

Phillips County, Colorado

Financial Statements

December 31, 2018

**Phillips County, Colorado
Annual Financial Report
December 31, 2018**

Table of Contents

Financial Section

	Page
Report of Independent Certified Public Accountant	1
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	3
Statement of Activities	4
Governmental Fund Financial Statements:	
Balance Sheet	5
Reconciliation of Total Governmental Fund Balances to the Statement of Net Position	6
Statement of Revenues, Expenditures, and Changes in Fund Balances	7
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	8
Fiduciary Fund Financial Statements:	
Statement of Net Assets	9
Notes to the Financial Statements	10
Required Supplementary Information:	
Schedules of Revenues, Expenditures and Changes in Fund Balance-Actual and Budget	
Major Funds:	
General Fund	25
Road & Bridge	26
Human Services	27
Capital Expenditures	28
Fairgrounds Improvement Project	29
Supplementary Information:	
Combining Statements of Non-major Governmental Funds:	
Combining Balance Sheet	30
Combining Statements of Revenues, Expenditures and Changes in Fund Balances	31

**Phillips County, Colorado
Annual Financial Report
December 31, 2018**

**Table of Contents
(Continued)**

	Page
Schedules of Revenues, Expenditures and Changes in Fund Balance- Actual and Budget	
Non-Major Governmental Funds:	
Special Revenue Funds:	
Ambulance Replacement	32
Conservation Trust	33
Contingent	34
E-911	35
Fair	36
Jr. Livestock Sale	37
Economic Development	38
Local Highway Finance Report	39
Schedule of Due From/To the State of Colorado-Human Services Fund	41

Independent Auditor's Report

The Governing Body
Phillips County, Colorado

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Phillips County (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

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budget comparison information 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.

Management has elected to omit the management's discussion and analysis that is required by accounting principles generally accepted in the United States of America. 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 financial statements in an appropriate operational, economic, or historical context. The omission of this information does not affect our opinion.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying supplementary information as listed in the Table of Contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements.

The supplementary information as listed in the Table of Contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information as listed in the Table of Contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

rfarmer, llc

July 16, 2019

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

	Governmental Activities	Total
ASSETS		
Cash and cash equivalents	\$ 3,316,709	\$ 3,316,709
Receivables	2,722,971	2,722,971
Due from other governmental agencies	43,763	43,763
Inventories	77,395	77,395
Capital assets		
Land	137,203	137,203
Infrastructure	2,063,724	2,063,724
Buildings	8,797,100	8,797,100
Equipment and furniture	6,293,923	6,293,923
Vehicles	1,246,712	1,246,712
Less: accumulated depreciation	(9,149,844)	(9,149,844)
Total Capital Assets	9,388,818	9,388,818
Total Assets	15,549,656	15,549,656
LIABILITIES		
Accounts payable and accrued expenses	113,796	113,796
Due to other governmental agencies	15,316	15,316
Long-term liabilities		
Due within one year		
Capital leases	95,190	95,190
Due in more than one year		
Capital leases	378,657	378,657
Compensated absences	199,292	199,292
Total Liabilities	802,251	802,251
DEFERRED CASH IN-FLOW OF RESOURCES		
Deferred revenues-property taxes	2,629,370	2,629,370
NET POSITION		
Net investment in capital assets	9,293,628	9,293,628
Restricted for:		
TABOR and enabling legislation	244,084	244,084
Unrestricted	2,580,323	2,580,323
Total Net Position	\$ 12,118,035	\$ 12,118,035

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

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

Functions/Programs Primary government	Program Revenue		Net (Expense) Revenue and Changes in Net Position	
	Charges for Services	Operating Grants and Contributions	Governmental Activities	Primary Government Total
Governmental Activities				
General Government	\$ 1,533,027	\$ 31,709	\$ (1,123,335)	\$ (1,123,335)
Public Safety	919,195	86,526	(683,433)	(683,433)
Highways and Streets	1,836,584	1,468,131	(351,433)	(351,433)
Health & Welfare	736,586	543,327	(185,259)	(185,259)
Culture and Recreation	722,462	253,493	401,532	401,532
Sanitation	483,196	-	(282,086)	(282,086)
Interest on Long-term debt	10,556	-	(10,556)	(10,556)
Economic Development	25,500	-	(25,500)	(25,500)
Judicial	96,851	-	(96,851)	(96,851)
Total governmental activities	6,363,957	2,383,186	(2,356,921)	(2,356,921)
Total primary government	6,363,957	2,383,186	(2,356,921)	(2,356,921)
General revenues:				
Taxes:				
Property taxes, levied for general purposes			\$ 2,571,259	\$ 2,571,259
Sales & use taxes			573,471	573,471
Specific Ownership taxes			268,856	268,856
Unrestricted investment earnings			18,188	18,188
Miscellaneous			221,218	221,218
Special item - gain (loss) on disposition of assets			(44,408)	(44,408)
Total general revenues, special items, and transfers			3,608,584	3,608,584
Change in net position			1,251,663	1,251,663
Net position - beginning			10,866,372	10,866,372
Net position - ending			\$ 12,118,035	\$ 12,118,035

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

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

	General	Road & Bridge	Human Services	Capital Expenditures	Fairground Project	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 1,133,593	\$ 1,499,847	\$ 75,857	\$ 143,934	\$ 119,902	\$ 343,576	\$ 3,316,709
Taxes receivable, net	1,994,342	393,290	148,762	92,976	-	-	2,629,370
Due from State	-	-	43,763	-	-	-	43,763
Other receivables	43,286	17,335	6,639	15,279	-	11,062	93,601
Inventories	19,943	57,452	-	-	-	-	77,395
Total assets	<u>3,191,164</u>	<u>1,967,924</u>	<u>275,021</u>	<u>252,189</u>	<u>119,902</u>	<u>354,638</u>	<u>6,160,838</u>

LIABILITIES AND FUND BALANCES

Liabilities:							
Accounts payable	72,150	39,350	-	518	938	847	113,803
Payable to other governments	-	-	15,317	-	-	-	15,317
Other payables	(8)	-	-	-	-	-	(8)
Total liabilities	<u>72,142</u>	<u>39,350</u>	<u>15,317</u>	<u>518</u>	<u>938</u>	<u>847</u>	<u>129,112</u>

Deferred Cash In-flow of Resources:
Deferred revenue-property taxes

	<u>1,994,342</u>	<u>393,290</u>	<u>148,762</u>	<u>92,976</u>	<u>-</u>	<u>-</u>	<u>2,629,370</u>
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Fund balances:

Restricted for:

