688,308
Interfund payables	<u>(688,308)</u>
	-
An internal service fund is used by management to charge the costs of the motor pool to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the Statement of Net Position.	
	<u>\$ 6,784,616</u>
	6,784,616
Liabilities, including compensated absences, are not due and payable in the current period and therefore are not reported in the funds but are reported in the government-wide Statement of Net Position:	
Compensated absences	<u>\$ (2,387,656)</u>
	<u>(2,387,656)</u>
Net Position of Governmental Activities	<u>\$ 382,999,310</u>

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

Garfield County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	<u>General</u>	<u>Road and Bridge</u>	<u>Human Services</u>	<u>Capital Expenditures</u>	<u>Total Non-major Funds</u>	<u>Total Governmental Funds</u>
Revenues						
Taxes	\$ 33,877,547	\$ 3,356,891	\$ 956	\$ 4,332,876	\$ 1,943,780	\$ 43,512,050
Licenses and permits	7,440	141,803	-	-	-	149,243
Intergovernmental	3,970,224	4,115,829	15,968,871	795,364	2,403,626	27,253,914
Charges for services	5,715,878	-	72	-	1,563,479	7,279,429
Fines and forfeitures	113,925	-	14,765	-	39,709	168,399
Interest income	2,452,937	-	2	-	393	2,453,332
Investment earnings (loss)	(627,305)	-	-	-	-	(627,305)
Unrealized gain (loss) on investments	305,061	-	-	-	-	305,061
Contributions	852,758	15,866	1,300	-	55,000	924,924
Miscellaneous	804,446	246,582	88,045	23,994	136,974	1,300,041
Total Revenues	<u>47,472,911</u>	<u>7,876,971</u>	<u>16,074,011</u>	<u>5,152,234</u>	<u>6,142,961</u>	<u>82,719,088</u>
Expenditures						
Current						
General government	24,828,748	-	-	80,080	490,920	25,399,748
Public safety	20,776,736	-	-	-	543,749	21,320,485
Public works	2,371,847	10,627,056	-	-	1,114,327	14,113,230
Health and welfare	601,400	-	17,957,752	-	3,502,945	22,062,097
Culture and recreation	2,143,191	-	-	-	520,678	2,663,869
Capital Outlay	<u>353,772</u>	<u>1,769,597</u>	<u>56,590</u>	<u>2,333,275</u>	<u>3,005,382</u>	<u>7,518,616</u>
Total Expenditures	<u>51,075,694</u>	<u>12,396,653</u>	<u>18,014,342</u>	<u>2,413,355</u>	<u>9,178,001</u>	<u>93,078,045</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,602,783)</u>	<u>(4,519,682)</u>	<u>(1,940,331)</u>	<u>2,738,879</u>	<u>(3,035,040)</u>	<u>(10,358,957)</u>
Other Financing Sources (Uses)						
Transfers in	1,394,923	232,394	-	-	1,967,768	3,595,085
Transfers out	(3,310,148)	-	-	-	(327,318)	(3,637,466)
Total Other Financing Sources (Uses)	<u>(1,915,225)</u>	<u>232,394</u>	<u>-</u>	<u>-</u>	<u>1,640,450</u>	<u>(42,381)</u>
Net Change in Fund Balances	<u>(5,518,008)</u>	<u>(4,287,288)</u>	<u>(1,940,331)</u>	<u>2,738,879</u>	<u>(1,394,590)</u>	<u>(10,401,338)</u>
Fund Balances Beginning of Year	<u>36,696,290</u>	<u>28,994,189</u>	<u>18,688,056</u>	<u>3,741,863</u>	<u>18,983,488</u>	<u>107,103,886</u>
Fund Balances End of Year	<u>\$ 31,178,282</u>	<u>\$ 24,706,901</u>	<u>\$ 16,747,725</u>	<u>\$ 6,480,742</u>	<u>\$ 17,588,898</u>	<u>\$ 96,702,548</u>

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

Garfield County, Colorado
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
For the Year Ended December 31, 2018

Net Changes In Fund Balances - Total Governmental Funds		\$ (10,401,338)
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 as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Depreciation expense	\$ (12,305,553)	
Capital outlay	<u>6,306,376</u>	(5,999,177)
The County has sold assets which are shown at their sales price on governmental funds but are shown as a gain or loss on the sale of assets based upon sale price less the asset's book value.	<u>\$ (22,299)</u>	(22,299)
Elimination of transfers between governmental funds:		
Transfers in	\$ 3,595,085	
Transfers out	<u>(3,595,085)</u>	-
The internal service fund, used by management to charge the costs of the motor pool to individual funds, is not reported in the government-wide Statement of Activities. Governmental fund expenditures are reduced and the related internal service fund profit is eliminated.	<u>\$ 131,811</u>	131,811
Compensated absences 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. This represents the change in compensated absences during the year.	<u>\$ (126,233)</u>	<u>(126,233)</u>
Change In Net Position of Governmental Activities		<u>\$ (16,417,236)</u>

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

Garfield County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2018

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Assets		
Current Assets		
Cash and investments	\$ 5,296,967	\$ 5,024,585
Accounts receivables	127,507	2,432
Due from other funds	57,551	137,811
Inventories	5,015	68,419
Total Current Assets	5,487,040	5,233,247
Non-current Assets		
Capital Assets:		
Construction in progress	126,646	-
Intangible assets	68,712	102,435
Land	300,000	-
Land improvements	1,833,020	-
Buildings	768,258	-
Improvements	17,800	-
Machinery and equipment	2,602,424	6,610,850
Accumulated depreciation and amortization	(2,270,020)	(5,087,825)
Total Non-current Assets	3,446,840	1,625,460
Total Assets	8,933,880	6,858,707
Liabilities		
Current Liabilities		
Accounts payable	77,496	27,037
Accrued expenses	31,572	12,014
Due to other funds	35,750	7,232
Non-current liabilities due within one year:		
Accrued compensated absences	14,053	8,342
Total Current Liabilities	158,871	54,625
Non-current Liabilities		
Accrued compensated absences	42,159	19,466
Closure and postclosure obligations	1,414,472	-
Total Non-current Liabilities	1,456,631	19,466
Total Liabilities	1,615,502	74,091
Net Position		
Net investment in capital assets	3,446,840	1,625,460
Unrestricted	3,871,538	5,159,156
Total Net Position	\$ 7,318,378	\$ 6,784,616

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

Garfield County, Colorado
Statement of Revenues,
Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Operating Revenues		
Charges for services	\$ 1,482,381	\$ 1,642,629
Other	2,482	22,788
Total Operating Revenues	<u>1,484,863</u>	<u>1,665,417</u>
Operating Expenses		
Personnel	750,848	262,318
Purchased services	365,179	198,433
Materials and supplies	167,851	433,654
Depreciation	321,934	653,326
Other	3,742	-
Capital expense	9,595	-
Total Operating Expenses	<u>1,619,149</u>	<u>1,547,731</u>
Operating Income (Loss)	(134,286)	117,686
Non-operating Revenues		
Gain (loss) on sale of capital assets	<u>(34,458)</u>	<u>14,125</u>
Income Before Capital Contributions and Transfers In	(168,744)	131,811
Transfers in	<u>42,381</u>	<u>-</u>
Change in Net Position	(126,363)	131,811
Net Position Beginning of Year	<u>7,444,741</u>	<u>6,652,805</u>
Net Position End of Year	<u><u>\$ 7,318,378</u></u>	<u><u>\$ 6,784,616</u></u>

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

Garfield County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Fund	Governmental Activities - Internal Service Fund
Cash Flows from Operating Activities		
Cash received from customers	\$ 1,514,838	\$ -
Receipts from interfund charges for motor pool services	-	1,701,025
Cash received from other sources	2,482	22,788
Cash payments for personnel services	(742,825)	(261,022)
Cash payments to other funds for services provided	(21,474)	-
Cash payments for goods and services	(441,410)	(604,378)
Net Cash Provided by Operating Activities	311,611	858,413
Cash Flows from Noncapital Financing Activities		
Transfers in	42,381	-
Transfers (out)	-	-
Net Cash (Used in) Noncapital Financing Activities	42,381	-
Cash Flows from Capital and Related Financing Activities		
Proceeds from the sale of capital assets	95,000	14,125
Payments for capital acquisitions	(833,505)	(646,339)
Net Cash (Used in) Capital and Related Financing Activities	(738,505)	(632,214)
Net Increase (Decrease) in Cash and Cash Equivalents	(384,513)	226,199
Cash and Cash Equivalents Beginning of Year	5,681,480	4,798,386
Cash and Cash Equivalents End of Year	\$ 5,296,967	\$ 5,024,585
Reconciliation of Operating Income to Net Cash Provided by Operating Activities		
Operating Income (Loss)	\$ (134,286)	\$ 117,686
Adjustments to Reconcile Operating Income to Cash Provided by Operating Activities:		
Depreciation	321,934	653,326
(Increase) decrease in accounts receivable	32,457	58,399
(Increase) decrease in inventory	3,042	21,903
(Increase) decrease in due from other funds	34,145	(533)
Increase (decrease) in accounts payable	22,756	5,363
Increase (decrease) in due to other funds	34,816	5,232
Accrued expenses	(15,016)	(4,259)
Compensated absences payable	8,021	1,296
Landfill closure and postclosure care	3,742	-
Net Cash Provided by Operating Activities	\$ 311,611	\$ 858,413

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

Garfield County, Colorado
Statement of Assets and Liabilities
Agency Funds
December 31, 2018

	<u>2018</u>
Assets	
Cash and investments	\$ 4,011,528
Total Assets	<u><u>\$ 4,011,528</u></u>
Liabilities	
Due to others	\$ 645,529
Due to other governments	3,365,999
Total Liabilities	<u><u>\$ 4,011,528</u></u>

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

NOTES TO FINANCIAL STATEMENTS

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018

Note 1 - Summary of Significant Accounting Policies

1A. Reporting Entity

Garfield County ("County") was formed in 1883. The governing body of the County is a three member Board of County Commissioners. The County provides the following services directly: general administration, sheriff, jail, roads and bridges, solid waste disposal, public health, airport and human services.

The accounting policies of the County conform to generally accepted accounting principles (GAAP) as applicable to governments and have been consistently applied in the preparation of the financial statements. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

As required by GAAP, these financial statements present Garfield County, Colorado (the primary government) and its component unit, an entity that is a legally separate organization that must be included in the financial report of the primary government. When a component unit functions as an integral part of the primary government, its data is blended with that of the primary government.

Blended Component Unit – The component unit below is blended since the primary government and the component unit have met the criteria of having substantially the same governing body and operational responsibility.

Travelers Highland Public Improvement District – The Travelers Highland Public Improvement District (the "PID") was established in December 2009 for the purpose of infrastructure improvements located at County Road 300 and State Highway 6&24. The boundaries of the PID are within the County but costs relating to infrastructure within the PID are borne by the PID's citizens through a separate mill levy. Although the PID is a separate legal entity, for financial reporting purposes, it is part of the County and is included in the Travelers Highlands PID Fund as a blended component unit. The County's Board sits as *ex officio* as the PID Board and the County's management (below the governing body level) manages the activities of the component unit in the same manner as it manages its own activities. Therefore, it is blended based on the criteria that the primary government and the component unit have met the criteria of having substantially the same governing body and operational responsibility.

1B. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-wide financial statements include the Statement of Net Position and the Statement of Activities, which display information about the primary government (the County) and its component units. These statements present summaries of Governmental and Business-type Activities for the County accompanied by a total column. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon fees and charges for support.

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

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

1B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

The government-wide financial statements are presented with an economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Accordingly, all of the County's assets and liabilities, including capital assets, as well as infrastructure assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

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

The primary revenue sources, which have been treated as susceptible to accrual by the County, are property tax, sales tax, intergovernmental revenues and other taxes. All other revenue items are considered to be measurable and available only when cash is received by the County.

The following are the County's major governmental funds, proprietary funds, and fiduciary funds:

The General Fund – The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of Colorado.

Special Revenue Funds

Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The County reports the following major special revenue funds:

Road and Bridge Fund – State law empowers the County to levy property taxes for the purposes of construction and maintenance of County roads and bridges. This fund accounts for those taxes and all State and Federal monies received to maintain County roads and bridges.

Human Services Fund – This fund accounts for Federal and State welfare grant revenue. In addition, the County is required by Colorado Revised Statutes to levy property taxes to defray a portion of the cost of administering the grants.

Capital Projects Funds

Capital Projects Funds account for financial resources collected and used for the acquisition or construction of major capital facilities. The County reports one capital projects fund.

Capital Expenditures Fund – This fund accounts for resources assessed to be used to acquire capital assets and for the construction of major capital projects, excluding capital assets acquired by proprietary funds.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

1B. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

Proprietary Funds – Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The two proprietary funds are classified as an enterprise fund and as an internal service fund.

Solid Waste Fund (Enterprise Fund) – The Solid Waste Fund accounts for the County's landfill operations which are primarily funded by site collections.

Motor Pool Fund (Internal Service Fund) – The Motor Pool Fund accounts for transportation services provided by the Motor Pool Department to all other departments or agencies of the County on a cost reimbursement basis.

Fiduciary Funds – These funds include agency funds which account for monies held on behalf of other governments and agencies that use the County as a depository or for property taxes collected on behalf of the other governments or agencies. Agency funds are excluded from reporting in the government-wide financial statements. No budgets are adopted for the County's agency funds.

Certain eliminations have been made in regard to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated except for interfund services and those transactions between governmental and business-type activities, which have not been eliminated.

Reconciliation of the fund financial statements to the government-wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

1C. Cash, Cash Equivalents, and Investments

Except for departmental cash drawers, cash held for third parties (i.e., DHS Child Welfare), and cash held by separate legal entities which are included in the County reporting entity, all cash is deposited with the County Treasurer. The Treasurer invests this cash to achieve the best possible return on the investments. Cash, cash equivalents, and investments are accounted for as cash and investments in all funds. Interest revenue is allocated to funds as designated by the Board of County Commissioners.

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the County.

Investments include amounts invested in securities and are stated at fair market value based on quoted market prices or net asset value.

The County's investment policy permits investments in the following type of obligations:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Corporate Bonds (maximum maturity of 36 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

1D. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

1E. Interfund Balances

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/interfund payables." These amounts are eliminated in the governmental and business-type activities columns of the Statement of Net Position, except for any net residual amounts due between governmental and business-type activities, which are reclassified and presented as internal balances.

1F. Consumable Inventories

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used (i.e. the consumption method).

On the fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. The cost of inventory items is recorded as an expenditure in the governmental fund types when consumed.

1G. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2018, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as non-spendable as this amount is not available for general appropriation.

1H. Capital Assets

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The County reports these assets in the governmental activities column of the government-wide Statement of Net Position but does not report these assets in the County fund financial statements. Capital assets utilized by enterprise funds are reported both in the business-type activities column of the government-wide Statement of Net Position and in the enterprise funds' Statement of Net Position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition values as of the date received. The County maintains a capitalization threshold of \$5,000. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

1H. Capital Assets (continued)

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Asset Class	Estimated Lives	
	Governmental Activities	Business-type Activities
Land improvements	10 - 50 Years	3 - 50 Years
Buildings	50 Years	10 - 20 Years
Building improvements	5 - 20 Years	5 - 20 Years
Machinery and equipment	3 - 20 Years	3 - 20 Years
Infrastructure and roads	20 - 50 Years	---
Intangibles	3 - 10 Years	---

1I. Compensated Absences

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

All compensated absence liabilities include salary-related payments, where applicable.

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

1J. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year.

1K. Fund Balance and Net Position

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

Fund Balance – Generally, fund balance represents the difference between the current assets and current liabilities. Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications, include Non-spendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the general fund. The general fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note 3I.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

1K. Fund Balance and Net Position (continued)

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

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

1L. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for solid waste and the use of vehicles in the motor pool. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of each fund.

1M. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, from grants or outside contributions of resources restricted to capital acquisition and construction, or from contributions with the governmental activities funds.

1N. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e. they are netted).

Transfers between governmental and business-type activities on the government-wide Statement of Activities are reported as general revenues. Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are eliminated.

1O. Estimates

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

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

1P. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The County doesn't have any items that qualify for reporting in this category at December 31, 2018.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item that qualifies for reporting in this category. Accordingly, the item, property tax revenue, is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

Note 2 – Stewardship, Compliance and Accountability

2A. Budgetary Information – The County adopts an annual operating budget for all governmental and proprietary funds. Budgets for the governmental fund types are adopted on a basis consistent with GAAP. The proprietary fund types adopt budgets using a non-GAAP budgetary basis.

The County's original budget legislation begins with combining historical data, assessment of needs for the upcoming year and the Board's platform to review, and/or make changes to each department's budget. Before year end, a budgetary committee will meet again with each department for final review and approval of preliminary budget. The Budget is then formally presented to the Board via an advertised public process for their review, revisions and final approval by year end. All subsequent budget requests made during the year, after Board approval, must be presented via a public process and again approval by the Board.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the individual fund level. Any change in total to a fund requires approval of the Board of County Commissioners. The County approved changes to budgeted appropriations as necessary throughout the year for the year ended December 31, 2018. For the year ended December 31, 2018, the Retirement Fund exceeded appropriations by \$4,963.

All unexpended annual appropriations lapse at year-end.

Note 3 – Detailed Notes on All Funds

3A. Deposits and Investments

The County's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the County's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the County's demand deposits was \$9,428,484 at year end.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3A. Deposits and Investments (continued)

The County had the following cash and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Less than one year	One to five years
<i>Deposits:</i>				
Cash on hand	<i>Not Rated</i>	\$ 5,810	\$ 5,810	\$ -
Checking and savings	<i>Not Rated</i>	9,417,752	9,417,752	-
Savings	<i>Not Rated</i>	4,922	4,922	-
<i>Investments:</i>				
Money market	<i>Not Rated</i>	51,384	51,384	-
Pools	<i>AAAm</i>	9,505,247	9,505,247	-
Corporate bonds	<i>AA+/AA-</i>	10,295,295	-	10,295,295
Agencies	<i>AA+</i>	34,466,910	9,979,787	24,487,123
Treasuries	<i>AA+</i>	49,723,411	17,735,319	31,988,092
Total		<u>\$ 113,470,731</u>		

The Investment Pool represents investments in COLOTRUST, which is a 2a7-like pool. The fair value of the pool is determined by the pool's net asset value. The County has no regulatory oversight for the pool. At December 31, 2018, the County's investments in COLOTRUST were 8.4% of the County's investment portfolio.