TABOR and enabling legislation	57,886	-	15,566	-	-	170,631	244,083
Non-spendable-Inventory	19,943	57,452	-	-	-	-	77,395
Committed-Equipment	-	73,250	-	-	-	-	73,250
Unassigned	1,046,851	-	-	-	-	-	1,046,851
Committed, reported in:							
Special revenue funds	-	1,404,582	95,376	158,695	118,964	183,160	1,960,777
Total fund balances	<u>1,124,680</u>	<u>1,535,284</u>	<u>110,942</u>	<u>158,695</u>	<u>118,964</u>	<u>353,791</u>	<u>3,402,356</u>
Total liabilities and fund balances	<u>\$ 3,191,164</u>	<u>\$ 1,967,924</u>	<u>\$ 275,021</u>	<u>\$ 252,189</u>	<u>\$ 119,902</u>	<u>\$ 354,638</u>	<u>\$ 6,160,838</u>

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

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

Total fund balance, governmental funds	\$ 3,402,356
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Position.	9,388,818
Certain other long-term assets are not available to pay current period expenditures and therefore are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.	-
Some liabilities, (such as Notes Payable, Capital Lease Contract Payable, Long-term Compensated Absences, and Bonds Payable), are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Position.	(673,139)
Net Assets of Governmental Activities in the Statement of Net Position	<u>\$ 12,118,035</u>

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

Phillips 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 & Bridge</u>	<u>Human Services</u>	<u>Capital Expenditures</u>	<u>Fairground Project</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES							
Property Taxes	\$ 1,993,008	\$ 339,453	\$ 145,925	\$ 92,872	\$ -	\$ -	\$ 2,571,258
SO Tax	203,923	40,215	15,211	9,507	-	-	268,856
Sales, Use and miscellaneous taxes	361,856	224,217	-	-	-	-	586,073
Fees and fines	5,769	-	-	-	-	-	5,769
Licenses and permits	3,475	117	-	-	-	-	3,592
Intergovernmental	150,860	1,455,530	531,640	-	772,869	8,493	2,919,392
Charges for services	370,357	2,660	-	192,468	-	123,743	689,228
Investment earnings	13,856	-	-	-	2,735	1,598	18,189
Miscellaneous	99,418	18,478	-	27,984	7,317	91,837	245,034
Rent received	62,910	-	-	-	298,396	-	361,306
Total revenues	<u>3,265,432</u>	<u>2,080,670</u>	<u>692,776</u>	<u>322,831</u>	<u>1,081,317</u>	<u>225,671</u>	<u>7,668,697</u>
EXPENDITURES							
Current:							
General government	1,415,732	12,330	-	61,157	-	45	1,489,264
Public safety	735,281	-	-	-	-	93,805	829,086
Streets & Highways	-	1,604,931	-	-	-	-	1,604,931
Health and Welfare	65,050	-	670,750	-	-	-	735,800
Culture and recreation	427,434	-	-	-	6,587	83,354	517,375
Judicial	96,851	-	-	-	-	-	96,851
Sanitation	396,637	-	-	-	-	-	396,637
Economic development	-	-	-	-	-	59,410	59,410
Debt Service:							
Principal	-	-	-	26,153	-	-	26,153
Interest and other charges	-	-	-	10,556	-	-	10,556
Capital outlay	58,538	127,255	-	318,944	2,048,385	-	2,553,122
Total Expenditures	<u>3,195,523</u>	<u>1,744,516</u>	<u>670,750</u>	<u>416,810</u>	<u>2,054,972</u>	<u>236,614</u>	<u>8,319,185</u>
Excess (deficiency) of revenues over expenditures	<u>69,909</u>	<u>336,154</u>	<u>22,026</u>	<u>(93,979)</u>	<u>(973,655)</u>	<u>(10,943)</u>	<u>(650,488)</u>
OTHER FINANCING SOURCES (USES)							
Proceeds from lease purchase	-	-	-	-	500,000	-	500,000
Other sources	-	-	2,669	-	-	-	2,669
Transfers in	-	-	-	-	86,400	58,500	144,900
Transfers out	(58,500)	-	-	(10,000)	-	(76,400)	(144,900)
Total other financing sources and uses	<u>(58,500)</u>	<u>-</u>	<u>2,669</u>	<u>(10,000)</u>	<u>586,400</u>	<u>(17,900)</u>	<u>502,669</u>
SPECIAL ITEM							
Proceeds from sale of assets	5,910	49,095	-	-	-	-	55,005
Net change in fund balances	17,319	385,249	24,695	(103,979)	(387,255)	(28,843)	(92,814)
Fund balances - beginning	1,107,361	1,150,035	86,247	262,674	506,219	382,634	3,495,170
Fund balances - ending	<u>\$ 1,124,680</u>	<u>\$ 1,535,284</u>	<u>\$ 110,942</u>	<u>\$ 158,695</u>	<u>\$ 118,964</u>	<u>\$ 353,791</u>	<u>\$ 3,402,356</u>

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

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

Net change in fund balances - total governmental funds: \$ (92,814)

Amounts reported for Governmental Activities in the Statement of Activities are different because:

Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlay of \$2,553,122 was more than depreciation of \$641,811 in the current period. 1,911,311

Governmental funds report the entire net sales price (proceeds) from sale of an asset as revenue because it provides current financial resources. In contrast, the Statement of Activities reports only the gain on the sale of the assets. Thus, the change in net assets differs from the change in fund balance by the cost of the asset sold. (99,413)

Governmental funds report capital lease payments as current financial resources. In contrast, the Statement of Activities treats such debt as a liability. Governmental funds report repayment of capital lease principal as an expenditure, In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities. This is the amount by which repayments exceeded proceeds. (473,847)

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

Change in Compensated Absences 6,431

Rounding (5)

Change in net position of governmental activities \$ 1,251,663

The notes to the financial statements
are an integral part of these statements.

Phillips County, Colorado
Statement of Fiduciary Net Assets
Fiduciary Funds
December 31, 2018

	TOTAL AGENCY FUNDS
ASSETS:	
Cash and cash equivalents	\$ 1,353,126
Total assets	1,353,126
 LIABILITIES:	
Due to other governmental units	1,353,126
Total Liabilities	\$ 1,353,126

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

Phillips County, Colorado
Notes to Financial Statements
December 31, 2018

Note 1 Reporting Entity

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

All financial transactions of the offices of elected officials of the County are included in the General Fund of the County's financial statements. The Board of County Commissioners has budgetary authority over the elected officials and is accountable for all fiscal matters. County property taxes fund a significant portion of the costs of operating the elected officials' offices. Services provided by the elected officials are for the benefit of Phillips County residents and are conducted within the boundaries of the County.

The basic financial statements present the financial statements of the County (the primary government) and its component units in accordance with Statements of the Governmental Accounting Standards Board, "The Financial Reporting Entity," as amended.

The County has examined other entities and there are no other entities that should be included.

The County is within the 13th Judicial District and participates with other counties in receiving services from the District Attorney. The District Attorney - 13th Judicial District is not a component unit of Phillips County.

Note 2 Summary of Significant Accounting Policies

The accounting and reporting policies of the County conform to accounting principles generally accepted in the United States of America (USGAAP) as applicable to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following summary of significant accounting policies is presented to assist the reader in evaluating the County's financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide and Fund Financial Statements The County government-wide financial statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the County accompanied by the total column. Fiduciary activities of the County are not included in these statements. *Government activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Likewise, the *primary government* is reported separately from certain legally separate *component units* for which the primary government is financially accountable.

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) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segments 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 of *general revenues*.

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

The government-wide financial statements are presented on an *economic resources measurement focus* and the *accrual basis of accounting*. Accordingly, all of the County's assets and liabilities, including capital assets, as well as infrastructure assets when capitalized, 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.

Fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within sixty 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. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the County.

The County reports the following major governmental funds:

General Fund The General fund is the general operating fund of the County. It is used to account for all resources except those required to be accounted for in another fund. The main sources of revenues are property taxes and sales taxes.

Road & Bridge Fund This fund records costs related to County road and bridge construction and maintenance. By state law, Colorado counties are required to maintain a Road and Bridge Fund and a portion of road and bridge taxes is allocated to cities and towns for their road and street activities. The main sources of income are highway user trust fund payments and property taxes.

Department of Human Services (Public Welfare) This fund administers social services programs under state and federal regulations. Colorado counties are required by law to maintain a Human Services fund. The main sources of revenues include state and federal grants and property taxes.

Capital Expenditure Fund This fund accounts for the majority of capital expenditures not budgeted by the General and Road & Bridge funds. The main sources of revenues are property taxes.

Fairgrounds Improvement Project This fund is used specifically for improvements to the Fair Grounds. Contributions and grants are the main sources of income.

The County has one Fiduciary Fund, which consists of the cash with county treasurer. The fund is not included with any other fund.

Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated 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. However, those transactions between governmental and business-type activities 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.

The County follows the policy of capitalizing all assets, other than infrastructure, that cost more than \$2,000 with an estimated useful life of more than one year. Infrastructure assets that cost more than the following amounts will be capitalized:

Gravel roads	\$ 500,000
Bridges	\$ 75,000
Other Infrastructure	\$ 250,000

The useful lives of the assets are:

Buildings & Improvements	50-75 years
Furniture & Fixtures	7-10 years
Machinery, Equipment, & Vehicles	5-10 years
Infrastructure	75 years

Program revenues derive directly from the program itself or from parties outside the reporting government's taxpayers or citizenry, as a whole; they reduce the net cost of the function to be financed from the government's general revenues. The statement of activities reports separately three categories of program revenues: (a) charges for services, (b) program-specific *operating* grants and contributions and (c) program-specific *capital* grants and contributions.

Charges for services include revenues based on exchange or exchange-like transactions. These revenues arise from charges to customers or applicants who purchase, use or directly benefit from the goods, services, or privileges provided. Revenues in this category include fees charged for specific services, such as water use or garbage collection; licenses and permits, such as dog licenses, liquor licenses, and building permits; operating special assessments, such as for street cleaning or special street lighting; and any other amounts charged to service recipients.

Program-specific grants and contributions (operating and capital) include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program. Some grants and contributions consist of capital assets or resources that are restricted for capital purposes - to

purchase, construct or renovate capital assets associated with a specific program. These are reported separately from grants and contributions that may be used either for operating expenses or for capital expenditures of the program at the discretion of the reporting government. These categories of program revenue are specifically attributable to a program and reduce the net expense of that program to the reporting government. Multipurpose grants (those that provide financing for more than one program) are reported as program revenue if the amounts restricted to each program are specifically identified in either the grant award or the grant application. Multipurpose grants that do not provide for specific identification of the programs and amounts are reported as general revenues.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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.

Interfund Transactions

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

Budgets and Budgetary Accounting

Annual budgets are adopted as required by Colorado Statutes. Formal budgetary integration is employed as a management control device during the year.

The budget calendar is as follows:

- August 25 Assessors must submit abstract of assessments, reflecting all assessed values of property in the County by class and subclass to the Division of Property Taxation.

Assessors must certify to all taxing entities and the Division of Local Government of the new total assessed valuation and the amounts for the various factors needed to compute the statutory property tax revenue limits.

- October 15 Statutory deadline for submission of proposed budget to the local governing body. "Notice of Budget" to be published when budget is received.
- December 15 Statutory deadline for certification of mill levies to the Board of County Commissioners. Local government levying a property tax must adopt their budget before certifying the levy to the County. Local Governing Body shall enact an ordinance or resolution making appropriations for the ensuing fiscal period.
- December 22 Statutory deadline for Board of County Commissioners to certify levies and revenues to Assessor and the Division of Property Taxation.

Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons in this report are presented on the GAAP basis.

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

Supplemental budgets were adopted due to unanticipated revenues and expenditures.

Property Taxes

Annual property taxes are levied and assessed on January 1, and are certified by the County by November 1 of the current year. On January 1 of the following year, the County Treasurer bills the property owners, thus establishing an enforceable lien on the property. The County Treasurer also collects the property taxes and remits collections on a monthly basis to the County. County property tax revenues are recognized as they become current receivables from the County Treasurer. One-half of the property taxes are due by February 28 and one-half due by June 15 or all may be paid by April 30 to avoid penalties and interest.

Vacation Days and Sick Leave

All full-time County employees are entitled to ten working days of paid vacation per year after one full year of employment. After the tenth year of employment, an additional five days of vacation are allowed per

calendar year. Vacation time accrues for one year, and any amounts not used by December 31 of the following year are lost, except amounts approved by the Commissioners to carry to the subsequent year.

Every employee may accrue sick leave at a rate of one day per month of service. Such leave is allowed only to the extent of actual illness or death of an immediate family member. Employees hired after November 1, 2005, with 10 years or more of service may be compensated for a portion of unused sick leave upon leaving the County.

Employees hired prior to November 1, 2005, upon retirement after the age of 62 or upon becoming disabled, shall be compensated based on regular pay for a maximum of ninety days of accrued sick leave.