Fair Value of Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3A. Deposits and Investments (continued)

At December 31, 2018 the County had the following recurring measurements:

Investments Measured at Fair Value	Total	Level 1	Level 2	Level 3
US Treasuries	\$ 49,723,411	\$ 49,723,411	\$ -	\$ -
US Agencies	34,466,910	34,466,910	-	-
Corporate Bonds	10,295,295	10,295,295	-	-
	<u>94,485,616</u>	<u>94,485,616</u>	<u>-</u>	<u>-</u>
Investments Measured at Net Asset Value				
Colotrust	9,505,247			
Money Market Mutual Fund	51,384			
	<u>9,556,631</u>			
 Total Investments	 <u>\$ 104,042,247</u>			

Investments classified in Level 1 are valued using prices quoted in active markets for those securities.

Investments classified in Level 2 are valued using the following approaches:

- Commercial Paper: quoted prices for identical securities in markets that are not active;
- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the County diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The County coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the County has limited its interest rate risk.

Credit Risk. County investment policy limits investments to those authorized by State statutes as listed in Note 1C. The County's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The County diversifies its investments by security type and institution. Financial institutions holding County funds must provide the County a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository. At December 31, 2018, the County's investments in Fannie Mae, Freddie Mac, Federal Home Loan Bank, United States Treasuries, and Corporate Bonds were 6.6%, 5.3%, 15.8%, 43.8%, and 9.1% of the County's investment portfolio, respectively.

At December 31, 2018, unrealized gains or (losses) were \$305,061, which reflects changes in the fair market value of investments from 2017 to 2018.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3B. Receivables

Receivables at December 31, 2018, consisted of taxes, interest, accounts, and intergovernmental receivables arising from grants. Receivables are net of an allowance for uncollectibles. The allowance for uncollectibles at December 31, 2018 was \$32,238.

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

The County had the following receivables at year end:

	Governmental Funds				Nonmajor Governmental Funds
	General Fund	Road and Bridge	Human Services	Capital Expenditures	
Accounts	\$ 681,080	\$ 6,070	\$ 520,226	\$ 26,500	\$ 295,669
Taxes	30,466,710	6,365	-	1,999,571	23,482
Other	65,193	-	378,600	-	2,238
Due from other governments	282,261	519,817	-	-	64,284
Gross receivables	31,495,244	532,252	898,826	2,026,071	385,673
Less: Allowance for uncollectibles	-	-	(30,000)	-	(2,238)
Total	<u>\$ 31,495,244</u>	<u>\$ 532,252</u>	<u>\$ 868,826</u>	<u>\$ 2,026,071</u>	<u>\$ 383,435</u>

	Proprietary Funds	
	Solid Waste Disposal	Motor Pool
Accounts	\$ 127,507	\$ 2,432
Gross receivables	127,507	2,432
Less: Allowance for uncollectibles	-	-
Total	<u>\$ 127,507</u>	<u>\$ 2,432</u>

3C. Property Taxes

Property taxes are levied on or before December 15 of each year and attach as an enforceable lien on the property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County bills and collects its own property taxes and the taxes for various other entities. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and deferred inflow of resources.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3D. Capital Assets

Governmental Activities capital asset activity for the year ended December 31, 2018 follows:

	Balance 1/1/18	Additions	Deductions	Balance 12/31/18
Governmental Activities:				
Capital assets not being depreciated:				
Construction in progress	\$ 453,146	\$ 3,002,665	\$ (810,498)	\$ 2,645,313
Land	16,169,671	-	-	16,169,671
Total assets not being depreciated	16,622,817	3,002,665	(810,498)	18,814,984
Depreciable capital assets:				
Land improvements	62,452,634	314,630	-	62,767,264
Buildings	60,967,335	-	-	60,967,335
Building improvements	11,349,022	447,680	-	11,796,702
Machinery and equipment	28,908,734	3,361,163	(1,701,677)	30,568,220
Intangibles	2,843,952	158,154	-	3,002,106
Infrastructure	291,408,019	478,921	-	291,886,940
Total depreciable capital assets	457,929,696	4,760,548	(1,701,677)	460,988,567
Total capital assets	474,552,513	7,763,213	(2,512,175)	479,803,551
Accumulated depreciation and amortization:				
Land improvements	(13,128,671)	(2,004,698)	-	(15,133,369)
Buildings	(19,505,210)	(1,120,543)	-	(20,625,753)
Building improvements	(3,587,137)	(622,948)	-	(4,210,085)
Machinery and equipment	(19,224,815)	(2,599,077)	1,679,378	(20,144,514)
Intangibles	(1,778,041)	(229,864)	-	(2,007,905)
Infrastructure	(127,774,914)	(6,381,745)	-	(134,156,659)
Total accumulated depreciation & amortization	(184,998,788)	(12,958,875)	1,679,378	(196,278,285)
Governmental activities capital assets, net	\$ 289,553,725	\$ (5,195,662)	\$ (832,797)	\$ 283,525,266

Governmental Activities depreciation and amortization expense and capital outlay expenditures are classified by function follows:

	Depreciation Expense	Capital Outlay
General government	\$ 470,400	\$ 1,491,542
Public safety	1,423,260	587,509
Public works	10,441,727	4,815,524
Culture and recreation	409,730	558,559
Health and welfare	213,758	65,482
Total	\$ 12,958,875	\$ 7,518,616

Differences between capital outlay expenditures and capital asset additions relate to expenditures that are less than the County's \$5,000 capitalization threshold.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3D. Capital Assets (continued)

Business-type Activities capital asset activity for the year ended December 31, 2018 was as follows:

	Balance 1/1/18	Additions	Deductions	Balance 12/31/18
Business-type Activities:				
Capital assets not being depreciated:				
Construction in progress	\$ -	\$ 126,646	\$ -	\$ 126,646
Land	300,000	-	-	300,000
Total assets not being depreciated	300,000	126,646	-	426,646
Depreciable capital assets:				
Land improvements	1,901,732	-	-	1,901,732
Buildings	768,258	-	-	768,258
Building improvements	17,800	-	-	17,800
Machinery and equipment	2,500,176	706,859	(604,611)	2,602,424
Total depreciable capital assets	5,187,966	706,859	(604,611)	5,290,214
Total capital assets	5,487,966	833,505	(604,611)	5,716,860
Accumulated depreciation:				
Land improvements	(276,485)	(115,277)	-	(391,762)
Buildings	(395,148)	(36,304)	-	(431,452)
Building improvements	(8,950)	(1,386)	-	(10,336)
Machinery and equipment	(1,742,656)	(168,967)	475,153	(1,436,470)
Total accumulated depreciation	(2,423,239)	(321,934)	475,153	(2,270,020)
Business-type activities capital assets, net	\$ 3,064,727	\$ 511,571	\$ (129,458)	\$ 3,446,840

At December 31, 2018, the County had \$20,090,030 of fully depreciated capital assets.

3E. Interfund Balances and Transfers

Interfund balances at December 31, 2018, consisted of the following amounts and represent charges for services or reimbursable expenses. These remaining balances resulted from the time lag between the dates that (1) interfund goods or services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting period, and (3) payments between funds are made. The County expects to repay all interfund balances within one year.

	Due From	Due To
General fund	\$ 405,530	\$ 312,960
Road and bridge fund	89,180	224,987
Human services fund	-	116,162
Capital expenditures fund	7,871	-
Nonmajor governmental funds	33,347	34,199
Solid waste fund	57,551	35,750
Motor pool fund	137,811	7,232
Total	\$ 731,290	\$ 731,290

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3E. Interfund Balances and Transfers (continued)

Interfund transfers for the year ended December 31, 2018, consisted of the following:

	Transfer In	Transfer (Out)
General fund	\$ 1,394,923	\$ (3,310,148)
Road and bridge fund	232,394	-
Nonmajor governmental funds	1,967,768	(327,318)
Solid waste fund	42,381	-
Total	<u>\$ 3,637,466</u>	<u>\$ (3,637,466)</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (3) segregate money for anticipated capital projects, (4) provide additional resources for current operations or debt service, and (5) return money to the fund from which it was originally provided once a project is completed.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

3F. Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require the County to place final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each Balance Sheet date. Total closure and postclosure care costs are currently estimated to be \$2,303,700, with closure costs estimated to be \$1,616,664 and postclosure care cost estimated to be \$687,036. The \$1,414,472 reported as landfill closure and postclosure care liability at December 31, 2018, represents the cumulative amount reported to date based on the use of 61.4% of the capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$889,228 as the remaining estimated capacity is filled. These amounts are based on estimates of what it would cost to perform all closure and postclosure care in 2018. The County expects to close the landfill in the year 2040. Actual cost may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

The County is required by State and Federal laws and regulations to provide assurance that the County has the ability to meet its financial obligations relating to closure and postclosure monitoring of the landfill. The County is in compliance with these requirements. However, if the County's financial position significantly changes in the future and resources are not available, or costs significantly change (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3G. Long-term Obligations

Changes in the County's long-term obligations consisted of the following for the year ended December 31, 2018:

	Outstanding 1/1/18	Additions	Reductions	Outstanding 12/31/18	Amounts Due in One Year
Governmental Activities:					
Compensated absences	\$ 2,287,935	\$ 813,910	\$ (686,381)	\$ 2,415,464	\$ 603,866
Total Governmental Activities	<u>\$ 2,287,935</u>	<u>\$ 813,910</u>	<u>\$ (686,381)</u>	<u>\$ 2,415,464</u>	<u>\$ 603,866</u>
Business-type Activities:					
Landfill closure & postclosure	\$ 1,410,730	\$ 3,742	\$ -	\$ 1,414,472	\$ -
Compensated absences	48,191	22,478	(14,457)	56,212	14,053
Total Business-type Activities	<u>\$ 1,458,921</u>	<u>\$ 26,220</u>	<u>\$ (14,457)</u>	<u>\$ 1,470,684</u>	<u>\$ 14,053</u>

The landfill closure and postclosure care liability is being retired by the Solid Waste Fund. The compensated absences liability will be paid from the following funds from which the employees' salaries are paid: General Fund, Public Health Fund, Road & Bridge Fund, Human Services Fund, and Airport Fund.

Conduit Debt Obligations: From time to time, the County has issued Private Activity Bonds to provide financial assistance to private sector entities for the acquisition and construction of housing and commercial facilities deemed to be in the public interest.

The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. The County did not issue any conduit debt obligations or private activity bonds during the year ended December 31, 2018.

3H. Retirement Plans

Defined Contribution Plan 401(a): The County participates in the Colorado County Officials and Employees Retirement Association ("CCOERA"), a non-profit, multiple-employer public employee retirement system which is a qualified plan as defined by IRS Code Section 401(a) and Colorado Revised Statutes (CRS) 24.54. The plan provides retirement benefits through a defined contribution plan to participating Colorado counties, municipalities and special districts. Plan investment purchases are determined by the plan participant and therefore, the plan's investment concentration varies between participants.

State statute assigns the authority to establish and amend the benefit provisions and contribution requirements of the plans that participate in CCOERA to the respective employer governments.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3H. Retirement Plans (continued)

There are no unfunded past service liabilities. All full-time or part-time employees (employment status of working at least 30 hours per week for a continuous period of six months or more) are required to participate in the 401(a) retirement plan. The County and the employee are required to contribute 5% of employee compensation, excluding items defined in the CCOERA Plan Document (such as overtime) until the employee's tenth anniversary of employment with the County, after which the contribution from each increases to 6%. The County's contribution for each employee, including earnings thereon allocated to the employee's account, vest at the rate of 20% for each year (five year vesting schedule) of participation in the plan. County contributions and earnings forfeited by employees who leave employment before fully vesting are returned to Garfield County. The County allows 401a loans, but distributions are not available to employees until termination, retirement, or death.

During 2018, there were 529 total participants. The County and employees made the required contribution amounting to \$1,517,903 each.

Defined Contribution Plan 457: The County offers its employees a voluntary deferred compensation plan created in accordance with Internal Revenue Code Section 457 that is administered by CCOERA. The plan is available to all full-time or part-time employees (employment status of working at least 30 hours per week for a continuous period of six months or more) and permits them to defer a portion of their salary until future years. Contributions to the plan can be made before-tax or after-tax (i.e. Roth). However, the total contributions are limited to the annual IRS retirement plan limits or 100% of net pay, whichever is less. The County allows 457b loans, but distributions are only available for qualified unforeseeable emergencies, separation of service, retirement, or death. There are no provisions for in-service withdrawals and Roth assets are not eligible for emergency withdrawals. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. Plan investment purchases are determined by the plan participant and therefore, the plan's investment concentration varies between participants. In 2018, there were 107 total participants.

Retirement Plan Loan Program: Garfield County's preference is that loans are used for: education expenses for the employee, spouse, or child; to prevent eviction from an employee's home or defaulting on a mortgage; to pay unreimbursed medical expenses; to buy a primary residence; debt consolidation; and unforeseen emergencies. All CCOERA loans are made in accordance with Article 8 of the plan and the adopted procedures by the Plan Administrator.

All eligible participants are allowed to borrow from their 401(a) and/or 457 accounts, but may only have one outstanding loan per retirement plan at any given time. Loans can be made up to 50% of an eligible participant's vested account balance with a required minimum loan amount of \$2,500 and maximum loan amount of \$50,000, not to exceed a combined loan amount of \$50,000 on both plans (401(a) and 457 plans). The loan interest charged by the Plan Administrator is Prime + 1% which is determined on the day of loan approval plus additional fees.

Refinancing is allowed for loans (length of loan may not change) with a minimum balance of \$2,500 (additional fees applied). An eligible participant is only allowed to have one new loan or one refinance of an existing loan in a 12-month period and refinancing can't occur in the final year of the loan.

While employed by Garfield County, participant loans will be paid via payroll deductions (one to five years for General Purpose loans and up to fifteen years for Principal Residence loans). Participants can make additional payments to pay off the loan early without penalty. Upon separation of employment, the participant's loan(s) are 100% payable. If unpaid the remainder of the loan will become a taxable distribution to the IRS and subject to potential tax penalties. Participants are advised to contact the Plan Administrator to offset the loan to avoid consequences of potential default.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3I. Fund Balance Disclosure

The County classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through adoption of a formal Resolution, the highest level of decision making authority which is the Board of County Commissioners. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (i.e. the adoption of another resolution to remove or revise the limitation).

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Assigned fund balance represents amounts constrained by the County's intent to use them for a specific purpose. The authority to assign has been delegated to the Board of County Commissioners or its management designee (i.e. County Manager). An intended use of any amount may also be expressed by the Board and recorded in the minutes of a Board meeting.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The County does not have a formal minimum fund balance policy. However, the County's budget includes a calculation of a targeted reserve positions and the Administration calculates targets and report them annually to the Board.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

3I. Fund Balance Disclosure (continued)

As of December 31, 2018, fund balances are composed of the following:

	General Fund	Other Governmental Funds	Total Governmental Funds	Description
Non-spendable:				
Inventories	\$ -	\$ 223,478	\$ 223,478	
Prepays	65,000	-	65,000	
Restricted:				
Public health	-	2,966,438	2,966,438	Legislative Restriction
Road and bridge	-	24,483,423	24,483,423	Legislative Restriction
Human services	-	16,518,151	16,518,151	Legislative Restriction
Conservation trust	-	123,806	123,806	Legislative Restriction
Emergency reserve	3,483,290	-	3,483,290	Legislative Restriction
Grants	-	5,000	5,000	Federal and State Grant Restriction
Other capital projects	-	6,480,742	6,480,742	Legislative Restriction
Committed:				
Airport	-	1,094,697	1,094,697	BOCC Resolution
Community events	1,178,590	-	1,178,590	BOCC Resolution
Clerk and recorder EFTF	-	44,675	44,675	BOCC Resolution
Traffic study	-	239,080	239,080	Traffic Impact Fees Resolution
Livestock auction	41,893	-	41,893	BOCC Resolution
Commissary	36,255	-	36,255	BOCC Resolution
Retirement	-	3,713,945	3,713,945	BOCC Resolution
Oil and gas mitigation	-	9,302,517	9,302,517	BOCC Resolution
Traveler's highland PID	-	98,740	98,740	BOCC Resolution
Assigned:				
Human services	-	229,574	229,574	TANF Participation and Fraud Recovery
Unassigned	26,373,254	-	26,373,254	
Total Fund Balances	<u>\$ 31,178,282</u>	<u>\$ 65,524,266</u>	<u>\$ 96,702,548</u>	

Note 4 - Other Notes

4A. Risk Management

The County participates in two risk management pools.

County Workers' Compensation Pool - The County is exposed to various risks of loss related to injuries of employees while on the job. The County joined together with other counties in the State of Colorado to form the County Workers' Compensation Pool ("CWCP"), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The intergovernmental agreement of formation of CWCP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the pool will purchase insurance through commercial companies for members' claims in excess of specified self-insured retention, which is determined each policy year.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

4A. Risk Management (continued)

Colorado Counties Casualty and Property Pool - The County is exposed to various risks of loss related to casualty and property losses. The County has joined together with other counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool ("CAPP"), a public entity risk pool currently operating as a common risk management and insurance program for member counties.

The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and that the pool will purchase insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each policy year. There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

4B. Contingent Liabilities

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

The County was a defendant in several lawsuits at December 31, 2018. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

4C. TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment. However, the County has made certain interpretations of the amendment's language in order to determine its compliance. The County placed a question on the November 1994 ballot that would permit the County to keep and spend state grants, all sales tax and property tax revenues without limiting in any year the amount of other revenues that may be collected. The ballot question was approved by the County's voters.

One of the requirements of TABOR is for emergency reserves to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenue (excluding bonded debt service). The County has restricted a portion of its December 31, 2018 year end fund balance in the General Fund for emergencies as required under TABOR in the amount of \$3,483,290.