Contraband

Per Colorado Contraband Forfeiture Act (CRS 16-13-501 to 511), proceeds received from the seizure of contraband must be used for the specific purpose of law enforcement activities. These proceeds are exempt from the appropriation process. Phillips County received no material proceeds from contraband during the year.

Inventories

Inventory of construction and maintenance supplies and weed control chemicals are reflected in the Road and Bridge Fund and General Fund, respectively, as an asset. Inventory is recorded at cost using the first-in, first-out (FIFO) method.

Note 3 Deposits and Investments

Deposits

Colorado State Statutes, specifically the Public Deposit Protection Act of 1989, require all public monies to be deposited in financial institutions that have been designated as eligible public depositories. Eligible public depositories must pledge eligible collateral, as promulgated by the State banking board, having a market value in excess of 102% of the aggregate uninsured public deposits. Eligible collateral must be held in the custody of any federal reserve bank or any branch thereof or of any depository trust company which is a member of the Federal Reserve System, and which is supervised by the State banking board. The Statutes further restrict such deposits to eligible public depositories having their principal offices within the State of Colorado.

Custodial Credit Risk

Deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are:

- a. Uncollateralized,
- b. Collateralized with securities held by the pledging financial institution, or
- c. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name.

As of year-end, the County was not exposed to custodial risk in that all funds held by the county are deposited in various financial institutions that are covered by FDIC insurance or meet the requirements of the Public Deposit Protection Act as amended per Colorado Revised Statutes. The county is not exposed to any other risk as defined by GASB 40.

Note 4 Changes in Fixed Assets

Capital asset activity for the current year is shown below:

	Beginning Balance	Additions	Deletions	Ending Balances
Governmental Activities:				
Land	\$ 137,203	\$ -	\$ -	\$ 137,203
Total Capital Assets, Not Being Depreciated	137,203	-	-	137,203
Capital Assets Being Depreciated:				
Infrastructure	2,063,724	-	-	2,063,724
Buildings	6,778,805	2,398,925	(30,090)	9,147,640
Equipment	5,869,100	151,287	(30,638)	5,989,749
Vehicles	1,276,808	26,867	(103,329)	1,200,346
Total Capital Assets Being Depreciated	15,988,437	2,577,079	(164,057)	18,401,459
Less Accumulated Depreciation	(8,548,720)	(641,808)	40,684	(9,149,844)
Total Capital Assets Being Depreciated, Net	7,439,717	1,935,271	(123,373)	9,251,615
Governmental Activities Capital Assets, Net	\$ 7,576,920	\$ 1,935,271	\$ (123,373)	\$ 9,388,818

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

Governmental activities:	
General government	\$ 49,432
Public safety	90,108
Public Works	231,918
Sanitation	62,787
Health & Welfare	785
Culture & Recreation	<u>206,778</u>
Total depreciation expense-governmental activities	<u>\$ 641,808</u>

Note 5 Joint Ventures

The County participates in the County Technical Services, Inc. (CTSI) Insurance Pool. This joint venture does not meet the criteria for inclusion within the reporting entity because the County Health Pool has the following characteristics:

- is financially independent and responsible for its own financial deficits and entitled to its own surpluses,
- is a separate governing board from that of the County, which is comprised of 1 voting member from each participating County/entity.
- the governing board and management have the ability to significantly influence operations by approving budgetary requests and adjustments, signing contracts, hiring personnel, exercising control over facilities and determining the outcome or disposition of matters affecting the recipients of services provided, and
- has absolute authority over all funds and fiscal responsibility including budgetary responsibility and reporting to state agencies and controls fiscal management.

Financial information is available from CTSI.

Note 6 Pension Plan

Defined Contribution Plan

The County is participating in a Defined Contribution Pension Plan through Colorado Counties Officials and Employees Retirement Association (CCOERA). The Plan is funded by employee's contributions at 4 percent of gross salary with the County matching another 4 percent. All employees who work over 20 hours per week and have been employed one year are required to be in the plan. The employee is immediately vested in their contribution. The vesting period for the employer's

contribution is 20% per year for 5 years. At the end of the fifth year of participating in the plan, the employee is fully vested in the County's contribution. The Board of County Commissioners authorizes any changes to the plan.

During 2018, the employee and employer paid \$81,053 each into CCOERA. Total salaries were \$2,408,591 with qualifying salaries being \$2,026,325.

There were approximately 70 total employees at year-end who are considered general employees.

The employees can also contribute to an IRC 457 pension plan. All contributions are made by the employee.

Note 7 Operating Leases

The County has various operating leases and maintenance contracts for copiers, faxes, and computer equipment that are entered into during the normal course of business. These costs are charged to expense as incurred based on terms and renewals. The County is current on all operating leases.

During 2016, the County entered into an operating lease for three (3) 772G Motor Graders. The agreement calls for 36 monthly payments of \$1,747 with a purchase option of \$214,500 per motor grader. The purchase option date is January, 2019. The 2017 and 2018 annual payments were \$20,964 per year per motor grader or \$62,892 for all 3 motor graders. The County did not exercise the purchase option. The lease was terminated and the equipment was returned.

During 2017, the County entered into an agreement to lease voting machines and other equipment. The lease is for five (5) years with annual lease payments of approximately \$19,123 per year.

Note 8 Transfers

The transfers made during 2018 were from the General Fund to the Economic Development Fund, Ambulance Replacement Fund, and Fair Fund in the amounts of \$25,500, \$8,000, and \$25,000, respectively. The Capital Expenditures Fund also transferred \$10,000 to the Fairground Project and the Conservation Trust Fund transferred \$76,400 to the Fairground Project during 2018.

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the

County are accounted for as revenues, expenditures, or expenses in the funds involved. Transactions, which constitute reimbursement of a fund for expenditures or expenses initially made from that fund, which are properly applicable to another fund, are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund that is reimbursed.

Non-recurring or non-routine transfers of equity between funds are referred to as residual equity transfers and are reported as additions to or deductions from the fund balance of Governmental Funds. Transfers of equity to Proprietary Funds are treated as contributed capital and such transfers from proprietary funds are reported as reductions of retained earnings or contributed capital as is appropriate in the circumstances. All other legally authorized transfers are treated as operating transfers and are included in the results of operations of both Governmental and Proprietary Funds.

Note 9 Risk Management

County Workers' Compensation Pool

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

Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty losses. The County joined together with other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. The intergovernmental agreement of formation of CAPP provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, the Pool will purchase excess insurance through commercial companies for

members' claims in excess of a specified self-insured retention, which is determined each policy year.

The County, in their opinion, has obtained adequate coverage as required by Colorado Revised Statutes to settle claims in the ordinary course of business. However, due to the unknown nature of potential liability, some claims may arise that fall outside the coverage limits for which the County would be financially responsible. Claims have not exceeded coverages during the past three years.

Note 10 Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue rising, 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.

On November 7, 1995, the voters of Phillips County approved a ballot initiative allowing the County to retain funds over the limitations imposed by the amendment in 1995 and all subsequent years. It is the opinion of the County that the revenue and spending limitation imposed by the amendment no longer applies to the County.

Note 11 Restricted Fund Balances

With the passage of Amendment One to the Colorado State Constitution, the County has restricted at least 3 percent of its non-federal spending for emergencies. For 2018, \$228,517 has been reflected as the emergency reserve.

In addition, the Human Services Fund has restricted \$15,556 due to enabling legislation.

Note 12 Landfill

State and federal laws and regulations require the County to place a final cover on its landfill 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. At December 31, 2018, the County has closed approximately 26.0% of the estimated capacity of the landfill. The County expects the closure and post-closure liability to be \$336,312 to cover the last cell open at the time of closure. The amount is based on what it would cost to perform all closure and post-closure care in 2018. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County expects to close the landfill in the year 2061. The County has completed the financial assurance report; however, no contributions have been made to a trust to finance closure and post-closure care. As of year-end, the county has not restricted any assets for the payment of the closure and post-closure care costs.

Note 13 Lease Purchase

During 2018, the County entered into a lease purchase agreement as a result of a sale lease-back agreement. The County sold certain individual pieces of equipment to the bank for \$500,000. That amount is reflected as other financing sources in the Fairgrounds Improvement Fund. The County immediately entered into an agreement with the bank to buy back the same equipment under a lease-purchase agreement. The terms of the agreement call for monthly payments of \$9,177 for sixty months beginning September, 2018 with interest at the rate of 3.19%. If all payments are made, the equipment can be purchased for \$1.

	Principle	Interest	Total
2019	\$ 95,190	\$ 14,936	\$ 110,126
2020	98,541	11,585	110,126
2021	102,023	8,103	110,126
2022	105,618	4,508	110,126
2023	72,475	945	73,420
	<u>\$ 473,847</u>	<u>\$ 40,077</u>	<u>\$ 513,924</u>

Changes in long-term debt are as follows:

	Beginning Balance	Additions	Payments	Ending Balances	Current Portion
Equipment Lease	\$ -	\$ 500,000	\$ (26,153)	\$ 473,847	\$ 95,190
Compensated Absences	216,552	-	-	216,552	-
	<u>\$ 216,552</u>	<u>\$ 500,000</u>	<u>\$ (26,153)</u>	<u>\$ 690,399</u>	<u>\$ 95,190</u>

Note 14 Fund Balance

In the fund financial statements the following classifications describe the relative strength of spending constraints.

- *Non-spendable balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as inventory and prepaid amounts) or is legally or contractually required to be maintained intact.
- *Restricted fund balance* – The portion of fund balance constrained to being used for a specific purpose by external parties (such as grantors or bondholders), constitutional provisions, or enabling legislation.
- *Committed fund balance* – The portion of fund balance constrained for specific purposes according to the limitations imposed by the County’s highest level of decision-making authority, the County Commissioners, or other individuals authorized to assign funds to be used for a specific purpose. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.
- *Assigned fund balance* – The portion of fund balance set aside for planned or intended purposes but are neither restricted nor committed. The intended use may be expressed by the County Commissioners or other individuals authorized to assign funds to be used for a specific purpose. Assigned fund balances in special revenue funds will also include any remaining fund balance that is not restricted or committed. This classification is necessary to indicate that those funds are, at a minimum, intended to be used for the purpose of that particular fund.
- *Unassigned fund balance* – The residual portion of fund balance that does not meet any of the above criteria. The County will only report a positive unassigned fund balance in the General Fund.

The County considers that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Note 15 Schedule of EBT Authorizations

Refer to the following page for EBT authorizations during 2018.

Note 15

Phillips County Department of Social Services
Human Services Fund

Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures
for the year ended December 31, 2018

Program	County EBT Authorizations	County Share of Authorizations	Expenditures By County Warrant	County EBT Authorizations and Expenditures by County Warrant	Total Expenditures
Regular County Administration	\$ -	\$ -	\$ 194,306	\$ 194,306	\$ 194,306
LEAP EBT Admin.	68,236	-	169	68,405	169
AND EBT	9,864	1,973	-	9,864	1,973
Child Support - Admin	-	-	70,900	70,900	70,900
Colo Works - Administration	-	-	35,319	35,319	35,319
Colo Works - EBT	85,285	14,280	-	85,285	14,280
Employment First	-	24	2,486	2,486	2,510
Adult Protective Serv - Administration	-	-	22,412	22,412	22,412
Old Age Pension - EBT & Admin	63,185	-	3,884	67,069	3,884
Child Care - Admin	-	-	42,182	42,182	42,182
Child Care - EBT	20,416	10,396	-	20,416	10,396
Child Welfare - 100% Admin	-	-	24,051	24,051	24,051
Child Welfare - 80% Admin	-	-	187,974	187,974	187,974
Child Welfare - Res Mental Health	11,098	2,220	-	11,098	2,220
Child Welfare - Sub Adopt	25,711	3,853	-	25,711	3,853
Child Welfare - OOH	43,741	8,748	-	43,741	8,748
Child Welfare - Rel Child Care EBT	3,001	600	-	3,001	600
Child Welfare - TANF Transfer	3,856	3,085	-	3,856	3,085
Core Services - Admin	3,465	-	28,816	32,281	28,816
Cost Allocation	-	18,192	-	-	18,192
TANF Collections	-	(306)	-	-	(306)
IV-D Retained	-	(64)	-	-	(64)
Admin Repayment	5,700	-	-	5,700	-
Sub-Total	343,558	63,001	612,499	956,057	675,500
Food Assistance	458,387	-	-	458,387	-
Grand Total	\$ 801,945	\$ 63,001	\$ 612,499	\$ 1,414,444	\$ 675,500