Garfield County, Colorado
Notes to the Basic Financial Statements
December 31, 2018
(Continued)

4D. Construction Commitments

The County had the following contractual commitments at year end:

Fund	Project	Vendor	Contract Commitment	Completed	Retainage	Remaining
GF	Federal Lands Policy Coordination	Budd Falen Law Offices	\$ 60,000	\$ (5,107)	\$ -	\$ 54,893
DHS	Senior Meal Service Program	City of Rifle	105,000	(44,617)	-	60,383
R&B	Battlement Mesa Drainage	River City Consultants, Inc	149,507	(50,936)	-	98,571
CF	Renovate Coroner Building	Phoenix Industries	124,958	-	-	124,958
DHS	Prep Professional Services	Family Visitor	155,000	(26,302)	-	128,698
Air	Snow Removal Equipment Facility	CMC Group	1,649,738	(1,365,562)	(145,542)	138,634
DHS	Go2Work Programs	Colorado Mountain College	250,561	(107,756)	-	142,805
R&B	2018 Chipseal Projects	United Companies	871,600	(550,239)	(27,633)	293,728
Total			\$ 3,366,364	\$ (2,150,519)	\$ (173,175)	\$ 1,042,670

REQUIRED SUPPLEMENTARY INFORMATION

General Fund – accounts for financing general administration and most of the services in Garfield County. Primary sources of revenue are sales tax, property tax, grants and fees.

Special Revenue Funds:

Road & Bridge Fund – accounts for financing County road and bridge construction and maintenance. Primary sources of revenue are the Highway User Tax (HUTF), sales tax, contributions and grants.

Human Services Fund – accounts for financing public welfare programs in Garfield County. Primary sources of revenue are from federal and state grants.

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Garfield County, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Taxes				
Property tax revenue	\$ 24,287,206	\$ 24,287,206	\$ 24,253,033	\$ (34,173)
Specific ownership tax	1,650,000	1,650,000	1,840,367	190,367
Delinquent tax and interest	325,000	325,000	41,217	(283,783)
Sales tax	6,839,687	6,839,687	7,733,940	894,253
Other taxes	11,500	11,500	8,990	(2,510)
Licenses and permits	4,000	4,000	7,440	3,440
Intergovernmental				
Payment in lieu of taxes	3,000,000	3,000,000	3,218,032	218,032
Federal grants	42,000	42,000	62,791	20,791
State grants	429,500	429,500	619,026	189,526
Local grants	70,375	70,375	70,375	-
Charges for services				
Clerk and recorder	1,305,000	1,305,000	1,411,989	106,989
Community development	540,000	540,000	496,405	(43,595)
Sheriff's fees	395,500	395,500	349,430	(46,070)
Treasurer's fees	2,256,150	2,256,150	1,813,118	(443,032)
Livestock	445,000	495,000	489,366	(5,634)
Other fees	1,248,300	1,316,300	1,155,570	(160,730)
Fines and forfeitures	115,000	115,000	113,925	(1,075)
Interest income	1,700,460	1,700,460	2,452,937	752,477
Investment earnings (loss)	-	-	(627,305)	(627,305)
Unrealized gain (loss) on investments	-	-	305,061	305,061
Contributions	937,500	960,500	852,758	(107,742)
Miscellaneous	528,391	836,737	804,446	(32,291)
Total Revenues	46,130,569	46,579,915	47,472,911	892,996
Expenditures				
Current				
General government				
General (vacancy savings)	(1,136,349)	(1,136,349)	-	(1,136,349)
Board of county commissioners	3,020,558	3,301,558	3,281,265	20,293
District attorney	2,399,278	2,399,278	2,348,170	51,108
Assessor	2,054,950	2,054,950	1,935,764	119,186
Clerk and recorder	1,920,494	1,929,494	1,861,857	67,637
Treasurer	728,969	726,989	616,455	110,534
Public trustee	26,855	26,855	17,331	9,524
Surveyor	54,347	54,347	42,906	11,441
County attorney	1,493,285	1,663,285	1,481,149	182,136
County manager	1,257,650	1,277,150	996,945	280,205
Finance	1,114,578	1,114,578	1,067,808	46,770
Human resources	664,085	674,950	622,447	52,503
Information technology	1,814,341	1,814,341	1,625,145	189,196
Procurement	673,400	673,400	559,487	113,913
Oil and gas	219,582	219,582	176,191	43,391
Community development	1,968,260	1,972,298	1,319,735	652,563
Communications	462,642	462,642	427,145	35,497
Contingency and fund administration	591,994	591,994	576,541	15,453
Sales tax distribution	5,312,499	5,312,499	5,872,407	(559,908)
Public safety				
Sheriff	9,746,827	9,723,857	9,179,138	544,719
Animal rescue	563,373	563,373	504,194	59,179
Emergency management	388,882	388,882	410,076	(21,194)
Fire suppression	46,000	46,000	40,887	5,113
Jail	7,859,786	8,066,272	7,647,086	419,186
Search and rescue	39,000	39,000	38,237	763
Coroner	441,752	591,752	398,341	193,411
Emergency medical	1,000	1,000	-	1,000
Criminal justice services	2,595,306	2,601,618	2,435,908	165,710
Commissary	100,000	124,000	122,869	1,131
Public works				
Facilities management	1,882,596	1,892,596	1,812,238	80,358
Vegetation management	670,211	670,211	559,609	110,602
Health and welfare				
Health and welfare grants	561,875	561,875	601,400	(39,525)
Culture and recreation				
Extension	285,784	285,784	285,740	44
Fairgrounds	1,321,181	1,380,381	1,366,123	14,258
Livestock	453,000	503,000	491,328	11,672
Capital Outlay	324,510	365,037	353,772	11,265
Total Expenditures	51,922,501	52,938,479	51,075,694	1,862,785
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	(5,791,932)	(6,358,564)	(3,602,783)	2,755,781
Other Financing Sources (Uses)				
Transfers in	1,300,000	1,395,000	1,394,923	(77)
Transfers out	(3,353,535)	(3,353,535)	(3,310,148)	43,387
Total Other Financing Sources (Uses)	(2,053,535)	(1,958,535)	(1,915,225)	43,310
Net Change in Fund Balances	\$ (7,845,467)	\$ (8,317,099)	\$ (5,518,008)	\$ 2,799,091
Fund Balances Beginning of Year			36,696,290	
Fund Balances End of Year			\$ 31,178,282	

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

Garfield County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Taxes				
Property tax revenue	\$ -	\$ -	\$ 44	\$ 44
Delinquent tax and interest	-	-	970	970
Sales tax	2,812,500	2,812,500	3,207,296	394,796
Other taxes	136,000	136,000	148,581	12,581
Licenses and permits	130,000	130,000	141,803	11,803
Intergovernmental				
State grants	3,800,600	4,450,600	4,115,829	(334,771)
Contributions	1,500	16,166	15,866	(300)
Miscellaneous	235,000	235,000	246,582	11,582
Total Revenues	7,115,600	7,780,266	7,876,971	96,705
Expenditures				
Current				
Public works				
Operations	4,661,905	4,856,620	4,537,580	319,040
Maintenance	7,083,500	7,118,218	6,089,476	1,028,742
Capital Outlay	2,424,000	2,813,866	1,769,597	1,044,269
Total Expenditures	14,169,405	14,788,704	12,396,653	2,392,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,053,805)	(7,008,438)	(4,519,682)	2,488,756
Other Financing Sources (Uses)				
Transfers in	-	232,934	232,394	(540)
Total Other Financing Sources (Uses)	-	232,934	232,394	(540)
Net Change in Fund Balances	\$ (7,053,805)	\$ (6,775,504)	\$ (4,287,288)	\$ 2,488,216
Fund Balances Beginning of Year			28,994,189	
Fund Balances End of Year			\$ 24,706,901	

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

Garfield County, Colorado
Human Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Taxes				
Property tax revenue	\$ -	\$ -	\$ (512)	\$ (512)
Specific ownership tax	225,000	225,000	-	(225,000)
Delinquent tax and interest	-	-	1,468	1,468
Intergovernmental				
Federal grants	14,628,105	14,701,816	13,649,297	(1,052,519)
State grants	2,136,244	2,075,993	2,084,243	8,250
Local grants	274,504	261,744	235,331	(26,413)
Charges for services	50	50	72	22
Fines and forfeitures	20,000	20,000	14,765	(5,235)
Investment income	-	-	2	2
Contributions	-	1,300	1,300	-
Miscellaneous	87,800	85,800	88,045	2,245
Total Revenues	17,371,703	17,371,703	16,074,011	(1,297,692)
Expenditures				
Current				
Health and welfare				
Administration	2,844,623	2,819,373	2,609,578	209,795
Child care assistance	1,027,115	1,027,115	1,174,117	(147,002)
Child care quality and licensing	276,489	275,574	244,035	31,539
Child support enforcement	1,032,461	1,026,061	937,313	88,748
Child welfare block grant	4,061,762	4,053,122	3,634,038	419,084
Colorado works	1,280,665	1,280,665	1,048,421	232,244
CORE services	753,584	757,584	608,699	148,885
Aid to needy disabled	90,000	90,000	63,762	26,238
Food benefits assistance	5,100,000	5,090,987	4,487,372	603,615
General assistance	10,000	2,500	1,268	1,232
Home care allowance	33,000	33,000	21,434	11,566
Low-income energy assistance program	228,150	228,150	213,924	14,226
Old age pension	868,000	868,000	675,319	192,681
Single entry point	1,196,903	1,194,303	1,064,214	130,089
Independent living	17,251	12,751	6,120	6,631
DHS - local grants	-	5,500	500	5,000
DHS excess IV-E	5,000	10,000	7,390	2,610
Senior programs	979,201	1,007,301	972,811	34,490
Rural runaway homeless youth	7,500	1,259	321	938
DHS excess parental fees	50,800	50,766	27,334	23,432
Employment first	260,102	255,602	150,551	105,051
Other programs	11,350	11,350	9,231	2,119
Capital Outlay	35,350	74,330	56,590	17,740
Total Expenditures	20,169,306	20,175,293	18,014,342	2,160,951
Net Change in Fund Balances	\$ (2,797,603)	\$ (2,803,590)	\$ (1,940,331)	\$ 863,259
Fund Balances Beginning of Year			18,688,056	
Fund Balances End of Year			\$ 16,747,725	

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

Garfield County, Colorado
Note to Required Supplementary Information
For the Year Ended December 31, 2018

Budgetary Information – The budget is prepared in accordance with accounting principles generally accepted in the United States of America by the County's Finance Department and approved by the Board of County Commissioners following a public hearing.

Any change in the total to a fund's budget requires approval of the Board of County Commissioners. All unexpended annual appropriations lapse at year-end. Budgets for these projects are appropriated in the following year.

SUPPLEMENTARY INFORMATION

Capital Projects Fund:

Capital Expenditures Fund – accounts for financing various capital improvement projects in Garfield County. Sources of revenue include property tax, grants and contributions.

Special Revenue Funds:

Airport Fund – accounts for operations at the County airport.

Oil and Gas Mitigation Fund – accounts for resources accumulated to offset the effects of oil and gas exploration and production within the County. The Colorado Department of Local Affairs distributes revenue derived from energy and mineral extraction statewide. This revenue comes from State Severance Tax receipts.

Conservation Trust Fund – accounts for lottery revenues received from the State of Colorado to be used for the acquisition and development of parks and recreational sites within Garfield County.

Grant Fund – accounts for monies that Garfield County has received through grant funding to be used on behalf of Garfield County.

Clerk & Recorder EFTF Fund – accounts for the revenues and expenditures related to the collection of a surcharge, which is to be used solely to defray the costs of implementing and providing electronic filing and recording capabilities.

Traffic Study Fund – accounts for revenues received from building & planning activity related to subdivision development. The revenues are to be used to address traffic/road concerns in the areas in which the subdivisions were approved.

Retirement Fund – accounts for the activities of the County retirement plan. The County levies a portion of property tax to fund its contribution to the plan.

Traveler's Highland PID – accounts for all revenues and expenditures of real and personal property tax dollars collected from property located within the district for specific purposes supported by statute and governing documents of the PID.

Public Health Fund – accounts for all revenues and expenditures related to the administration of public health services and programs. This fund was set up pursuant to Senate Bill 08-194.

Garfield County, Colorado
Capital Expenditures Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Taxes				
Property tax revenue	\$ 4,027,910	\$ 4,027,910	\$ 4,021,295	\$ (6,615)
Specific ownership tax	300,000	300,000	305,216	5,216
Delinquent tax and interest	35,000	35,000	6,365	(28,635)
Intergovernmental				
State grants	2,000,800	2,427,865	795,364	(1,632,501)
Miscellaneous	-	24,000	23,994	(6)
Total Revenues	<u>6,363,710</u>	<u>6,814,775</u>	<u>5,152,234</u>	<u>(1,662,541)</u>
Expenditures				
Current				
General government	80,558	80,558	80,080	478
Capital Outlay	<u>3,260,000</u>	<u>5,458,745</u>	<u>2,333,275</u>	<u>3,125,470</u>
Total Expenditures	<u>3,340,558</u>	<u>5,539,303</u>	<u>2,413,355</u>	<u>3,125,948</u>
Net Change in Fund Balances	<u>\$ 3,023,152</u>	<u>\$ 1,275,472</u>	<u>\$ 2,738,879</u>	<u>\$ 1,463,407</u>
Fund Balances Beginning of Year			<u>3,741,863</u>	
Fund Balances End of Year			<u>\$ 6,480,742</u>	

Garfield County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2018

	Airport	Oil and Gas Mitigation	Conservation Trust	Grant	Clerk and Recorder EFTF
Assets					
Cash and investments	\$ 1,472,405	\$ 9,339,099	\$ 367,336	\$ 5,000	\$ 43,422
Accounts receivable	124,096	-	-	-	1,108
Due from other governments	-	-	-	-	-
Due from other funds	12,136	365	2,149	-	145
Total Assets	\$ 1,608,637	\$ 9,339,464	\$ 369,485	\$ 5,000	\$ 44,675
Liabilities					
Accounts payable	\$ 209,581	\$ 36,947	\$ 245,679	\$ -	\$ -
Accrued expenditures	168,882	-	-	-	-
Unearned revenue	112,506	-	-	-	-
Due to other funds	22,971	-	-	-	-
Total Liabilities	513,940	36,947	245,679	-	-
Deferred Inflow of Resources					
Property tax revenue	-	-	-	-	-
Total Deferred Inflow of Resources	-	-	-	-	-
Fund Balances					
Spendable:					
Restricted	-	-	123,806	5,000	-
Committed	1,094,697	9,302,517	-	-	44,675
Total Fund Balances	1,094,697	9,302,517	123,806	5,000	44,675
Total Liabilities, Deferred Inflow of Resources, and Fund Balances	\$ 1,608,637	\$ 9,339,464	\$ 369,485	\$ 5,000	\$ 44,675

Traffic Study	Retirement	Traveler's Highland PID	Public Health	Total Non-major Governmental Funds
\$ 236,691	\$ 3,765,663	\$ 98,740	\$ 3,013,542	\$ 18,341,898
-	-	23,482	170,465	319,151
-	-	-	64,284	64,284
2,389	95	-	16,068	33,347
<u>\$ 239,080</u>	<u>\$ 3,765,758</u>	<u>\$ 122,222</u>	<u>\$ 3,264,359</u>	<u>\$ 18,758,680</u>
\$ -	\$ -	\$ -	\$ 119,352	\$ 611,559
-	51,813	-	109,457	330,152
-	-	-	57,884	170,390
-	-	-	11,228	34,199
<u>-</u>	<u>51,813</u>	<u>-</u>	<u>297,921</u>	<u>1,146,300</u>
-	-	23,482	-	23,482
<u>-</u>	<u>-</u>	<u>23,482</u>	<u>-</u>	<u>23,482</u>
-	-	-	2,966,438	3,095,244
239,080	3,713,945	98,740	-	14,493,654
<u>239,080</u>	<u>3,713,945</u>	<u>98,740</u>	<u>2,966,438</u>	<u>17,588,898</u>
<u>\$ 239,080</u>	<u>\$ 3,765,758</u>	<u>\$ 122,222</u>	<u>\$ 3,264,359</u>	<u>\$ 18,758,680</u>

Garfield County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2018

	Airport	Oil and Gas Mitigation	Conservation Trust	Grant	Clerk and Recorder EFTF
Revenues					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	821,950	36,521	214,900	-	-
Charges for services	939,324	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Investment income	-	-	225	-	19
Contributions	-	-	-	-	-
Miscellaneous	80,273	-	-	-	13,269
Total Revenues	1,841,547	36,521	215,125	-	13,288
Expenditures					
Current					
General government	-	41,238	-	-	9,843
Public safety	-	-	-	-	-
Public works	930,592	-	-	-	-
Health and welfare	-	-	-	-	-
Culture and recreation	-	-	520,678	-	-
Capital Outlay	2,996,491	-	-	-	-
Total Expenditures	3,927,083	41,238	520,678	-	9,843
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,085,536)	(4,717)	(305,553)	-	3,445
Other Financing Sources (Uses)					
Transfers in	967,768	-	-	-	-
Transfers out	-	-	-	(94,924)	-
Total Other Financing Sources (Uses)	967,768	-	-	(94,924)	-
Net Change in Fund Balances	(1,117,768)	(4,717)	(305,553)	(94,924)	3,445
Fund Balances Beginning of Year	2,212,465	9,307,234	429,359	99,924	41,230
Fund Balances End of Year	\$ 1,094,697	\$ 9,302,517	\$ 123,806	\$ 5,000	\$ 44,675

Traffic Study	Retirement	Traveler's Highland PID	Public Health	Total Non-major Governmental Funds
\$ -	\$ 1,522,464	\$ 24,807	\$ 396,509	\$ 1,943,780
-	298	-	1,329,957	2,403,626
238,930	-	-	385,225	1,563,479
-	39,709	-	-	39,709
149	-	-	-	393
-	-	-	55,000	55,000
-	-	-	43,432	136,974
<u>239,079</u>	<u>1,562,471</u>	<u>24,807</u>	<u>2,210,123</u>	<u>6,142,961</u>
-	439,839	-	-	490,920
-	543,749	-	-	543,749
-	175,707	8,028	-	1,114,327
-	93,274	-	3,409,671	3,502,945
-	-	-	-	520,678
-	-	-	8,891	3,005,382
<u>-</u>	<u>1,252,569</u>	<u>8,028</u>	<u>3,418,562</u>	<u>9,178,001</u>
<u>239,079</u>	<u>309,902</u>	<u>16,779</u>	<u>(1,208,439)</u>	<u>(3,035,040)</u>
-	-	-	1,000,000	1,967,768
(232,394)	-	-	-	(327,318)
<u>(232,394)</u>	<u>-</u>	<u>-</u>	<u>1,000,000</u>	<u>1,640,450</u>
6,685	309,902	16,779	(208,439)	(1,394,590)
<u>232,395</u>	<u>3,404,043</u>	<u>81,961</u>	<u>3,174,877</u>	<u>18,983,488</u>
<u>\$ 239,080</u>	<u>\$ 3,713,945</u>	<u>\$ 98,740</u>	<u>\$ 2,966,438</u>	<u>\$ 17,588,898</u>

Garfield County, Colorado
Airport Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Intergovernmental				
Federal grants	\$ -	\$ 650,000	\$ 657,999	\$ 7,999
State grants	200,792	200,792	163,951	(36,841)
Charges for services	667,491	667,491	939,324	271,833
Miscellaneous	28,300	72,300	80,273	7,973
Total Revenues	<u>896,583</u>	<u>1,590,583</u>	<u>1,841,547</u>	<u>250,964</u>
Expenditures				
Current				
Public works				
Personnel	485,587	485,587	484,149	1,438
Purchased services	128,998	128,998	137,219	(8,221)
Operating costs	298,278	298,278	308,011	(9,733)
Other expenses	-	-	1,213	(1,213)
Capital Outlay	<u>2,132,628</u>	<u>3,908,251</u>	<u>2,996,491</u>	<u>911,760</u>
Total Expenditures	<u>3,045,491</u>	<u>4,821,114</u>	<u>3,927,083</u>	<u>894,031</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,148,908)	(3,230,531)	(2,085,536)	1,144,995
Other Financing Sources (Uses)				
Gain (loss) on sale of capital assets	1,500	1,500	-	(1,500)
Transfers in	985,535	985,535	967,768	(17,767)
Total Other Financing Sources (Uses)	<u>987,035</u>	<u>987,035</u>	<u>967,768</u>	<u>(19,267)</u>
Net Change in Fund Balances	<u>\$ (1,161,873)</u>	<u>\$ (2,243,496)</u>	<u>\$ (1,117,768)</u>	<u>\$ 1,125,728</u>
Fund Balances Beginning of Year			<u>2,212,465</u>	
Fund Balances End of Year			<u>\$ 1,094,697</u>	

Garfield County, Colorado
Oil and Gas Mitigation Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Intergovernmental				
State grants	\$ -	\$ -	\$ 36,521	\$ 36,521
Total Revenues	-	-	36,521	36,521
Expenditures				
Current				
General government	-	75,000	41,238	33,762
Total Expenditures	-	75,000	41,238	33,762
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ (75,000)</u>	\$ (4,717)	<u>\$ 70,283</u>
Fund Balances Beginning of Year			<u>9,307,234</u>	
Fund Balances End of Year			<u>\$ 9,302,517</u>	

Garfield County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Intergovernmental				
State grants	\$ 200,000	\$ 200,000	\$ 214,900	\$ 14,900
Investment income	150	150	225	75
Total Revenues	<u>200,150</u>	<u>200,150</u>	<u>215,125</u>	<u>14,975</u>
Expenditures				
Current				
Culture and recreation	<u>222,000</u>	<u>544,500</u>	<u>520,678</u>	<u>23,822</u>
Total Expenditures	<u>222,000</u>	<u>544,500</u>	<u>520,678</u>	<u>23,822</u>
Net Change in Fund Balances	<u>\$ (21,850)</u>	<u>\$ (344,350)</u>	<u>\$ (305,553)</u>	<u>\$ 38,797</u>
Fund Balances Beginning of Year			<u>429,359</u>	
Fund Balances End of Year			<u>\$ 123,806</u>	

Garfield County, Colorado
Grant Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Intergovernmental				
State grants	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
Expenditures				
Current				
General government	-	-	-	-
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-
Other Financing Sources (Uses)				
Transfers (out)	-	(95,000)	(94,924)	76
Total Other Financing Sources (Uses)	-	(95,000)	(94,924)	76
Net Change in Fund Balances	<u>\$ -</u>	<u>\$ (95,000)</u>	<u>\$ (94,924)</u>	<u>\$ 76</u>
Fund Balances Beginning of Year			99,924	
Fund Balances End of Year			<u>\$ 5,000</u>	

Garfield County, Colorado
Clerk and Recorder EFTF Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Investment income	\$ 15	\$ 15	\$ 19	\$ 4
Miscellaneous	14,000	14,000	13,269	(731)
Total Revenues	14,015	14,015	13,288	(727)
Expenditures				
Current				
General government				
Clerk and recorder	21,100	21,100	9,843	11,257
Total Expenditures	21,100	21,100	9,843	11,257
Net Change in Fund Balances	<u>\$ (7,085)</u>	<u>\$ (7,085)</u>	\$ 3,445	<u>\$ 10,530</u>
Fund Balances Beginning of Year			41,230	
Fund Balances End of Year			<u>\$ 44,675</u>	

Garfield County, Colorado
Traffic Study Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Charges for services	\$ 165,000	\$ 165,000	\$ 238,930	\$ 73,930
Investment income	23	23	149	126
Total Revenues	<u>165,023</u>	<u>165,023</u>	<u>239,079</u>	<u>74,056</u>
Expenditures				
Current				
General government	-	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	165,023	165,023	239,079	74,056
Other Financing Sources (Uses)				
Transfers (out)	-	(232,934)	(232,394)	540
Total Other Financing Sources (Uses)	<u>-</u>	<u>(232,934)</u>	<u>(232,394)</u>	<u>540</u>
Net Change in Fund Balances	<u>\$ 165,023</u>	<u>\$ (67,911)</u>	\$ 6,685	<u>\$ 74,596</u>
Fund Balances Beginning of Year			<u>232,395</u>	
Fund Balances End of Year			<u>\$ 239,080</u>	

Garfield County, Colorado
Retirement Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Taxes				
Property tax revenue	\$ 1,415,211	\$ 1,415,211	\$ 1,412,876	\$ (2,335)
Specific ownership tax	85,000	85,000	107,238	22,238
Delinquent tax and interest	7,500	7,500	2,350	(5,150)
Intergovernmental				
State grants	300	300	298	(2)
Fines and forfeitures	-	-	39,709	39,709
Miscellaneous	50,000	50,000	-	(50,000)
Total Revenues	<u>1,558,011</u>	<u>1,558,011</u>	<u>1,562,471</u>	<u>4,460</u>
Expenditures				
Current				
General government	409,635	409,635	439,839	(30,204)
Public safety	560,767	560,767	543,749	17,018
Public works	180,485	180,485	175,707	4,778
Health and welfare	96,719	96,719	93,274	3,445
Total Expenditures	<u>1,247,606</u>	<u>1,247,606</u>	<u>1,252,569</u>	<u>(4,963)</u>
Net Change in Fund Balances	<u>\$ 310,405</u>	<u>\$ 310,405</u>	<u>\$ 309,902</u>	<u>\$ (503)</u>
Fund Balances Beginning of Year			<u>3,404,043</u>	
Fund Balances End of Year			<u>\$ 3,713,945</u>	

Garfield County, Colorado
Traveler's Highland PID
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>
Revenues				
Taxes				
Property tax revenue	\$ 23,000	\$ 23,000	\$ 22,874	\$ (126)
Specific ownership tax	2,000	2,000	1,766	(234)
Delinquent tax and interest	-	-	167	167
Total Revenues	<u>25,000</u>	<u>25,000</u>	<u>24,807</u>	<u>(193)</u>
Expenditures				
Current				
Public works	<u>27,440</u>	<u>27,440</u>	<u>8,028</u>	<u>19,412</u>
Total Expenditures	<u>27,440</u>	<u>27,440</u>	<u>8,028</u>	<u>19,412</u>
Net Change in Fund Balances	<u>\$ (2,440)</u>	<u>\$ (2,440)</u>	<u>\$ 16,779</u>	<u>\$ 19,219</u>
Fund Balances Beginning of Year			<u>81,961</u>	
Fund Balances End of Year			<u>\$ 98,740</u>	

Garfield County, Colorado
Public Health Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Taxes				
Sales tax	\$ 347,813	\$ 347,813	\$ 396,509	\$ 48,696
Intergovernmental				
Federal grants	371,015	378,992	461,540	82,548
State grants	615,942	696,302	677,359	(18,943)
Local grants	217,052	228,018	191,058	(36,960)
Charges for services	315,000	315,000	385,225	70,225
Contributions	-	-	55,000	55,000
Miscellaneous	37,000	37,000	43,432	6,432
Total Revenues	1,903,822	2,003,125	2,210,123	206,998
Expenditures				
Current				
Health and welfare	3,575,365	3,679,067	3,409,671	269,396
Capital Outlay	9,000	11,977	8,891	3,086
Total Expenditures	3,584,365	3,691,044	3,418,562	272,482
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,680,543)	(1,687,919)	(1,208,439)	479,480
Other Financing Sources (Uses)				
Transfers in	1,000,000	1,000,000	1,000,000	-
Total Other Financing Sources (Uses)	1,000,000	1,000,000	1,000,000	-
Net Change in Fund Balances	\$ (680,543)	\$ (687,919)	\$ (208,439)	\$ 479,480
Fund Balances Beginning of Year			3,174,877	
Fund Balances End of Year			\$ 2,966,438	

PROPRIETARY FUNDS

Enterprise Fund

Enterprise funds are used to account for any activity for which a fee is charged to external users for good or services.

Solid Waste Disposal Fund – accounts for all the expenses of Garfield County's solid waste management operations. Sources of revenue include fees, grants and miscellaneous revenues from recycled goods.

Internal Service Fund

Internal service funds are used to account for services to other departments or agencies of the government, or to other governments on a cost-reimbursement basis.

Motor Pool Fund – accounts for the repair and maintenance costs for all the County's vehicles and equipment. The primary source of revenue is charges to various departments based on actual usage.

Garfield County, Colorado
Solid Waste Fund
Schedule of Revenues, Expenditures and Changes in Net Position -
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Charges for services	\$ 1,655,000	\$ 1,655,000	\$ 1,482,381	\$ (172,619)
Other	-	-	2,482	2,482
Transfers in	68,000	68,000	42,381	(25,619)
Total Revenues	<u>1,723,000</u>	<u>1,723,000</u>	<u>1,527,244</u>	<u>(195,756)</u>
Expenditures				
Current				
Personnel	741,184	741,184	750,848	(9,664)
Purchased services	428,673	388,673	365,179	23,494
Materials and supplies	138,020	178,020	167,851	10,169
Capital outlay	800,000	800,000	748,100	51,900
Total Expenditures	<u>2,107,877</u>	<u>2,107,877</u>	<u>2,031,978</u>	<u>75,899</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures - Non-GAAP Basis	<u>\$ (384,877)</u>	<u>\$ (384,877)</u>	<u>\$ (504,734)</u>	<u>\$ (119,857)</u>
Add:				
Capitalized purchases			738,505	
Less:				
Capital disposals			(34,458)	
Closure/post-closure care			(3,742)	
Depreciation expense			<u>(321,934)</u>	
Change in Net Position - GAAP Basis			<u>\$ (126,363)</u>	

Garfield County, Colorado
Motor Pool Fund
Schedule of Revenues, Expenditures and Changes in Net Position -
Budget (Non-GAAP Basis) and Actual With Reconciliation to GAAP Basis
For the Year Ended December 31, 2018

	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)
Revenues				
Charges for services	\$ 1,753,198	\$ 1,753,198	\$ 1,642,629	\$ (110,569)
Other	5,000	5,000	22,788	17,788
Sale of capital assets	70,000	70,000	14,125	(55,875)
Total Revenues	<u>1,828,198</u>	<u>1,828,198</u>	<u>1,679,542</u>	<u>(148,656)</u>
Expenditures				
Current				
Personnel	263,615	263,615	262,318	1,297
Purchased services	205,433	205,433	198,433	7,000
Materials and supplies	358,200	443,200	433,654	9,546
Capital outlay	795,000	795,000	646,339	148,661
Total Expenditures	<u>1,622,248</u>	<u>1,707,248</u>	<u>1,540,744</u>	<u>166,504</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures - Non-GAAP Basis	<u>\$ 205,950</u>	<u>\$ 120,950</u>	\$ 138,798	<u>\$ 17,848</u>
Add:				
Capitalized purchases			646,339	
Less:				
Depreciation expense			(653,326)	
Change in Net Position - GAAP Basis			<u>\$ 131,811</u>	

FIDUCIARY FUNDS

Agency Funds

Agency funds are used to account for short-term custodial collections on resources on behalf of another individual, entity, or government.

Section 125 Plan Fund – accounts for employee flex benefit transactions.

Jail Inmate Fund – accounts for the monies held on behalf of clients (inmates) while they are serving their sentences.

Grants Fund – accounts for monies held on behalf of various entities that have received grant funding for which Garfield County's role is to administer.

Agency Fund – accounts for monies held on behalf of clients in Community Correction residential facilities; asset forfeiture funds; and the Collaborative Management Program serving "at risk" youth.

County Treasurer Fund – accounts for the monies collected (principally tax collections) by the Garfield County Treasurer for various local government entities within the County.

County Clerk Fund – accounts for the monies collected by the Garfield County Clerk for recording, licenses, and motor vehicle transactions.

Garfield County, Colorado
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2018

	Balance 1/1/18	Additions	Deductions	Balance 12/31/18
Section 125 Plan				
Assets				
Cash and investments	\$ 99,648	\$ 414,999	\$ (407,047)	\$ 107,600
Liabilities				
Due to others	\$ 99,648	\$ 414,999	\$ (407,047)	\$ 107,600
Jail Inmate				
Assets				
Cash and investments	\$ 11,913	\$ 1,518	\$ -	\$ 13,431
Liabilities				
Due to others	\$ 11,913	\$ 1,518	\$ -	\$ 13,431
Grants				
Assets				
Cash and investments	\$ -	\$ 1,067,317	\$ (1,067,317)	\$ -
Liabilities				
Due to others	\$ -	\$ 1,067,317	\$ (1,067,317)	\$ -
Agency				
Assets				
Cash and investments	\$ 434,179	\$ 2,855,120	\$ (2,764,801)	\$ 524,498
Liabilities				
Due to others	\$ 434,179	\$ 2,855,120	\$ (2,764,801)	\$ 524,498
County Treasurer				
Assets				
Cash and investments	\$ 4,265,314	\$ 81,058,603	\$ (83,646,479)	\$ 1,677,438
Liabilities				
Due to other governments	\$ 4,265,314	\$ 81,058,603	\$ (83,646,479)	\$ 1,677,438
County Clerk				
Assets				
Cash and investments	\$ 1,582,817	\$ 22,782,965	\$ (22,677,221)	\$ 1,688,561
Liabilities				
Due to other governments	\$ 1,582,817	\$ 22,782,965	\$ (22,677,221)	\$ 1,688,561
Total				
Assets				
Cash and investments	\$ 6,393,871	\$ 108,180,522	\$ (110,562,865)	\$ 4,011,528
	\$ 6,393,871	\$ 108,180,522	\$ (110,562,865)	\$ 4,011,528
Liabilities				
Due to others	\$ 545,740	\$ 4,338,954	\$ (4,239,165)	\$ 645,529
Due to other governments	5,848,131	103,841,568	(106,323,700)	3,365,999
	\$ 6,393,871	\$ 108,180,522	\$ (110,562,865)	\$ 4,011,528

**ANNUAL SCHEDULE OF REVENUES AND
EXPENDITURES FOR ROADS, BRIDGES, AND
STREETS**

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

LOCAL HIGHWAY FINANCE REPORT

City or County:

Garfield County

YEAR ENDING :

December 2018

This Information From The Records of Garfield County, Colorado

Prepared By:

Bob Prendergast, Finance Administrator

Phone:

(970) 625-5912

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

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	1,346,910
3. Other local imposts (from page 2)	3,731,088
4. Miscellaneous local receipts (from page 2)	262,447
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	5,340,445
B. Private Contributions	
C. Receipts from State government (from page 2)	4,115,829
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	9,456,274

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	591,882
2. Maintenance:	6,855,965
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	2,107,567
c. Other	0
d. Total (a. through c.)	2,107,567
4. General administration & miscellaneous	2,841,239
5. Highway law enforcement and safety	1,346,910
6. Total (1 through 5)	13,743,563
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
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)	13,743,563

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
	28,994,189	9,456,274	13,743,563	24,706,900	0

Notes and Comments:

Highway law enforcement and safety per the County Sheriff is approximately 33% of the Patrol operating expenditures for the year.
Ending Balance for Local Road and Street Fund Balance agrees to audited R&B 120 fund as of 12/31/18.

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2018	
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	1,014	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	3,207,297	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	232,394	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	164,237
4. Licenses (permits)	290,383	f. Charges for Services	83,544
5. Specific Ownership &/or Other	0	g. Other MR for Mobile Light Tower	14,666
6. Total (1. through 5.)	3,730,074	h. Other Misc. Receipts	0
c. Total (a. + b.)	3,731,088	i. Total (a. through h.)	262,447
	(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	4,115,829	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	0	d. Federal Transit Admin	0
d. Other (Specify) DOLA	0	e. U.S. Corps of Engineers	0
e. Other (Specify) DOW PILT	0	f. Other Federal	0
f. Total (a. through e.)	0	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	4,115,829	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		0	0
b. Engineering Costs		50,936	50,936
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		540,946	540,946
(3). System Preservation		0	0
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	540,946	540,946
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	591,882	591,882
			(Carry forward to page 1)
Notes and Comments:			

STATISTICAL SECTION

This part of the Garfield County comprehensive annual 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.

The information in this Statistical Section of the comprehensive annual financial report is intended, when possible, to provide information about Garfield County's economic condition in the following areas.

Financial Trends - information used to understand and assess how a government's financial position has changed over time.

Revenue Capacity - information used to understand and assess the government's ability to generate own-source revenue.

Debt Capacity - information used to understand and assess the government's debt burden and its ability to issue additional debt.

Demographic and Economic Data - information used to understand the government's socioeconomic environment and facilitate comparisons of financial statement information of time or among governments.

Operating Information - information used to understand the government's operations and resources, therefore providing a context for understanding and assessing its economic condition.

Most of the data comes directly from current and prior Garfield County financial reports. Data which comes from other sources is noted on the individual tables.