Phillips County, Colorado
Budget and Actual (with Variances)
General
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 1,989,329	\$ 1,989,329	\$ 1,993,008	\$ 3,679
SO Tax	185,000	185,000	203,923	18,923
Sales and miscellaneous taxes	285,000	285,000	361,856	76,856
Fees and fines	1,200	1,200	5,769	4,569
Licenses and permits	1,075	1,075	3,475	2,400
Intergovernmental	190,812	190,812	150,860	(39,952)
Charges for services	230,600	230,600	370,357	139,757
Investment earnings	7,500	7,500	13,856	6,356
Rent	49,800	49,800	62,910	13,110
Miscellaneous	78,000	78,000	99,418	21,418
Total revenues	<u>3,018,316</u>	<u>3,018,316</u>	<u>3,265,432</u>	<u>247,116</u>
EXPENDITURES				
Current:				
General Government	1,392,523	1,418,454	1,415,732	2,722
Public Safety	918,766	925,566	735,281	190,285
Health and sanitation	495,519	495,519	461,687	33,832
Culture and recreation	441,099	483,339	427,434	55,905
Judicial	96,851	96,851	96,851	-
Capital Outlay	94,100	94,100	58,538	35,562
Total Expenditures	<u>3,438,858</u>	<u>3,513,829</u>	<u>3,195,523</u>	<u>318,306</u>
Excess (deficiency) of revenues over expenditures	<u>(420,542)</u>	<u>(495,513)</u>	<u>69,909</u>	<u>565,422</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(58,800)	(58,800)	(58,500)	300
Total other financing sources and uses	<u>(58,800)</u>	<u>(58,800)</u>	<u>(58,500)</u>	<u>300</u>
Special Item				
Gain on sale of assets	-	-	5,910	5,910
Net change in fund balances	(479,342)	(554,313)	17,319	571,632
Fund balances - beginning	685,061	-	1,107,361	1,107,361
Fund balances - ending	<u>\$ 205,719</u>	<u>\$ (554,313)</u>	<u>\$ 1,124,680</u>	<u>\$ 1,678,993</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Road & Bridge
For the year ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 392,232	\$ 392,232	\$ 339,453	\$ (52,779)
SO Taxes	31,000	31,000	40,215	9,215
Sales and miscellaneous taxes	186,000	186,000	224,217	38,217
Licenses and permits	-	-	117	117
Intergovernmental	1,275,967	1,275,967	1,455,530	179,563
Charges for services	-	-	2,660	2,660
Miscellaneous	-	-	18,478	18,478
Total revenues	<u>1,885,199</u>	<u>1,885,199</u>	<u>2,080,670</u>	<u>195,471</u>
EXPENDITURES				
Current:				
General government	12,500	12,500	12,330	170
Highways and roads	1,827,721	1,827,721	1,604,931	222,790
Capital Outlay	<u>275,000</u>	<u>275,000</u>	<u>127,255</u>	<u>147,745</u>
Total Expenditures	<u>2,115,221</u>	<u>2,115,221</u>	<u>1,744,516</u>	<u>370,705</u>
Excess (deficiency) of revenues over expenditures	<u>(230,022)</u>	<u>(230,022)</u>	<u>336,154</u>	<u>566,176</u>
SPECIAL ITEM				
Proceeds from sale capital assets	<u>-</u>	<u>-</u>	<u>49,095</u>	<u>(49,095)</u>
Net change in fund balances	<u>(230,022)</u>	<u>(230,022)</u>	<u>385,249</u>	<u>615,271</u>
Fund balances - beginning	<u>724,898</u>	<u>724,898</u>	<u>1,150,035</u>	<u>425,137</u>
Fund balances - ending	<u>\$ 494,876</u>	<u>\$ 494,876</u>	<u>\$ 1,535,284</u>	<u>\$ 1,040,408</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Human Services
For the year ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 148,362	\$ 148,362	\$ 145,925	\$ (2,437)
SO Taxes	14,000	14,000	15,211	1,211
Intergovernmental	781,008	781,008	531,640	(249,368)
Total revenues	943,370	943,370	692,776	(250,594)
EXPENDITURES				
Current:				
Health and human services	1,008,767	1,008,767	670,750	338,017
Total Expenditures	1,008,767	1,008,767	670,750	338,017
Excess (deficiency) of revenues over expenditures	(65,397)	(65,397)	22,026	87,423
OTHER FINANCING SOURCES (USES)				
Other Sources	-	-	2,669	(2,669)
Transfers in	30,000	30,000	-	30,000
Total other financing sources and uses	30,000	30,000	2,669	27,331
Net change in fund balances	(35,397)	(35,397)	24,695	60,092
Fund balances - beginning	301,149	301,149	86,247	(214,902)
Fund balances - ending	\$ 265,752	\$ 265,752	\$ 110,942	\$ (154,810)

Phillips County, Colorado
Budget and Actual (with Variances)
Capital Expenditures
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Property Taxes	\$ 92,726	\$ 92,726	\$ 92,872	\$ 146
SO Taxes	8,800	8,800	9,507	707
Charges for services	119,000	119,000	192,468	73,468
Miscellaneous	7,500	7,500	27,984	20,484
Total revenues	<u>228,026</u>	<u>228,026</u>	<u>322,831</u>	<u>94,805</u>
EXPENDITURES				
Current:				
General government	71,800	71,800	61,157	10,643
Debt Service:				
Principal	-	-	26,153	(26,153)
Interest and other charges	-	-	10,556	(10,556)
Capital Outlay	<u>407,000</u>	<u>407,000</u>	<u>318,944</u>	<u>88,056</u>
Total Expenditures	<u>478,800</u>	<u>478,800</u>	<u>416,810</u>	<u>61,990</u>
Excess (deficiency) of revenues over expenditures	<u>(250,774)</u>	<u>(250,774)</u>	<u>(93,979)</u>	<u>156,795</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(10,000)	10,000
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(10,000)</u>	<u>10,000</u>
Net change in fund balances	(250,774)	(250,774)	(103,979)	146,795
Fund balances - beginning	<u>289,172</u>	<u>289,172</u>	<u>262,674</u>	<u>(26,498)</u>
Fund balances - ending	<u>\$ 38,398</u>	<u>\$ 38,398</u>	<u>\$ 158,695</u>	<u>\$ 120,297</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Fairground Project
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 781,000	\$ 781,000	\$ 772,869	\$ (8,131)
Miscellaneous	-	-	7,317	7,317
Investment earnings	500	500	2,735	2,235
Contributions	330,000	330,000	298,396	(31,604)
Total revenues	<u>1,111,500</u>	<u>1,111,500</u>	<u>1,081,317</u>	<u>(30,183)</u>
EXPENDITURES				
Culture and recreation	14,700	14,700	6,587	8,113
Capital Outlay	<u>2,075,571</u>	<u>2,075,571</u>	<u>2,048,385</u>	<u>27,186</u>
Total Expenditures	<u>2,090,271</u>	<u>2,090,271</u>	<u>2,054,972</u>	<u>35,299</u>
Excess (deficiency) of revenues over expenditures	<u>(978,771)</u>	<u>(978,771)</u>	<u>(973,655)</u>	<u>5,116</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from capital leases	416,000	416,000	500,000	(84,000)
Transfers in	-	-	86,400	(86,400)
Total other financing sources and uses	<u>416,000</u>	<u>416,000</u>	<u>586,400</u>	<u>(170,400)</u>
Net change in fund balances	(562,771)	(562,771)	(387,255)	(175,516)
Fund balances - beginning	562,771	562,771	506,219	(56,552)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 118,964</u>	<u>\$ (232,068)</u>