Garfield County, Colorado
Net Position by Component
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Government Activities										
Invested in capital assets	\$ 283,525,266	\$ 289,553,725	\$ 294,911,984	\$ 296,524,819	\$ 292,987,403	\$ 292,692,304	\$ 292,192,199	\$ 280,838,459	\$ 283,156,057	\$ 250,489,399
Restricted										
Pubic health	2,966,438	3,174,877	3,032,510	2,765,480	2,395,584	1,865,700	1,514,597	-	-	-
Road and bridge	24,483,423	28,900,555	32,355,558	32,976,501	24,868,563	25,472,161	23,319,842	-	-	-
Human services	16,518,151	18,449,250	17,982,325	15,551,739	13,007,658	10,591,099	9,007,835	-	-	-
Conservation trust	123,806	429,359	385,526	435,015	247,490	215,871	16,256	-	-	-
Emergency reserve	3,483,290	3,018,434	3,018,434	3,018,434	3,018,434	3,018,434	3,368,434	3,168,434	2,283,434	2,183,434
Grant	5,000	99,924	120,932	99,925	99,925	99,925	99,925	-	-	-
Capital expenditure	6,480,742	3,741,863	4,681,491	7,113,473	14,429,117	10,490,462	13,170,017	-	-	-
	<i>See 2018</i>	<i>See 2017</i>	<i>See 2016</i>	<i>See 2015</i>	<i>See 2014</i>	<i>See 2013</i>	<i>See 2012</i>			
Debt service	<i>categories</i>	<i>categories</i>	<i>categories</i>	<i>categories</i>	<i>categories</i>	<i>categories</i>	<i>categories</i>	1,715,136	1,715,136	1,715,136
Other purposes	<i>above</i>	<i>above</i>	<i>above</i>	<i>above</i>	<i>above</i>	<i>above</i>	<i>above</i>	78,002,261	-	-
Unrestricted	45,413,194	52,048,559	62,931,275	59,735,438	65,530,536	75,834,116	64,712,631	37,018,493	102,199,806	74,468,083
<i>Subtotal</i>	382,999,310	399,416,546	419,420,035	418,220,824	416,584,710	420,280,072	407,401,736	400,742,783	389,354,433	328,856,052
Business-Type Activities										
Invested in capital activities	3,446,840	3,064,727	3,059,085	3,332,842	2,841,099	2,808,721	2,390,059	2,147,854	2,449,485	2,534,580
Unrestricted	3,871,538	4,380,014	4,359,444	3,772,832	3,710,172	3,527,910	3,995,405	4,309,557	3,955,161	4,122,576
<i>Subtotal</i>	7,318,378	7,444,741	7,418,529	7,105,674	6,551,271	6,336,631	6,385,464	6,457,411	6,404,646	6,657,156
Total Net Position	\$ 390,317,688	\$ 406,861,287	\$ 426,838,564	\$ 425,326,498	\$ 423,135,981	\$ 426,616,703	\$ 413,787,200	\$ 407,200,194	\$ 395,759,079	\$ 335,513,208

Source:
Garfield County Finance Department (CAFR)
Statement of Net Position includes GASB 34 Adjustments

GASB #54 redefined the components of fund balance which in turn changed the "Restricted for" categories on the Statement of Net Position. You will see the change in the 2012 compared to prior years.

Garfield County, Colorado
Changes in Net Position
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Program Revenues										
Governmental Activities										
Taxes (including severance tax)	\$ 44,336,435	\$ 43,399,022	\$ 58,496,903	\$ 57,388,663	\$ 54,578,141	\$ 64,966,210	\$ 66,249,425	\$ 60,278,224	\$ 81,248,448	\$ 66,374,680
Charges for services:										
General government	3,974,527	3,694,055	5,824,156	3,973,090	3,606,231	4,212,722	4,366,878	3,887,039	5,027,586	4,301,231
Public safety	411,349	456,166	542,513	562,123	447,677	519,384	541,817	585,749	852,418	870,048
Public works	1,403,063	1,149,551	825,403	715,442	726,724	606,731	534,365	617,133	516,827	657,436
Health and welfare	400,062	346,759	352,451	268,902	210,355	187,059	144,546	192,590	193,125	213,468
Culture and recreation	847,216	607,980	670,379	544,257	572,984	516,599	490,960	494,391	532,808	483,090
Operating grants	27,631,947	27,498,668	27,452,507	27,141,100	26,707,457	26,864,746	30,523,566	24,503,184	25,110,324	24,081,281
Unrestricted grants				-	-	-	8,794	-	-	-
Capital grants and contributions	1,419,163	621,252	1,170,130	1,580,188	1,622,873	1,687,247	2,377,253	5,420,767	31,779,071	27,499,105
Investment income	2,131,091	1,092,711	942,809	620,896	878,589	39,118	610,429	840,967	805,113	1,564,116
Loss on disposal of capital assets		-	-	-	-	-	(832,114)	-	-	-
Gain on sale of capital assets	156,063	(551,130)	28,049	113,917	-	1,519,360	-	-	-	-
Miscellaneous revenues and transfers	(42,381)	(74,874)	(86,064)	(82,863)	(88,936)	(83,352)	(68,374)	(42,387)	(25,000)	-
Total Governmental Revenues	82,668,535	78,240,160	96,219,236	92,825,715	89,262,095	101,035,824	104,947,545	96,777,657	146,040,720	126,044,455
Business Type Activities										
Charges for services:										
Solid waste disposal	1,482,381	1,692,481	1,643,297	1,521,516	1,789,399	1,282,819	1,101,790	1,295,525	1,308,440	1,363,718
Operating grants	2,482	41	17,786	-	668	2,325	3,340	30,508	7,862	45,110
Capital grants	-	-	-	285,000	-	-	-	-	-	-
Gain on sale of capital assets	(34,458)	-	65,378	-	-	-	-	-	-	-
Miscellaneous revenues and transfers	42,381	74,874	86,064	82,863	88,936	83,352	68,374	42,387	25,000	-
Total Business Type Revenues	1,492,786	1,767,396	1,812,525	1,889,379	1,879,003	1,368,496	1,173,504	1,368,420	1,341,302	1,408,828
Total Primary Government Revenues	\$ 84,161,321	\$ 80,007,556	\$ 98,031,761	\$ 94,715,094	\$ 91,141,098	\$ 102,404,320	\$ 106,121,049	\$ 98,146,077	\$ 147,382,022	\$ 127,453,283
Program Expenses										
Governmental Activities										
General government	\$ 26,146,983	\$ 28,133,188	\$ 24,596,283	\$ 23,171,168	\$ 24,319,885	\$ 23,665,114	\$ 26,171,545	\$ 22,744,858	\$ 21,528,329	\$ 17,605,504
Public safety	22,794,187	22,756,808	22,126,678	22,761,179	21,564,522	21,978,817	22,492,864	21,947,452	21,446,288	21,164,697
Public works	24,999,257	22,447,525	23,584,988	21,509,213	21,195,359	19,885,117	25,950,121	18,576,728	19,661,900	20,732,738
Health and welfare	22,071,607	22,600,413	22,598,603	22,181,053	21,485,469	21,573,669	21,440,584	21,315,277	20,864,969	19,260,828
Culture and recreation	3,073,737	2,305,715	2,113,473	1,566,988	1,520,033	1,273,353	1,536,630	1,194,341	1,275,899	1,294,917
Interest	-	-	-	-	-	-	696,848	757,738	764,954	859,356
Total Governmental Expenses	99,085,771	98,243,649	95,020,025	91,189,601	90,085,268	88,376,070	98,288,592	86,536,394	85,542,339	80,918,040
Business Type Activities										
Solid waste	1,619,149	1,741,184	1,499,670	1,334,976	1,559,741	1,436,183	1,245,451	1,315,655	1,593,812	1,879,185
Total Business Type Expenses	1,619,149	1,741,184	1,499,670	1,334,976	1,559,741	1,436,183	1,245,451	1,315,655	1,593,812	1,879,185
Total Primary Government Expenses	\$ 100,704,920	\$ 99,984,833	\$ 96,519,695	\$ 92,524,577	\$ 91,645,009	\$ 89,812,253	\$ 99,534,043	\$ 87,852,049	\$ 87,136,151	\$ 82,797,225
Net Revenue (Expense)										
Governmental activities	\$ (16,417,236)	\$ (20,003,489)	\$ 1,199,211	\$ 1,636,114	\$ (823,173)	\$ 12,659,754	\$ 6,658,953	\$ 10,241,263	\$ 60,498,381	\$ 45,126,415
Business-type activities	(126,363)	26,212	312,855	554,403	319,262	(67,687)	(71,947)	52,765	(252,510)	(470,357)
Total Primary Government	(16,543,599)	(19,977,277)	1,512,066	2,190,517	(503,911)	12,592,067	6,587,006	10,294,028	60,245,871	44,656,058
Change in Net Position	(16,543,599)	(19,977,277)	1,512,066	2,190,517	(503,911)	12,592,067	6,587,006	10,294,028	60,245,871	44,656,058
Net Position Beginning	406,861,287	426,838,564	425,326,498	423,135,981	426,616,703	413,787,200	407,200,194	395,759,079	335,513,208	290,857,150
Restatement of Capital Assets	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	(2,976,811)	237,436	-	1,147,087	-	-
Net Position Ending	\$ 390,317,688	\$ 406,861,287	\$ 426,838,564	\$ 425,326,498	\$ 423,135,981	\$ 426,616,703	\$ 413,787,200	\$ 407,200,194	\$ 395,759,079	\$ 335,513,208

Garfield County, Colorado
Fund Balances - Governmental Funds
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Fund Balances										
Non-spendable	\$ 65,000	\$ 45,000	\$ 39,960	\$ 19,960	\$ 29,960	\$ 29,960	\$ 29,960	\$ 29,658	\$ 5,000	\$ 5,000
Spendable:										
Restricted	3,483,290	3,018,434	3,018,434	3,018,434	3,018,434	3,018,434	3,368,434	3,168,434	-	-
Committed	1,256,738	1,082,906	1,008,686	815,857	621,899	444,442	211,574	139,728	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	26,373,254	32,549,950	41,292,555	36,559,256	45,047,961	53,171,485	39,956,305	33,469,539	25,668,175	18,237,620
Total General Fund Balances	31,178,282	36,696,290	45,359,635	40,413,507	48,718,254	56,664,321	43,566,273	36,807,359	25,673,175	18,242,620
Other Governmental Fund Balances										
Non-spendable	223,478	93,634	106,828	176,951	100,131	218,592	91,652	58,166	80,371	110,164
Spendable:										
Restricted	50,577,560	54,795,828	58,558,342	58,942,133	55,048,337	48,735,218	47,128,472	50,459,038	3,998,570	3,898,570
Committed	14,493,654	15,518,134	17,665,034	19,671,720	17,404,344	19,684,666	22,533,846	25,593,157	-	-
Assigned	229,574	-	250,726	258,892	262,471	264,151	266,474	4,922,955	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-
Restricted/Committed (special rev funds)	**	**	**	**	**	**	**	**	74,818,953	54,876,891
Total Other Governmental Fund Balances	65,524,266	70,407,596	76,580,930	79,049,696	72,815,283	68,902,627	70,020,444	81,033,316	78,897,894	58,885,625
Total Fund Balances	\$ 96,702,548	\$ 107,103,886	\$ 121,940,565	\$ 119,463,203	\$ 121,533,537	\$ 125,566,948	\$ 113,586,717	\$ 117,840,675	\$ 104,571,069	\$ 77,128,245

Source:
Garfield County Finance Department (CAFR)
Statement of Fund Balances does not include GASB 34 Adjustments.

** Prior to 2011 were Unreserved, Undesignated: Special Revenue Funds and are now categorized as Restricted/Committed since a breakdown was unavailable for prior years.

Garfield County, Colorado
Changes in Fund Balance
Governmental Funds
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
REVENUES										
Taxes	\$ 43,512,050	\$ 42,776,555	\$ 57,798,500	\$ 54,584,506	\$ 51,989,692	\$ 63,168,261	\$ 64,104,264	\$ 58,345,702	\$ 77,695,901	\$ 54,886,105
Licenses and permits	149,243	155,707	161,692	147,721	216,984	253,874	255,456	313,256	276,702	307,342
Intergovernmental	27,253,914	26,079,625	26,415,032	28,882,947	28,078,027	27,689,428	32,177,069	29,062,531	57,167,499	41,800,237
Charges for services	7,279,429	6,788,688	8,813,210	6,677,673	6,101,349	6,667,042	6,461,865	6,126,498	7,561,750	6,492,155
Fines and forfeitures	168,399	155,314	119,142	112,170	109,128	123,867	126,912	113,150	131,621	92,809
Interest	2,131,088	1,092,708	942,809	620,896	878,591	39,103	610,398	854,215	805,117	1,592,133
Contributions	924,924	695,666	1,103,386	1,011,885	1,073,688	700,014	1,219,142	934,536	1,450,810	19,115,900
Miscellaneous	1,300,041	1,279,848	947,376	776,210	903,565	958,215	884,113	1,156,241	1,056,321	1,757,774
TOTAL REVENUES	82,719,088	79,024,111	96,301,147	92,814,008	89,351,024	99,599,804	105,839,219	96,906,129	146,145,721	126,044,455
EXPENDITURES										
Current										
General government	25,399,748	31,073,702	28,979,479	28,793,887	25,234,331	24,480,457	26,279,455	23,584,853	18,130,293	17,802,193
Public safety	21,320,485	21,709,011	21,090,020	22,421,659	20,894,417	22,370,763	21,589,177	20,893,394	23,832,515	21,618,762
Public works	14,113,230	14,768,886	18,832,830	19,305,628	21,401,432	17,977,108	22,910,087	16,286,982	52,926,697	48,412,993
Public health and welfare	22,062,097	22,571,500	22,758,009	22,256,254	21,581,850	21,618,763	21,580,768	21,405,521	21,100,046	19,177,014
Culture and recreation	2,663,869	4,251,729	2,041,012	2,100,875	4,183,469	2,204,142	1,692,244	1,343,177	1,470,398	1,218,442
Debt Service										
Principal	-	-	-	-	-	-	15,560,000	515,000	495,000	1,760,000
Interest	-	-	-	-	-	-	417,666	708,096	718,559	810,111
Other	-	-	-	-	-	-	4,200	4,200	4,389	4,200
Capital Outlay	7,518,616	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURES	93,078,045	94,374,828	93,701,350	94,878,303	93,295,499	88,651,233	110,033,597	84,741,223	118,677,897	110,803,715
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES										
	(10,358,957)	(15,350,717)	2,599,797	(2,064,295)	(3,944,475)	10,948,571	(4,194,378)	12,164,906	27,467,824	15,240,740
Transfers in	3,595,085	3,433,875	3,300,000	7,041,415	2,300,000	3,145,920	11,766,872	4,368,469	8,270,412	7,000,000
Transfers out	(3,637,466)	(3,508,749)	(3,460,268)	(7,124,278)	(2,388,936)	(3,229,272)	(11,835,246)	(4,410,856)	(8,295,412)	(7,000,000)
Insurance proceeds	-	-	-	76,824	-	-	-	-	-	-
Net debt proceeds	-	-	-	-	-	-	-	-	-	-
Sales of assets	-	588,912	37,833	-	-	1,098,686	8,794	-	-	-
	(42,381)	514,038	(122,435)	(6,039)	(88,936)	1,015,334	(59,580)	(42,387)	(25,000)	-
NET CHANGE IN FUND BALANCE	(10,401,338)	(14,836,679)	2,477,362	(2,070,334)	(4,033,411)	11,963,905	(4,253,958)	12,122,519	27,442,824	15,240,740
Fund Balance January 1	107,103,886	121,940,565	119,463,203	121,533,537	125,566,948	113,586,717	117,840,675	104,571,069	77,128,245	61,887,505
Restatement of Accounts Receivable	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustment	-	-	-	-	-	16,326	-	1,147,087	-	-
Fund Balance December 31	\$ 96,702,548	\$ 107,103,886	\$ 121,940,565	\$ 119,463,203	\$ 121,533,537	\$ 125,566,948	\$ 113,586,717	\$ 117,840,675	\$ 104,571,069	\$ 77,128,245
Ratio of Debt Service Expenditures/										
Total Non-Capital Expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	15.37%	1.58%	1.64%	3.46%
Source:										
Garfield County Finance Department (CAFR)										
Revenues, Expenditures and Changes in Fund Balance does not include GASB 34 adjustments										
Ratio calculation										
Debt service expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,981,866	\$ 1,227,296	\$ 1,217,948	\$ 2,574,311
Total expenditures	93,078,045	94,374,828	93,701,350	94,878,303	93,295,499	88,651,233	110,033,597	84,741,223	118,677,897	110,803,715
Capital outlay per p. C6 of Fin Stmt	6,306,376	8,134,419	9,459,775	13,850,001	13,203,901	9,830,157	6,069,022	7,210,287	44,270,895	36,400,507
Adjusted non capital expenditures	\$ 86,771,669	\$ 86,240,409	\$ 84,241,575	\$ 81,028,302	\$ 80,091,598	\$ 78,821,076	\$ 103,964,575	\$ 77,530,936	\$ 74,407,002	\$ 74,403,208

Garfield County, Colorado
General Government Tax Revenues By Source (1)
Last Ten Fiscal Years

Fiscal Year	Current Property Tax	Sales Tax	Specific Ownership Tax	Other / Severance Taxes	Total
2018	\$ 29,762,147	\$ 11,337,745	\$ 2,254,587	\$ 981,956	\$ 44,336,435
2017	30,494,454	9,790,210	2,335,533	778,825	43,399,022
2016	46,744,301	8,651,100	2,250,263	851,239	58,496,903
2015	42,996,188	8,994,648	2,443,128	2,954,699	57,388,663
2014	31,885,686	8,860,822	2,436,939	2,739,209	45,922,656
2013	54,274,821	6,175,259	2,575,968	1,940,162	64,966,210
2012	52,387,855	9,085,232	2,488,204	2,288,134	66,249,425
2011	47,811,401	7,937,089	2,450,430	2,079,304	60,278,224
2010	71,027,575	4,076,742	2,447,030	3,697,101	81,248,448
2009	46,242,238	5,739,317	2,753,079	11,640,046	66,374,680
	(3)	(2)			

Source:

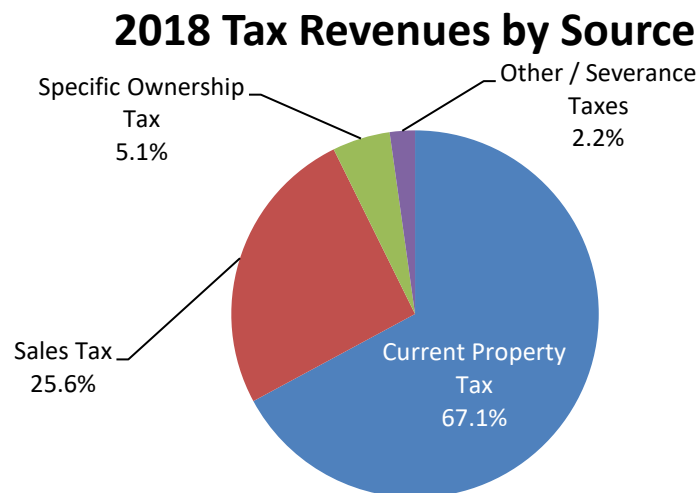
Garfield County Finance Department (CAFR)

General Government Tax Revenues by Source does not include GASB 34 adjustments

(1) The TABOR (Article X Section 20) amendment to the Colorado State Constitution limits revenue increases and has other specific requirements.