Phillips County, Colorado
Balance Sheet
Other Governmental Funds
December 31, 2018

	Ambulance Replacement	Conservation Trust	Contingent	E911	Fair	Jr. Livestock Sale	Economic Development	Total Governmental Funds
Cash and cash equivalents	\$ 78,176	\$ 3,197	\$ 170,631	\$ 54,390	\$ 28,764	\$ 6,463	\$ 1,955	\$ 343,576
Other receivables	-	-	-	11,062	-	-	-	11,062
Total assets	<u>78,176</u>	<u>3,197</u>	<u>170,631</u>	<u>65,452</u>	<u>28,764</u>	<u>6,463</u>	<u>1,955</u>	<u>354,638</u>

LIABILITIES AND FUND BALANCES

Liabilities:								
Accounts payable	-	-	-	847	-	-	-	847
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>847</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>847</u>

Fund balances:								
Restricted for:								
TABOR	-	-	170,631	-	-	-	-	170,631
Committed	78,176	3,197	-	64,605	28,764	6,463	1,955	183,160
Total fund balances	<u>78,176</u>	<u>3,197</u>	<u>170,631</u>	<u>64,605</u>	<u>28,764</u>	<u>6,463</u>	<u>1,955</u>	<u>353,791</u>
Total liabilities and fund balances	<u>\$ 78,176</u>	<u>\$ 3,197</u>	<u>\$ 170,631</u>	<u>\$ 65,452</u>	<u>\$ 28,764</u>	<u>\$ 6,463</u>	<u>\$ 1,955</u>	<u>\$ 354,638</u>

Phillips County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the Year Ended December 31, 2018

	Ambulance Replacement	Conservation Trust	Contingent	E911	Fair	Jr. Livestock Sale	Economic Development	Total-Other Governmental Funds
REVENUES								
Intergovernmental	\$ -	\$ 8,493	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,493
Charges for services	-	-	-	123,743	-	-	-	123,743
Investment earnings	274	88	1,210	-	-	26	-	1,598
Miscellaneous	8,000	(2,200)	-	1,718	54,670	-	29,649	91,837
Total revenues	8,274	6,381	1,210	125,461	54,670	26	29,649	225,671
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	45	45
Public Safety	-	-	-	93,805	-	-	-	93,805
Culture and recreation	-	-	-	-	83,354	-	-	83,354
Economic Development	-	-	-	-	-	-	59,410	59,410
Total Expenditures	-	-	-	93,805	83,354	-	59,455	236,614
Excess (deficiency) of revenues over expenditures	8,274	6,381	1,210	31,656	(28,684)	26	(29,806)	(10,943)
OTHER FINANCING SOURCES (USES)								
Transfers in	8,000	-	-	-	25,000	-	25,500	58,500
Transfers out	-	(76,400)	-	-	-	-	-	(76,400)
Total other financing sources and uses	8,000	(76,400)	-	-	25,000	-	25,500	(17,900)
Net change in fund balances	16,274	(70,019)	1,210	31,656	(3,684)	26	(4,306)	(28,843)
Fund balances - beginning	61,902	73,216	169,421	32,949	32,448	6,437	6,261	382,634
Fund balances - ending	\$ 78,176	\$ 3,197	\$ 170,631	\$ 64,605	\$ 28,764	\$ 6,463	\$ 1,955	\$ 353,791

Phillips County, Colorado
Budget and Actual (with Variances)
Ambulance Replacement
For the year ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 150	\$ 150	\$ 274	\$ 124
Miscellaneous	8,000	8,000	8,000	-
Total revenues	<u>8,150</u>	<u>8,150</u>	<u>8,274</u>	<u>124</u>
EXPENDITURES				
Current:				
Capital Outlay	78,059	78,059	-	78,059
Total Expenditures	<u>78,059</u>	<u>78,059</u>	<u>-</u>	<u>78,059</u>
Excess (deficiency) of revenues over expenditures	<u>(69,909)</u>	<u>(69,909)</u>	<u>8,274</u>	<u>78,183</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	8,000	8,000	8,000	-
Total other financing sources and uses	<u>8,000</u>	<u>8,000</u>	<u>8,000</u>	<u>-</u>
Net change in fund balances	(61,909)	(61,909)	16,274	78,183
Fund balances - beginning	61,927	61,927	61,902	(25)
Fund balances - ending	<u>\$ 18</u>	<u>\$ 18</u>	<u>\$ 78,176</u>	<u>\$ 78,158</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Conservation Trust
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ 9,850	\$ 9,850	\$ 8,493	\$ (1,357)
Investment earnings	75	75	88	13
Miscellaneous	-	-	(2,200)	(2,200)
Total revenues	<u>9,925</u>	<u>9,925</u>	<u>6,381</u>	<u>(3,544)</u>
EXPENDITURES				
Current:				
Culture and recreation	77,306	77,306	-	77,306
Total Expenditures	<u>77,306</u>	<u>77,306</u>	<u>-</u>	<u>77,306</u>
Excess (deficiency) of revenues over expenditures	<u>(67,381)</u>	<u>(67,381)</u>	<u>6,381</u>	<u>73,762</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	-	(76,400)	76,400
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>(76,400)</u>	<u>76,400</u>
Net change in fund balances	(67,381)	(67,381)	(70,019)	(2,638)
Fund balances - beginning	<u>67,381</u>	<u>67,381</u>	<u>73,216</u>	<u>5,835</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,197</u>	<u>\$ 3,197</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Contingent
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ 750	\$ 750	\$ 1,210	\$ 460
Total revenues	<u>750</u>	<u>750</u>	<u>1,210</u>	<u>460</u>
EXPENDITURES				
Contingency	<u>170,101</u>	<u>170,101</u>	<u>-</u>	<u>170,101</u>
Total Expenditures	<u>170,101</u>	<u>170,101</u>	<u>-</u>	<u>170,101</u>
Excess (deficiency) of revenues over expenditures	<u>(169,351)</u>	<u>(169,351)</u>	<u>1,210</u>	<u>170,561</u>
Net change in fund balances	(169,351)	(169,351)	1,210	170,561
Fund balances - beginning	<u>169,351</u>	<u>169,351</u>	<u>169,421</u>	<u>70</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 170,631</u>	<u>\$ 170,631</u>

Phillips County, Colorado
Budget and Actual (with Variances)
E911
For the year ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 117,525	\$ 117,525	\$ 123,743	\$ 6,218
Miscellaneous	-	-	1,718	1,718
Total revenues	<u>117,525</u>	<u>117,525</u>	<u>125,461</u>	<u>7,936</u>
EXPENDITURES				
Current:				
Public Safety	129,530	129,530	93,805	35,725
Capital Outlay	10,000	10,000	-	10,000
Total Expenditures	<u>139,530</u>	<u>139,530</u>	<u>93,805</u>	<u>45,725</u>
Excess (deficiency) of revenues over expenditures	<u>(22,005)</u>	<u>(22,005)</u>	<u>31,656</u>	<u>53,661</u>
Net change in fund balances	(22,005)	(22,005)	31,656	53,661
Fund balances - beginning	28,383	28,383	32,949	4,566
Fund balances - ending	<u>\$ 6,378</u>	<u>\$ 6,378</u>	<u>\$ 64,605</u>	<u>\$ 58,227</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Fair
For the year ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 57,700	\$ 57,700	\$ 54,670	\$ (3,030)
Total revenues	<u>57,700</u>	<u>57,700</u>	<u>54,670</u>	<u>(3,030)</u>
EXPENDITURES				
Current:				
Culture and recreation	92,400	92,400	83,354	9,046
Total Expenditures	<u>92,400</u>	<u>92,400</u>	<u>83,354</u>	<u>9,046</u>
Excess (deficiency) of revenues over expenditures	<u>(34,700)</u>	<u>(34,700)</u>	<u>(28,684)</u>	<u>6,016</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	25,000	25,000	-
Total other financing sources and uses	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net change in fund balances	(9,700)	(9,700)	(3,684)	6,016
Fund balances - beginning	33,748	33,748	32,905	(843)
Fund balances - ending	<u>\$ 24,048</u>	<u>\$ 24,048</u>	<u>\$ 29,221</u>	<u>\$ 5,173</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Jr. Livestock Sale
For the year ended December 31, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Investment earnings	\$ -	\$ -	\$ 26	\$ 26
Miscellaneous	165,000	165,000	-	(165,000)
Total revenues	<u>165,000</u>	<u>165,000</u>	<u>26</u>	<u>(164,974)</u>
EXPENDITURES				
Current:				
Culture and recreation	165,000	165,000	-	165,000
Total Expenditures	<u>165,000</u>	<u>165,000</u>	<u>-</u>	<u>165,000</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>26</u>	<u>26</u>
Net change in fund balances	-	-	26	26
Fund balances - beginning	6,228	6,228	6,437	(209)
Fund balances - ending	<u>\$ 6,228</u>	<u>\$ 6,228</u>	<u>\$ 6,463</u>	<u>\$ (183)</u>

Phillips County, Colorado
Budget and Actual (with Variances)
Economic Development
For the year ended December 31, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 39,500	\$ 39,500	\$ 29,649	\$ (9,851)
Total revenues	<u>39,500</u>	<u>39,500</u>	<u>29,649</u>	<u>(9,851)</u>
EXPENDITURES				
Current:				
Economic Development	60,013	60,013	59,410	603
Public Safety	-	-	45	(45)
Total Expenditures	<u>60,013</u>	<u>60,013</u>	<u>59,455</u>	<u>558</u>
Excess (deficiency) of revenues over expenditures	<u>(20,513)</u>	<u>(20,513)</u>	<u>(29,806)</u>	<u>(9,293)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>25,500</u>	<u>25,500</u>	<u>25,500</u>	<u>-</u>
Total other financing sources and uses	<u>25,500</u>	<u>25,500</u>	<u>25,500</u>	<u>-</u>
Net change in fund balances	4,987	4,987	(4,306)	9,293
Fund balances - beginning	12,303	12,303	6,261	(6,042)
Fund balances - ending	<u>\$ 17,290</u>	<u>\$ 17,290</u>	<u>\$ 1,955</u>	<u>\$ 3,251</u>

LOCAL HIGHWAY FINANCE REPORT		City or County: Phillips County, Colorado
		YEAR ENDING : Dec-18
This Information From The Records Of Phillips County, Colorado:	Prepared By: Phone: 970-854-3778	Randy Schafer

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	
3. Other local imposts (from page 2)	591,400
4. Miscellaneous local receipts (from page 2)	68,240
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	0
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	659,640
B. Private Contributions	
C. Receipts from State government (from page 2)	1,468,132
D. Receipts from Federal Government (from page 2)	36
E. Total receipts (A.7 + B + C + D)	2,127,808

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	0
2. Maintenance:	1,699,488
3. Road and street services:	
a. Traffic control operations	0
b. Snow and ice removal	0
c. Other	
d. Total (a. through c.)	0
4. General administration & miscellaneous	12,330
5. Highway law enforcement and safety	
6. Total (1 through 5)	1,711,818
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	0
b. Redemption	0
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)	1,711,818

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	0		0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	943,350	2,127,808	1,711,818	1,359,340	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
Dec-18

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	339,453	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	211,615	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	1,349
4. Licenses	117	f. Charges for Services	2,660
5. Specific Ownership &/or Other	40,215	g. Other Misc. Receipts	15,136
6. Total (1. through 5.)	251,947	h. Other sale of assets	49,095
c. Total (a. + b.)	591,400	i. Total (a. through h.)	68,240
	(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	1,455,530	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	12,602	d. Federal Transit Admin	
d. Other (Specify)		e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	36
f. Total (a. through e.)	12,602	g. Total (a. through f.)	36
4. Total (1. + 2. + 3.f)	1,468,132	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
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		0	0
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	0	0
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	0	0
			(Carry forward to page 1)

Notes and Comments:

Phillips County, Colorado
Schedule of Due From/ Due to the State of Colorado
Human Services Fund
for the year ended December 31, 2018

	<u>Due From</u>	<u>Due To</u>
County Administration- State	\$ 8,823	\$ -
County Administration- HCPF	8,496	-
Child Care	1,618	-
Child Welfare- State	16,075	-
Child Welfare- HCPF	-	317
Sub Adopt/Relative Guardianship	-	212
Colorado Works	1,044	-
LEAP	169	-
AND	-	474
APS	2,136	-
OAP	645	-
TANF	-	-
State Incentives	468	-
Federal Incentives	51	-
IV-D Admin	2,969	-
CORE- State	2,376	-
CORE- HCPF	-	104
	<u>\$ 44,870</u>	<u>\$ 1,107</u>
 Due From (Net)	 <u>\$ 43,763</u>	