(2) Sales tax is collected by the vendor on most classes of goods and is remitted to the State of Colorado. The State distributes Garfield County's percentage, which is set by statute, or that remittance to the County on a monthly basis.

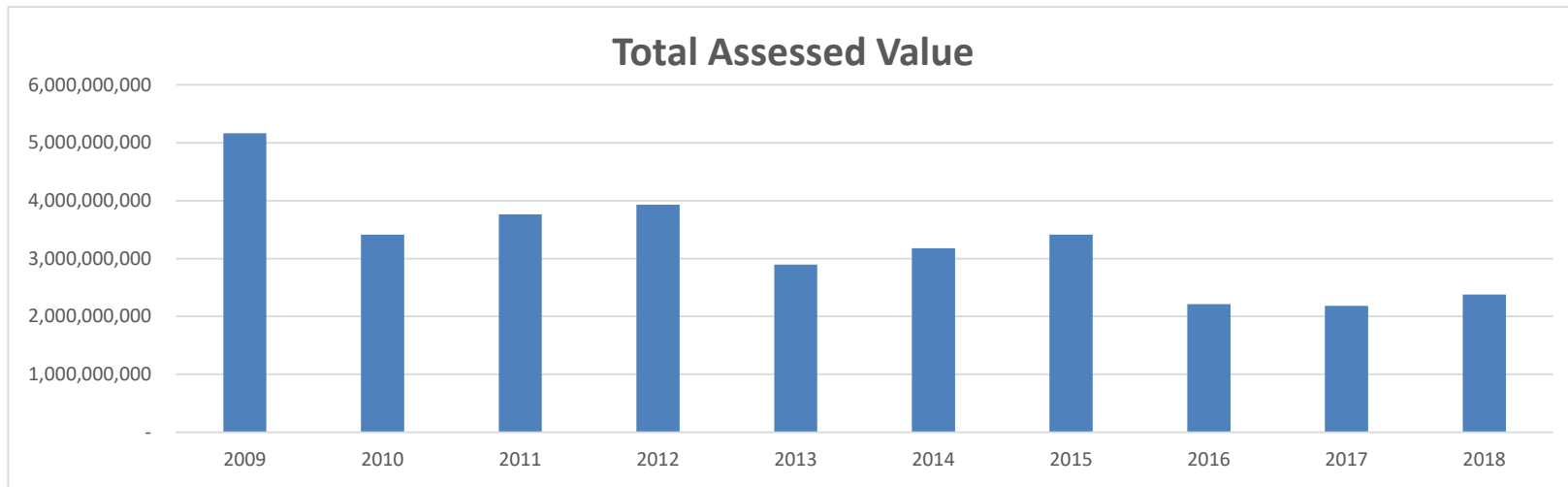
(3) Full reappraisals of all Garfield County properties are completed on a bi-yearly basis.



Garfield County, Colorado
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year	Real Property	Personal Property	Oil and Gas Production	State Assessed and Other Property	Total Assessed Value	Total Direct Tax Rate	Estimated Actual Value	Ratio of Assessed Value to Estimated Actual Value	Tax Collected Year
2018	\$ 930,779,650	\$ 585,491,490	\$ 752,029,270	\$ 109,310,900	\$ 2,377,611,310	13.655%	\$ 11,979,921,570	19.85%	2018
2017	930,308,740	600,085,910	539,640,240	111,072,500	2,181,107,390	13.655%	11,705,856,850	18.63%	2017
2016	878,725,390	631,800,330	596,449,390	107,384,500	2,214,359,610	13.655%	10,742,290,520	20.61%	2016
2015	870,913,790	707,877,190	1,726,669,450	105,676,700	3,411,137,130	13.655%	12,213,109,100	27.93%	2015
2014	723,370,250	716,243,810	1,643,051,580	96,660,700	3,179,326,340	13.655%	10,597,407,360	30.00%	2014
2013	722,210,880	765,559,120	1,311,795,190	95,430,300	2,894,995,490	13.655%	10,364,778,390	27.93%	2013
2012	926,930,520	782,538,290	2,134,729,290	86,893,100	3,931,091,200	13.655%	12,931,685,170	30.40%	2012
2011	915,790,250	701,997,730	2,062,362,640	83,748,900	3,763,899,520	13.655%	12,498,816,110	30.11%	2011
2010	1,249,223,080	643,428,730	1,439,552,250	78,238,900	3,410,442,960	13.655%	14,431,798,760	23.63%	2010
2009	1,230,812,312	787,335,350	3,069,871,590	76,407,700	5,164,426,952	13.655%	16,570,909,484	31.17%	2009

Source: Garfield County Assessor's Office, Abstract of Assessments



Garfield County, Colorado
Property Tax Rates - Direct and Overlapping Governments
Per \$1,000 Assessed Valuation (Mill Levy)
Last Ten Fiscal Years

Levy Year	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Collection Year	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Garfield County	13.655	13.655	13.655	13.655	13.655	13.655	13.655	13.655	13.655	13.655
School Districts										
Roaring Fork (RE-1)	44.041	44.038	45.245	46.300	42.149	42.445	38.388	39.589	30.992	30.984
Rifle (RE-2)	29.330	23.104	19.805	15.545	15.842	15.477	13.762	14.653	14.465	14.132
Parachute (16)	14.778	14.978	14.250	8.555	9.012	8.928	6.766	6.602	7.698	5.233
Debeque (JT-49)	8.210	9.111	8.767	7.551	4.108	4.026	3.984	4.491	5.762	5.638
Eagle (RE-50J)	25.115	24.912	25.209	20.331	21.517	20.826	21.362	21.601	19.474	19.402
Cities and Towns										
Town of Carbondale	3.594	3.594	3.594	3.594	3.594	3.594	3.594	3.594	3.594	3.594
City of Glenwood Springs	8.615	6.513	6.179	6.126	7.022	7.051	4.654	4.852	3.752	3.721
Town of New Castle	8.551	8.634	8.786	8.966	9.506	9.206	8.534	8.540	7.899	7.670
Town of Parachute	13.562	13.562	13.562	13.562	13.562	13.562	13.562	13.247	10.016	8.366
City of Rifle	5.261	5.261	5.261	5.261	5.261	5.261	5.261	5.261	5.261	5.261
Town of Silt	8.973	8.973	8.973	8.973	8.973	8.973	8.973	8.973	8.973	8.973
Town of Carbonate	30.000	30.000	30.000	30.000						
Fire Districts										
Burning Mountains Fire	-	-	-	-	-	6.102	6.102	6.102	6.102	6.102
Carbondale Fire	12.567	9.306	9.483	9.516	8.203	8.207	9.965	10.041	7.246	7.229
Colorado River Fire	6.459	6.102	6.102	6.102	6.102	-	-	-	-	-
Debeque Fire	3.453	4.000	4.000	4.000	3.862	4.000	3.930	4.000	4.000	2.555
Glenwood & Rural Fire	12.341	10.197	10.313	10.302	10.588	11.465	8.338	8.658	7.933	9.022
Grand Valley Fire	6.233	3.267	3.267	3.267	3.267	3.267	3.267	3.267	3.267	3.267
Gypsum Fire	10.538	10.500	10.504	6.846	6.926	6.915	6.892	6.946	6.833	6.833
Rifle & Rural Fire	-	-	-	-	-	6.102	6.102	6.284	6.284	6.284
Water and Sanitation Districts										
Basalt Water	0.039	0.039	0.039	0.039	0.044	0.044	0.044	0.044	0.044	0.044
Bluestone Water	0.005	0.006	0.006	0.005	0.005	0.006	0.005	0.005	0.006	0.006
Colo River Conservation	0.256	0.254	0.253	0.243	0.253	0.254	0.242	0.228	0.188	0.166
Consolidated Metro	-	-	-	-	-	-	-	-	-	-
Roaring Fork Water	7.400	7.400	7.400	7.400	7.400	5.723	5.723	5.723	3.790	3.791
Silt Water	0.829	0.829	0.842	0.780	0.850	0.798	0.513	0.602	0.590	0.525
Spring Valley Sanitation	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.013	4.000
West Divide Water	0.037	0.039	0.039	0.039	0.039	0.041	0.041	0.042	0.048	0.048
West Glenwood Sanitation	0.762	0.762	0.810	0.810	5.835	5.903	5.043	5.010	3.830	4.920
Yellow Jacket	0.209	0.209	0.209	0.209	0.209	0.209	0.209	0.210	0.197	0.169
Colleges										
Colorado Mountain College	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997	3.997
Special Districts										
Glenwood GID	2.224	2.138	2.308	2.291	2.459	2.484	2.460	2.458	2.074	2.010
Grand River Hospital	9.945	9.776	5.597	5.597	5.597	5.597	5.597	5.597	5.597	5.597
Grand Valley Cemetery	0.008	0.009	0.009	0.007	0.007	0.009	0.009	0.009	0.011	0.011
Parachute/Battlement Pks & Rec	4.328	4.005	4.000	4.000	1.113	0.556	0.259	0.930	1.200	1.260
RFTA	2.249	-	-	-	-	-	-	-	-	-
Rifle DDA	3.774	3.774	3.774	3.774	3.774	3.774	3.774	3.774	3.774	3.774
Mid Valley Metro	0.289	0.276	0.289	0.289	0.331	2.133	3.582	3.603	2.356	2.334
River Park Metro	49.585	49.650	45.000	45.000	45.000	45.000	45.000	45.000	45.000	45.000
Silt URA Dollar Gen.	-	-	-	-	-	-	54.807	-	-	-
Glenwood Meadows #2	5.000	5.000	5.000	5.000	5.000	5.000	4.000	4.000	4.000	5.000
Glenwood Meadows #3	5.000	5.000	5.000	5.000	5.000	5.000	4.000	4.000	4.000	5.000
Landis Creek Metro #1	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
Landis Creek Metro #2	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000	35.000
GarCo Library	1.072	1.000	1.000	1.000	1.000	1.000	1.000	1.000	0.864	1.000
Traveler's Highland	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000	50.000

Source: Garfield County Assessor's Office, Abstract of Assessment

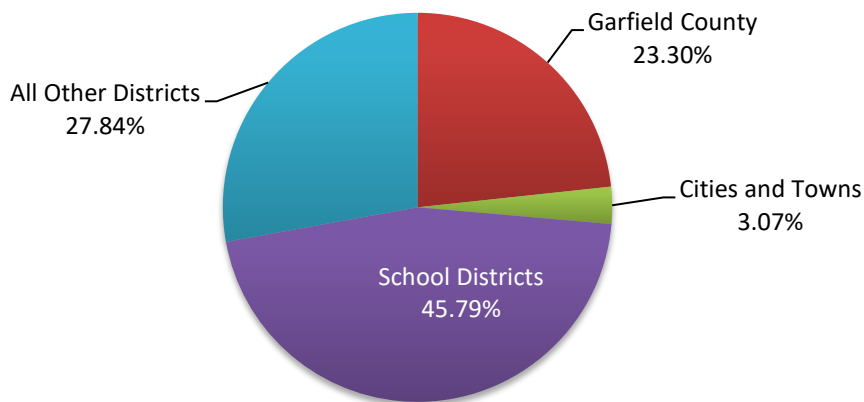
Garfield County, Colorado
Property Tax Levies - Direct and Overlapping Governments
Per \$1,000 Assessed Valuation (Mill Levy)
Last Ten Fiscal Years

Property Tax Levied

Levy Year	Collection Year	Garfield County	Cities and Towns	School Districts	All Other Districts	Total
2018	2019	\$ 32,466,282	\$ 4,284,182	\$ 63,805,022	\$ 38,799,582	\$ 139,355,068
2017	2018	29,783,021	3,653,722	56,186,421	30,456,855	120,080,019
2016	2017	30,237,079	3,404,455	53,429,163	32,946,594	120,017,291
2015	2016	46,579,092	3,423,799	60,299,749	52,028,553	162,331,193
2014	2015	43,413,700	3,142,177	51,810,814	46,003,105	144,369,796
2013	2014	39,531,163	3,074,688	48,145,099	41,325,329	132,076,279
2012	2013	53,679,053	3,276,602	55,704,823	56,795,139	169,455,617
2011	2012	51,396,049	3,180,529	55,271,198	54,313,720	164,161,496
2010	2011	46,569,598	3,792,593	52,934,023	49,664,782	152,960,996
2009	2010	70,520,252	3,649,832	65,970,392	77,226,213	217,366,689

Source: Garfield County Assessor's Office - Mill Levies and Revenues

Property Tax Levied 2018



Garfield County, Colorado
Principal Taxpayers
Current Year and Ten Years Ago

2018

Taxpayer	Type of Business	Rank	Assessed Value	Percentage of Total Assessed Value
Tep Rocky Mountain LLC	Utility	1	\$ 454,253,820	19.11%
Caerus Piceance LLC	Utility	2	256,782,550	10.80%
URSA Resources Group II LLC	Utility	3	104,673,670	4.40%
Vanguard Operating LLC	Utility	4	54,131,220	2.28%
Laramie Energy LLC	Utility	5	48,639,870	2.05%
Public Service Company of CO (Excel)	Utility	6	37,805,900	1.59%
Bargath, INC	Utility	7	32,471,850	1.37%
Chevron North America Explo & Prod CO	Utility	8	26,397,560	1.11%
Enterprise Gas Processing LLC	Utility	9	25,367,340	1.07%
Red Rock Gathering Company LLC	Utility	10	21,632,130	0.91%
Total Principal Taxpayers			1,062,155,910	44.67%
All Other Taxpayers			1,315,455,400	55.33%
Total Assessed Valuation			<u><u>\$ 2,377,611,310</u></u>	<u><u>100.00%</u></u>

2009

Taxpayer	Type of Business	Rank	Assessed Value	Percentage of Total Assessed Value
Williams Production	Utility	1	\$ 1,146,234,980	22.19%
Encana Oil & Gas	Utility	2	915,559,150	17.73%
Bill Barrett Corporation	Utility	3	276,003,330	5.34%
Petroleum Development	Utility	4	68,573,240	1.33%
Noble Energy	Utility	5	94,506,130	1.83%
Berry Petroleum Co.	Utility	6	78,901,020	1.53%
Oxy USA Inc.	Utility	7	78,007,160	1.51%
Antero Resources	Utility	8	77,379,690	1.50%
Bargath Inc.	Utility	9	40,976,270	0.79%
Enterprise GasProc.	Utility	10	34,225,240	0.66%
Total Principal Taxpayers			2,810,366,210	54.42%
All Other Taxpayers			2,354,060,742	45.58%
Total Assessed Valuation			<u><u>\$ 5,164,426,952</u></u>	<u><u>100.00%</u></u>

Source: Garfield County Assessor's Office

Garfield County, Colorado
County Property Tax Levies and Collections
Last Ten Fiscal Years

Year of Collection	Levy Year	Total Tax Levy	Current Tax Collected *	Percent of Levy Collected	Adjustments for Taxes Collected in Subsequent Years / (Net Abatements)	Total Tax Collections **	Percent of Total Tax Collected to Tax Levy
2019	2018	\$ 32,466,282	\$ 23,683,005	72.95%	\$ -	\$ 23,683,005	72.95%
2018	2017	29,783,021	29,721,631	99.79%	(26,939)	29,694,692	99.70%
2017	2016	30,237,080	30,204,471	99.89%	(17,373)	30,187,098	99.83%
2016	2015	46,579,078	46,522,914	99.88%	(367,407)	46,155,507	99.09%
2015	2014	43,413,700	43,386,532	99.94%	(1,908,157)	41,478,375	95.54%
2014	2013	39,531,163	39,435,374	99.76%	9,483	39,444,857	99.78%
2013	2012	53,679,053	53,667,457	99.98%	(217,344)	53,450,113	99.57%
2012	2011	51,396,049	51,338,743	99.89%	(14,072)	51,324,671	99.86%
2011	2010	46,569,598	46,480,084	99.81%	(65,969)	46,414,115	99.67%
2010	2009	70,520,252	69,065,977	97.94%	14,252	69,080,229	97.96%

Source:

Garfield County Assessor's Office

Garfield County Treasurer's Office

* Current Tax Collected reflects all amounts collected as of May 16, 2019 and December 31 for prior years.

** Total Tax Collections reflects all amounts collected as of May 16, 2019.

Garfield County, Colorado
General Government Revenues By Source
Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Intergovernmental	Charges for Services	Fines and Forfeitures	Misc.	Contributions	Interest	Total
2018	\$ 43,512,050	\$ 149,243	\$ 27,253,914	\$ 7,279,429	\$ 168,399	\$ 1,300,041	\$ 924,924	\$ 2,131,088	\$ 82,719,088
2017	42,776,555	155,707	26,079,625	6,788,688	155,314	1,279,848	695,666	1,092,708	79,024,111
2016	57,798,500	161,692	26,415,032	8,813,210	119,142	947,376	1,103,386	942,809	96,301,147
2015	54,584,506	147,721	28,882,947	6,677,673	112,170	776,210	1,011,885	620,896	92,814,008
2014	51,989,692	216,984	28,078,027	6,101,349	109,128	903,565	1,073,688	878,591	89,351,024
2013	63,168,261	253,874	27,689,428	6,667,042	123,867	958,215	700,014	39,103	99,599,804
2012	64,104,264	255,456	32,177,069	6,461,865	126,912	884,113	1,219,142	610,398	105,839,219
2011	58,345,702	313,256	29,062,531	6,126,498	113,150	1,156,241	934,536	854,215	96,906,129
2010	81,248,448	276,702	57,167,499	7,561,750	131,621	1,056,321	1,450,810	805,117	149,698,268
2009	66,374,680	307,342	41,800,237	6,492,155	92,809	1,757,774	19,115,900	1,592,133	137,533,030

Source:
Garfield County Finance Department (CAFR)
General Government Revenues by Source does not include GASB 34 adjustments

Garfield County, Colorado
Direct and Overlapping Governmental Activities Debt
December 31, 2018

	Net General Obligation Debt Outstanding	Percentage Applicable to Garfield County	County Share of Direct and Overlapping Debt
Taxing Jurisdiction			
Direct: Garfield County	-	100%	-
Overlapping:			
School Districts			
Garfield County School District No. 16	\$ 44,199,797	100%	\$ 44,199,797
Roaring Fork School District No. RE-1	177,699,984	60.14%	106,868,770
Garfield County School District No. RE-2	74,735,000	100%	74,735,000
			-
Cities and Towns			-
City of Glenwood Springs	490,000	100%	490,000
Town of Carbondale	1,286,700	100%	1,286,700
Town of New Castle	598,070	100%	598,070
Fire Districts			
Carbondale & Rural Fire Protection District	3,245,000	88%	2,855,600
Glenwood Rural Fire	10,000	100%	10,000
Special Districts			
Glenwood Meadows Metropolitan District No. 3	9,352,704	100%	9,352,704
Grand River Hospital	90,035,000	99%	89,134,650
Total Overlapping Debt	401,652,255		329,531,291
Total Direct and Overlapping Debt	\$ 401,652,255		\$ 329,531,291

Source: Debt amounts and percentages are provided by each taxing entity.

Garfield County, Colorado
Computation of Legal Debt Margin
General Obligation Debt
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Computation of legal debt limit:										
Taxable assessed valuation	\$ 2,377,611,310	\$ 2,181,107,390	\$ 2,214,359,610	\$ 3,411,137,130	\$ 3,179,326,340	\$ 2,894,995,490	\$ 3,931,091,200	\$ 3,763,899,520	\$ 3,410,442,960	\$ 5,164,426,952
Plus exempt property	215,215,690	200,184,010	188,685,320	233,321,190	227,630,540	200,431,430	243,840,650	210,773,500	249,245,270	193,607,070
Total assessed value	2,592,827,000	2,381,291,400	2,403,042,330	3,644,458,320	3,406,956,880	3,095,426,920	4,174,931,850	3,974,673,020	3,659,688,230	5,358,034,022
Legal debt limit percentage	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
	38,892,405	35,719,371	36,045,635	54,666,875	51,104,353	46,431,404	62,623,978	59,620,095	54,895,323	80,370,510
Amount of debt applicable to debt limit:										
Total long-term borrowings	-	-	-	-	-	-	-	15,560	16,075	16,075,000
Less:										
Certificates of participation	-	-	-	-	-	-	-	(15,560)	(16,075)	(16,075,000)
Lease purchase obligations	-	-	-	-	-	-	-	-	-	-
Net borrowings applicable to the debt limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 38,892,405	\$ 35,719,371	\$ 36,045,635	\$ 54,666,875	\$ 51,104,353	\$ 46,431,404	\$ 62,623,978	\$ 59,620,095	\$ 54,895,323	\$ 80,370,510

Source:

Colorado Revised Statute 30-26-301

Garfield County Finance Department (CAFR)

Note: Garfield County has had no general obligation bonded debt in the last ten years. Therefore, the historical table "Ratios of General Bonded Debt" is not included.

Garfield County, Colorado
Ratios Of Outstanding Debt By Type
Last Ten Fiscal Years

Governmental Activities				Business-Type Activities				
Fiscal Year	General Obligation Bonds	Certificates of Participation	Capital Leases	General Obligation Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income *	Per Capita
2018	-	-	-	-	-	-	0%	-
2017	-	-	-	-	-	-	0%	-
2016	-	-	-	-	-	-	0%	-
2015	-	-	-	-	-	-	0%	-
2014	-	-	-	-	-	-	0%	-
2013	-	-	-	-	-	-	0%	-
2012	-	-	-	-	-	-	0%	-
2011	-	15,560,000	-	-	-	15,560,000	0.73%	277
2010	-	16,075,000	-	-	-	16,075,000	1.18%	285
2009	-	16,075,000	-	-	-	16,075,000	1.07%	286

Source: Garfield County Finance Department (CAFR)

See the Schedule of Demographic and Economic Statistics on page G15 for personal income and population data.

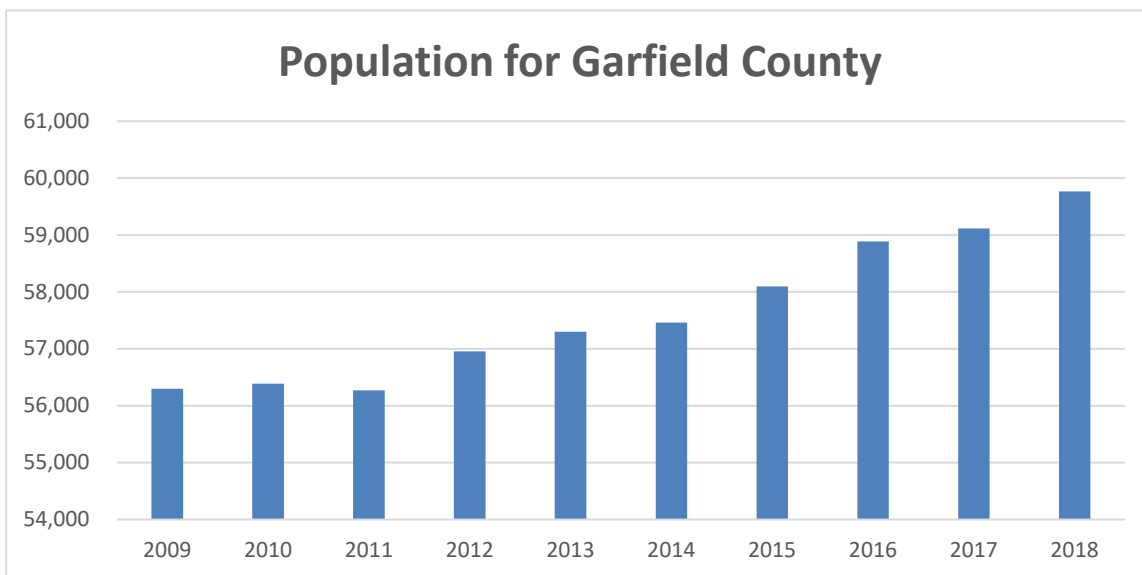
Garfield County, Colorado
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	(1) Population	(2) Fall School Enrollment (PK-12)	Percent of School Enrollment to Population	(3) Total Labor Force	(3) Un-employment Rate	(4) Total Personal Income (in thousands)	(4) Per Capita Income	(5) Retail Sales
2018	59,770	11,729	19.62%	33,688	4.30%	**	**	*
2017	59,118	11,630	19.67%	31,778	2.90%	**	**	*
2016	58,887	10,133	17.21%	31,760	3.90%	3,252,159	55,227	*
2015	58,095	11,576	19.93%	31,315	4.00%	2,937,046	50,556	2,629,755
2014	57,461	11,479	19.98%	25,905	3.60%	2,725,300	47,429	2,655,257
2013	57,302	11,496	20.06%	32,800	5.80%	2,359,201	41,171	2,588,920
2012	56,953	11,292	19.83%	33,230	8.00%	2,238,523	39,305	2,607,905
2011	56,270	11,275	20.04%	32,971	9.10%	2,130,264	37,858	2,658,287
2010	56,389	11,325	20.08%	33,006	10.10%	1,363,951	37,277	2,159,779
2009	56,298	11,508	20.44%	34,731	7.90%	1,508,517	37,099	2,040,464

Source:

- (1) US Census Bureau Estimate
- (2) Colorado Department of Education
- (3) Colorado Department of Labor and Employment website - Labor Statistics section
- (4) Bureau of Economic Analysis - Regional Economic Accounts section
- (5) Colorado Department of Revenue

* This Information is no longer provided by the Colorado Department of Revenue
 ** Information will become available November 20th 2019



Garfield County, Colorado
Principal Employers
Current Year and Eight Years Ago *

2018 Principal Employers

Employer	Rank	Type of Business	*Employee Range
Valley View Hospital	1	Healthcare	500-999
United Co of Western Colorado	2	Service	250-499
Grand River Hospital	3	Healthcare	250-499
Walmart Supercenter (Rifle)	4	Retail	250-499
Schmeuser & Assoc Inc	5	Service	100-249
Glenwood Hot Springs Resort	6	Hotels	100-249
Walmart (Glenwood Springs)	7	Retail	100-249
Ameri Gas (New Castle)	8	Service	100-249
Ameri Gas (Rifle)	9	Service	100-249
Garfield County School District 16	10	School	100-249

2010 Principle Employers

Employer	Rank	Type of Business	*Employee Range
Valley View Hospital	1	Healthcare	500-999
Garfield County School District RE-2	2	Schools	500-999
Roaring Fork School District RE-1	3	Schools	500-999
Garfield County	4	Government	500-999
Wal-Mart	5	Retail	250-499
City Market	6	Retail	250-499
City of Glenwood Springs	7	Government	250-499
Garfield County School District 16	8	Schools	100-249
Glenwood Hot Springs Lodge	9	Hospitality	100-249
Holy Cross Energy	10	Services	100-249

The State of Colorado is not legally permissible to report the exact number of employees by employer as of 2018. Currently, they provide the number of employees of each within a range. Garfield County is electing to present the names of the top ten principal employers and the number of employees of each within that range.

Source: Colorado Department of Labor website

Garfield County, Colorado
Positions by Department
Last Ten Fiscal Years

	2018		2017		2016		2015		2014		2013		2012		2011		2010		2009	
	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time	Full Time	Part Time
General Government																				
Board of Commissioners	3	-	3	-	3	-	3	-	3	-	3	-	3	-	3	-	3	-	3	-
Assessor	18	-	19	-	19	-	20	-	20	-	21	-	22	-	21	-	23	1	23	1
Clerk and Recorder	22	1	22	1	22	1	22	1	22	2	22	1	22	2	23	1	25	2	25	3
Treasurer	6	-	7	-	7	-	8	1	8	1	9	1	9	1	8	1	7	1	7	1
Surveyor	1	-	1	-	1	-	1	-	1	-	1	-	1	-	1	-	1	-	1	-
County Attorney	9	-	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	1	10	-
County Manager	5	-	5	-	4	-	4	-	3	-	2	-	5	-	5	-	6	-	6	-
Finance	9	-	8	1	8	1	8	1	8	1	8	1	9	1	9	1	9	1	9	-
Human Resources	5	-	5	-	5	-	5	-	5	-	5	-	5	-	5	-	4	1	4	1
Information Technology	11	-	10	-	10	-	9	1	9	-	8	-	9	-	11	-	11	-	10	-
Procurement	6	-	6	-	5	-	4	-	4	-	4	-	3	-	3	-	3	-	3	-
Oil & Gas	1	-	2	-	2	-	2	-	2	-	2	-	2	-	2	-	3	-	3	-
General Services																				
General Ops	-	-	-	-	-	-	-	-	-	-	1	-	1	-	1	-	1	-	1	-
Facilities Management	6	-	6	-	6	-	-	-	-	-	1	-	1	-	2	-	2	-	2	-
Vegetation Management	2	2	2	2	2	2	-	-	-	-	1	-	1	-	-	-	-	-	-	-
Communications	4	-	4	-	4	-	4	-	4	-	4	-	1	-	-	-	-	-	-	-
Community Development	13	-	13	-	13	-	13	-	13	-	14	-	13	1	13	1	16	1	17	-
Community Events	2	-	2	-	1	-	1	-	1	-	-	-	-	-	-	-	-	-	-	-
Engineering	-	-	-	-	-	-	-	-	-	-	2	-	2	-	2	-	2	-	2	-
Total General Government	124	3	126	5	123	5	114	5	113	5	118	4	119	6	119	5	126	8	126	6
Culture and Recreation																				
Fairgrounds	5	-	4	-	4	-	2	-	3	-	3	-	3	-	3	-	3	-	3	-
Total Culture and Recreation	5	-	4	-	4	-	2	-	3	-	3	-	3	-	3	-	3	-	3	-
Health and Welfare																				
Public Health	31	-	30	2	30	2	26	4	25	5	24	5	25	5	25	5	23	6	22	5
Dept of Human Services	111	2	111	1	109	3	104	1	98	2	89	2	84	2	84	1	89	4	87	8
Total Health and Welfare	142	2	141	3	139	5	130	5	123	7	113	7	109	7	109	6	112	10	109	13
Public Safety																				
Coroner	3	3	2	4	2	4	1	-	1	-	1	-	1	-	1	-	1	-	1	-
Criminal Justice Services	24	-	22	-	22	-	20	-	19	-	19	-	19	-	19	-	19	-	19	-
Commissary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2
Sheriff	144	-	145	-	142	-	144	-	144	-	151	-	151	-	151	-	149	2	145	2
Total Public Safety	171	3	169	4	166	4	165	-	164	-	171	-	171	-	171	-	169	2	165	4
Public Works																				
Public Works	-	-	-	-	2	1	11	1	8	5	2	5	2	1	1	1	-	-	-	-
Road and Bridge	45	2	45	2	45	3	44	3	44	3	44	3	43	7	47	3	48	2	49	1
Airport	5	-	5	-	5	-	4	-	4	-	4	-	4	-	3	-	3	-	2	2
Total Public Works	50	2	50	2	52	4	59	4	56	8	50	8	49	8	51	4	51	2	51	3
Business-type Activities																				
Solid Waste Disposal	9	-	9	-	8	-	8	-	8	-	8	-	9	-	9	-	14	-	8	4
Total Solid Waste	9	-	9	-	8	-	8	-	8	-	8	-	9	-	9	-	14	-	8	4
Intergovernmental Services																				
Motor Pool	3	-	3	-	3	-	4	-	4	-	4	-	4	-	4	-	4	-	4	-
Total Intergovernmental	3	-	3	-	3	-	4	-	4	-	4	-	4	-	4	-	4	-	4	-
Total Budgeted Employees	504	10	502	14	495	18	482	14	471	20	467	19	464	21	466	15	479	22	466	30

Source: Garfield County Adopted Budget Documents

Garfield County, Colorado
Capital Assets By Function/Program
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government										
Buildings	7	7	7	5	5	5	2	2	2	2
Public Safety										
Buildings	8	8	7	7	7	7	6	6	6	4
Equipment (pieces)	126	128	131	124	121	112	119	115	113	107
Public Works										
Buildings	13	13	13	13	13	12	12	12	12	11
Infrastructure (road miles maintained)	759	745	756	965	705	702	697	698	695	695
Road Maintenance Equipment	220	215	224	215	213	192	191	177	181	179
Public Health and Welfare										
Buildings	6	6	5	5	5	5	5	4	4	3
Culture and Recreation										
Buildings	12	12	12	12	12	6	6	6	6	6
Business-Type Activities										
Buildings	2	2	2	2	2	2	2	2	2	2
Waste Compaction/Movement (pieces)	28	24	22	25	22	22	19	19	19	17
Intergovernmental										
Buildings	1	1	1	1	1	1	1	1	1	1

Source: Garfield County Finance Department

Garfield County, Colorado
Operating Indicators By Function/Program
Last Ten Fiscal Years

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
General Government										
Number of Employees	115	131	128	119	123	122	125	124	134	132
Building(s) Sq. footage	57,697	57,697	57,697	57,697	57,697	57,697	38,322	38,322	38,322	38,322
Service Level										
Tax notices	29,420	29,414	29,376	29,311	29,267	29,217	29,530	29,350	29,316	30,289
Documents recorded	14,121	14,509	15,160	14,186	12,985	15,521	16,672	16,026	16,584	19,085
Number of active voters	32,652	32,611	32,038	29,542	28,873	27,480	25,579	21,081	24,047	23,851
Parcels assessed	31,679	31,601	31,520	31,449	31,450	31,447	31,635	31,468	30,289	51,471
Building permits issued	416	227	233	224	246	197	246	311	218	293
Public Safety										
Number of Employees	174	173	170	165	171	171	0	171	171	169
Building(s) Sq. footage	175,257	175,257	172,905	172,905	172,905	172,905	172,665	172,665	172,665	152,765
Service Level										
Calls for Law Enforcement Service	96,945	105,249	99,133	96,892	100,440	98,832	91,516	90,754	93,276	92,203
Jail bookings	2,550	2,719	2,612	2,502	2,284	2,285	2,591	2,717	2,515	2,899
Useful Public Service Clients Sentenced	700	1,000	742	700	731	797	1,056	1,156	1,087	1,183
Public Works										
Number of Employees	62	52	56	63	64	58	57	55	53	54
Building(s) Sq. footage	93,440	93,440	93,440	93,440	93,440	93,240	93,240	93,240	93,240	88,196
Service Level										
Miles of road maintained	759	742	756	965	705	702	697	698	695	695
Health and Welfare										
Number of Employees	144	144	144	135	120	120	116	115	122	122
Building(s) Sq. footage	59,373	59,373	57,101	55,693	55,693	55,693	55,693	53,438	53,438	38,362
Service Level										
Immunizations	6,418	5,615	6,554	6,902	6,576	6,909	9,195	12,660	12,349	14,801
Birth Certificates	732	698	784	697	812	769	833	818	866	964
Death Certificates	344	334	323	344	318	288	248	297	281	292
Human Services Caseload	11,402	12,028	13,103	11,657	10,136	8,669	9,050	6,090	5,707	4,763
Culture and Recreation										
Number of Employees	7	4	4	2	3	3	0	3	3	3
Building(s) Sq. footage	103,014	103,014	103,014	103,014	103,014	58,314	58,314	58,314	58,314	58,314
Service Level										
Fairground service days	355	355	355	355	355	365	365	365	365	365
County Fair attendance (ticket sales)	8,852	6,255	8,405	6,519	7,308	7,382	3,249	3,091	*4000	*4000
Business-type Activities										
Number of Employees	9	9	8	8	8	8	0	9	14	12
Building(s) Sq. footage	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760	6,760
Service Level										
Cubic yds of landfill space consumed	48,970	48,050	48,962	48,636	47,088	49,368	48,140	39,612	43,022	53,800
Intergovernmental										
Number of Employees	3	3	3	4	4	4	0	4	4	4
Building(s) Sq. footage						Information not available				

Sources:
Garfield County Offices/Departments and documents
Colorado Department of Public Health and Environment

Numbers are projected for year based on seven months of data for current year.

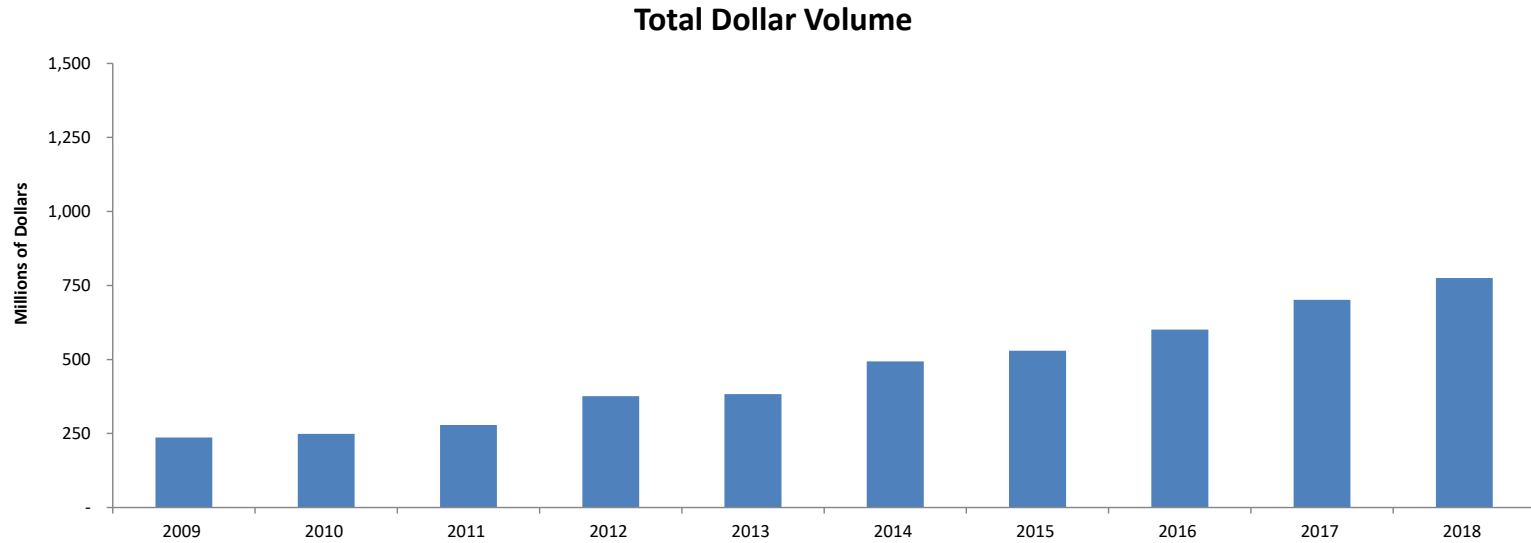
*Numbers from 2009 and previous are estimates of total attendance because ticket sales data was not available.

**Library became separate entity after 2006.

Garfield County, Colorado
Property Transfers (All Types) - Total Dollar Volume
Last Ten Fiscal Years

	Dollar Volume									
Month	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
January	37,390,295	75,754,700	29,408,700	23,996,800	26,864,925	23,657,100	22,066,900	17,481,300	11,461,500	16,624,800
February	44,166,210	22,991,800	27,034,000	22,399,300	30,023,600	18,961,800	20,486,100	16,374,200	12,503,900	14,143,900
March	50,433,187	42,567,000	32,750,800	25,338,900	27,564,600	18,584,400	28,487,050	26,954,300	24,342,200	10,759,800
April	46,049,300	47,478,200	42,547,300	39,861,900	31,087,200	33,594,160	19,483,259	24,004,500	21,940,200	20,680,100
May	65,436,280	63,942,545	59,813,400	48,246,950	40,434,600	41,220,050	35,977,400	18,828,200	17,487,500	15,653,500
June	102,106,000	69,506,700	66,028,900	52,511,100	51,175,800	26,888,300	33,223,399	22,964,600	20,376,300	28,415,500
July	117,818,390	89,802,300	71,188,700	69,439,700	49,114,288	39,482,800	38,158,000	27,370,900	24,709,600	24,760,700
August	73,580,600	60,681,500	60,908,600	46,496,708	43,238,000	49,376,700	45,076,180	35,724,600	21,049,700	21,537,650
September	57,305,808	53,304,800	46,671,900	63,816,300	41,916,200	32,667,800	29,378,700	18,404,300	17,782,700	17,315,200
October	75,983,822	40,773,900	48,435,300	52,928,572	72,606,200	33,600,400	43,073,850	26,725,300	20,320,900	18,898,900
November	58,092,494	55,017,500	59,968,500	34,370,100	34,152,700	28,487,265	32,741,970	22,498,600	19,163,600	13,072,600
December	46,566,862	79,855,100	56,499,400	50,196,400	45,211,700	36,496,800	28,185,216	21,741,800	37,739,700	34,301,900
Total	774,929,248	701,676,045	601,255,500	529,602,730	493,389,813	383,017,575	376,338,024	279,072,600	248,877,800	236,164,550

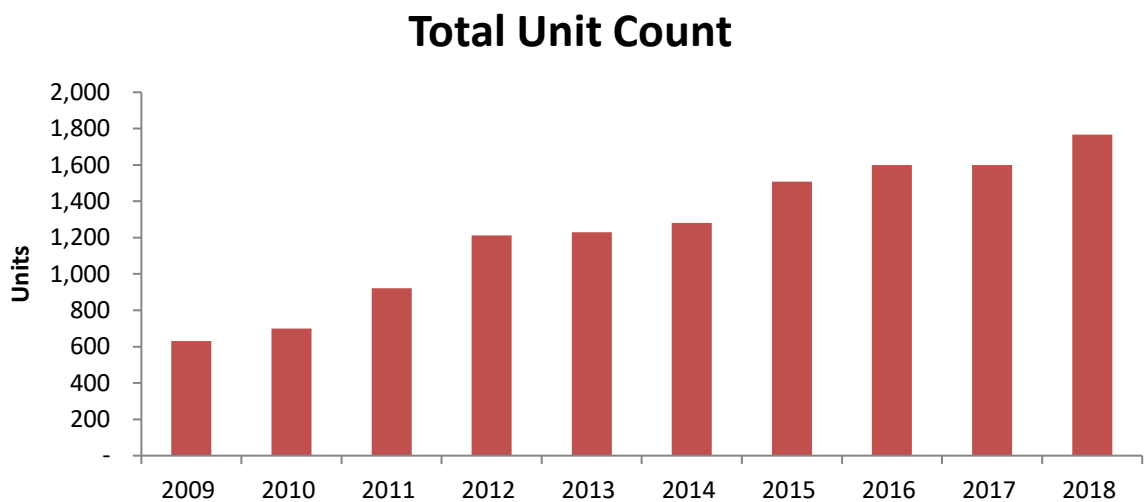
Source: Land Title Market Analysis Report



Garfield County, Colorado
Property Transfers (All Types) - Total Unit Count
Last Ten Fiscal Years

Month	Unit Count									
	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
January	96	106	94	71	59	86	71	56	34	38
February	109	75	87	76	74	84	61	43	33	46
March	149	131	100	87	89	78	114	80	61	33
April	116	120	128	125	101	102	83	87	63	43
May	166	157	149	142	119	118	117	68	61	43
June	214	169	174	157	125	103	106	72	68	75
July	169	167	174	174	130	105	97	83	69	64
August	184	173	168	146	117	134	123	92	56	57
September	126	129	136	140	111	107	112	83	55	61
October	185	125	132	162	125	108	119	91	60	57
November	127	117	125	97	95	85	109	77	58	46
December	126	131	133	131	136	120	101	89	81	68
Total	1,767	1,600	1,600	1,508	1,281	1,230	1,213	921	699	631

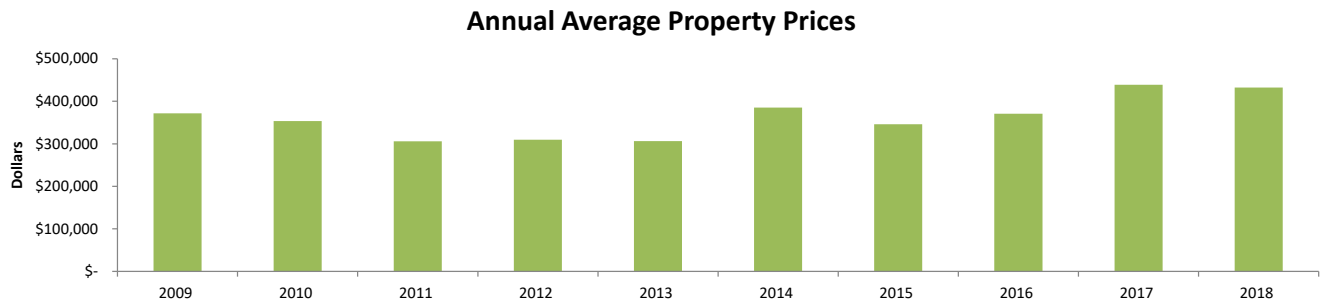
Source: Land Title Market Analysis Report



Garfield County, Colorado
Property Transfers (All Types) - Average Property Prices
Last Ten Fiscal Years

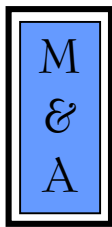
Average Property Prices										
Month	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
January	\$ 389,482	\$ 714,667	\$ 312,859	\$ 337,983	\$ 455,338	\$ 275,083	\$ 310,801	\$ 312,166	\$ 337,103	\$ 437,495
February	405,195	306,557	310,736	294,728	405,724	225,736	335,838	380,795	378,906	307,476
March	338,478	324,939	327,508	291,252	309,715	238,262	249,886	336,929	399,052	326,055
April	396,977	395,652	332,401	318,895	307,794	329,355	234,738	275,914	348,257	480,933
May	394,194	407,277	401,432	339,767	339,787	349,322	307,499	276,885	286,680	364,035
June	477,131	411,282	379,476	334,466	409,406	261,051	313,428	318,953	299,651	378,873
July	697,150	537,738	409,130	399,079	377,802	376,027	393,381	329,770	358,110	386,886
August	399,895	350,760	362,551	318,471	369,556	368,483	366,473	388,311	375,888	377,854
September	454,808	413,216	343,176	455,831	377,623	305,307	262,310	221,739	323,322	283,856
October	410,723	326,191	366,934	326,720	580,850	311,115	361,965	293,685	338,682	331,560
November	457,421	470,235	479,748	354,331	359,502	335,144	300,385	292,190	330,407	284,187
December	369,578	609,581	424,808	383,179	332,439	304,140	279,062	244,290	465,922	504,440
Annual Average	\$ 432,586	\$ 439,008	\$ 370,897	\$ 346,225	\$ 385,461	\$ 306,585	\$ 309,647	\$ 305,969	\$ 353,498	\$ 371,971

Source: Land Title Market Analysis Report



STATUTORY REPORT SECTION

Single Audit Reports and Schedules



McMAHAN AND ASSOCIATES, L.L.C.

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

Independent Auditor's Report

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Garfield County, Colorado (the "County") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 3, 2019.

Internal Control Over Financial Reporting

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

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

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

Member: American Institute of Certified Public Accountants

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Compliance and Other Matters

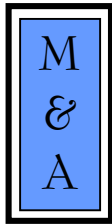
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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

A handwritten signature in blue ink that reads "McMahon and Associates, L.L.C.".

**McMahan and Associates, L.L.C.
June 3, 2019**



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Independent Auditor's Report

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

Report on Compliance for Each Major Program

We have audited Garfield County, Colorado's (the "County") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2018. The County's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), and the Audit Guide. Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination on the County's compliance with those requirements.

Opinion on Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2018.

Member: American Institute of Certified Public Accountants

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Report on Internal Control Over Compliance

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

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

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

The purpose of this report in 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 Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in blue ink that reads "McMahan and Associates, L.L.C.".

McMahan and Associates, L.L.C.
June 3, 2019

Garfield County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2018

Part I: Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor's report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations Part 200	None noted
Major programs:	
Child Support Enforcement (Title IV-D - Administration)	CFDA #93.563
Medical Assistance Program	CFDA #93.778
Dollar threshold used to identify Type A from Type B programs	\$750,000
Identified as low-risk auditee	Yes

Part II: Findings Related to Financial Statements

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

Part III: Findings Related to Federal Awards

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

Garfield County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2018
(Continued)

Note: There were no findings for the fiscal year ended December 31, 2017.

Garfield County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 2018

Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Expenditures
Department of Agriculture:			
Passed through Colorado Department of Human Services:			
Food Assistance Administration	CDHS -FFA	10.561	\$ 686,027 <i>D</i>
Passed through Colorado Department of Public Health and Environment:			
Special Supplemental Nutrition Program for Women, Infants and Children (non-cash incentives)	N/A	10.557	626,663
Special Supplemental Nutrition Program for Women, Infants and Children	N/A	10.557	285,367
Passed through Colorado Department of Treasury:			
Schools and Roads - Grants to Counties	N/A	10.665	244,688 <i>F</i>
Passed through U.S. Forest Service:			
White River National Forest - Noxious Weed Treatments	N/A	10.699	22,500
Total Department of Agriculture			<u>1,865,245</u>
Department of Health and Human Services:			
Passed through Colorado Department of Health Care Policy and Financing:			
Children's Health Insurance Program	N/A	93.767	4,733
Medical Assistance Program	CDHS -FFA	93.778	1,392,861 <i>B</i>
Passed through Colorado Department of Human Services:			
Guardianship Assistance - Title IV-E (ARRA)	CDHS -FFA	93.090	5,776
Affordable Care Act (ACA) Personal Responsibility Education Program	CDHS -FFA	93.092	160,650
Temporary Assistance for Needy Families	CDHS -FFA	93.558	786,720 <i>E</i>
Child Support Enforcement (Title IV-D - Administration)	CDHS -FFA	93.563	843,130
Child Support Enforcement research	CDHS -FFA	93.564	4,711
Low-Income Home Energy Assistance	CDHS -FFA	93.568	1,439
Child Care and Development Block Grant	CDHS -FFA	93.575	582,994 <i>A</i>
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	CDHS -FFA	93.596	418,330 <i>A</i>
Child Welfare Services - State Grants	CDHS -FFA	93.645	20,173
Foster Care - Title IV-E	CDHS -FFA	93.658	834,584
Adoption Assistance	CDHS -FFA	93.659	64,575
Social Services Block Grant	CDHS -FFA	93.667	199,921
Child Abuse and Neglect Discretionary Activities	CDHS -FFA	93.670	17,598
Independent Living	CDHS -FFA	93.674	6,049
Adjustment to Federal Assistance	CDHS -FFA	93.XXX	2,551
Passed through Colorado Department of Public Health and Environment:			
Hospital Preparedness Program (HPP) and Public Health Emer Preparedness (PHEP) Aligned Cooperative Agreements	N/A	93.074	39,189
Support Oral Health Workforce Activities	N/A	93.236	44,507
Capacity Bldg Assistance to Strengthen PH Immunization and Performance	N/A	93.539	19,080
Preventive Health and Health Services Block Grant	N/A	93.758	5,000
Maternal and Child Health Services Block Grant	N/A	93.994	44,911
Passed through Mesa County, Colorado:			
Special Programs for the Aging Title III, Part D Disease Prevention and Health Promotion Services	N/A	93.043	6,829
Special Programs for the Aging Title III, Part B - Grants for Supportive Services and Senior Centers	N/A	93.044	16,777 <i>C</i>
Special Programs for the Aging Title III, Part C Nutrition Services	N/A	93.045	80,966 <i>C</i>
National Family Caregiver Support, Title III, Part E	N/A	93.052	24,770
Nutrition Services Incentive Program	N/A	93.053	9,445 <i>C</i>
Passed through Colorado Department of Local Affairs:			
Community Service Block Grant	N/A	93.569	52,677
Total Department of Health and Human Services			<u>5,690,946</u>

Garfield County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 2018
(Continued)

Program Title	Pass-Through Entity Identifying Number	Federal CFDA Number	Expenditures
Department of Justice:			
Passed through Colorado Department of Public Safety:			
Bulletproof Vest Partnership Program	N/A	16.607	5,835
Passed through City of Glenwood Springs, Colorado:			
High Intensity Drug Trafficking Assistance (HIDTA)	N/A	16.729	15,839
Total Department of Justice			<u>21,674</u>
Department of Transportation:			
Airport Improvement Program (FAA)	N/A	20.106	657,999
Total Department of Transportation			<u>657,999</u>
Department of Environmental Protection Agency:			
Performance Partnership Grants	N/A	66.605	8,316
Total of Department of Environmental Protection Agency			<u>8,316</u>
Total Federal Financial Assistance			<u>\$ 8,244,180</u>

Additional Information for Clusters:	Amount
<i>A - Child Care Cluster</i>	\$ 1,001,324
<i>B - Medical Assistance Cluster</i>	1,392,861
<i>C - Nutrition Services Cluster</i>	107,188
<i>D - SNAP Cluster</i>	686,027
<i>E - TANF Cluster</i>	786,720
<i>F - Forest Service Schools and Roads Cluster</i>	244,688

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2018

Note 1. Basis of Presentation:

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

Note 2. Determining the Name of Non-cash Awards Expended:

Fair market value of assistance at the time of disbursement to the recipient, or the assessed value provided by the state or federal agency.

Note 3. Pass Through Sub recipients:

The County provided the following federal funds listed in the Schedule of Expenditures of Federal Awards to sub-recipients:

Program Title	Federal CFDA Number	Amount provided to Sub-recipients
Schools and Roads - Grants to Counties	10.665	\$ 226,070
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092	160,650
Nutrition Services Incentive Program	93.053	9,445
Community Service Block Grant	93.569	33,907

Note 4. Indirect Facilities and Administration costs:

The County does not use the 10% de minimis cost rate allowed in Title 2 U.S. Code of Federal Regulations (CFR) Part 200.414, indirect (F & A) costs. Instead, the County prepares an annual cost allocation plan to allocate indirect costs.