

Rio Blanco County Colorado



Basic Financial Statements
And
Supplementary Information
December 31, 2019

RIO BLANCO COUNTY
FINANCIAL STATEMENTS
December 31, 2019

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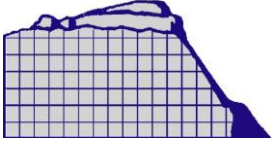
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INDEPENDENT AUDITOR'S REPORT

Board of County Commissioners
Rio Blanco County
Meeker, CO

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Rio Blanco County, Colorado, as of and for the year ended December 31, 2019, 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

My responsibility is to express opinions on these financial statements based on my audit. I conducted my 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 I 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, I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions.

Opinions

In my 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 the Rio Blanco County, Colorado, as of December 31, 2019, 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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on page A-1, information for governments using the Modified Approach on page D-1, and the budgetary comparison information on pages D-2 – D-5, 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. I have applied certain limited procedures to the required supplementary information on pages A-1 and D-1, 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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I 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 on pages D-2 – D-5 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rio Blanco County, Colorado's basic financial statements. The Schedules on pages E-1 – E-4, combining and individual major funds not included in RSI, and nonmajor fund financial statements and other information including the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and is also not a required part of the basic financial statements.

The combining and individual major funds not included in RSI, nonmajor fund financial statements, the Local Highway Finance Report, and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual nonmajor fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, I have also issued my report dated May 24, 2020 on my consideration of the Rio Blanco County, Colorado's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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 Rio Blanco County, Colorado's internal control over financial reporting and compliance.

Paul D. Miller, CPA, LLC

Grand Junction, CO
May 8, 2020

Management's Discussion and Analysis

Unaudited

The management of Rio Blanco County presents this narrative overview and analysis of the financial activities of the County for the fiscal year ended December 31, 2019. We encourage readers to consider the information presented here along with the additional information in the basic financial statements to gain a better understanding of the financial position of Rio Blanco County.

Financial Highlights

- Rio Blanco County's assets (\$179.3 million) exceeded liabilities plus deferred inflows (\$10.1 million) by \$169.1 million at the end of 2019. This compares to \$166.9 million in 2018. The difference of \$2.2 million is an increase of 1.3%. The amount invested in net capital assets decreased by \$0.3 million, restricted funds decreased by \$0.9 million and unrestricted funds increased by \$3.5 million.
- Growth in unrestricted net position relates to the County receiving the second payment of Anvil Point funds, which was receipted into the General Fund and increase of revenue (mainly sales/use tax and investment earnings). The decrease in net capital assets and restricted funds relates to the completion of capital investment/improvement projects and refund of impact fees. During 2019, cash and cash equivalents increased by \$2.1 million while \$12.2 million in new assets were completed and capitalized. At the end of 2019, costs of \$0.9 million had been spent on capital projects that were still in progress. An additional \$0.5 million had been set aside to complete those projects in 2020.
- Revenues of \$28.2 million were over expenditures of \$25.9 million for the current year change in net position. This was a decrease of \$3.4 million in revenue and a decrease of \$1.3 million in expenditures from the prior year. Charges for services and fees increased by \$0.4 million, capital grants and contributions increased \$0.5 million, and general revenues decreased by \$4.6 million. Public works expenditures decreased by \$0.9 million due to no overlay projects in the Road & Bridge fund in 2019. All business type expenditures were fairly flat to 2018, only decreasing \$0.1 million.
- In 2019, construction of the secondary towers completed the broadband expansion project. The secondary towers have reached 64% of rural customers with broadband services. There are no new expansion projects budgeted or planned for future years. The County became the network provider in 2018 and believes it is crucial to make sure the system is maintained and operational before any further investment. With a big focus in previous years on updating the County's assets, during the 2020 budget process, there was a priority on maintaining what is in place and not starting new capital projects unless absolutely necessary.
- Rio Blanco County has no outstanding long-term debt other than its liability for employees' compensated absences and for the landfill closure and post-closure costs.
- The County's solid waste landfill at Wray Gulch continued to operate without any County tax revenue transfers in 2019. As of December 31, 2019, the County recognized future closure and post-closure care liability in the total amount of \$60,342 and maintained \$1,168,244 more as restricted fund balance for financial assurance. The remaining three County enterprise funds required support similar to the prior year via transfers from governmental funds. The county-wide portion of the Weed & Pest Control Fund received \$125,000 while the Fairfield Complex Fund received \$60,000 (in addition to the \$76,636 paid by the County in the form of rent). The Communications Fund required \$10,000 for operations. These financial statements include the activity of the Piceance Creek Pest Control District and the Lower White River Pest Control District within the County's Weed and Pest Control Fund. Page E-15 delineates the activity and ending balances of these two districts.
- Governmental funds reported combined ending fund balances of \$62.5 million, an increase of \$2.4 million in comparison with the prior year. The County's General Fund balance was \$22.0 million as of December 31, 2019 and \$20.4 million as of December 31, 2018, an increase of \$1.6 million. The County Capital Improvement Trust Fund increased by \$0.5 million. The Road & Bridge Fund increased by \$1.7 million, and Use Tax Fund, Human Services Fund increased by \$0.3 million combined.

- The County's General Fund policy is to have an unreserved fund balance equal to at least twelve months of annual General Fund expenditures. At December 31, 2019 the County's unassigned General Fund balance was \$11.7 million, a decrease of \$3.7 million, which would cover 14 months of current level General Fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Rio Blanco County's basic financial statements, which are comprised of: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains required and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of Rio Blanco County finances and in a manner similar to a private sector business.

The *statement of net position* presents information on all of the County's assets and liabilities plus deferred inflows, with the difference between the two 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 is improving or deteriorating.

The *statement of activities* presents information showing how the County's net assets changed over the past year. All changes in net position are reported as soon as an "event" causing a change occurs, regardless of when related cash flows actually take place. As a result, revenues and expenses are reported in this statement for some items that will only result in cash flows in future financial periods; for example, grant expenditures not yet reimbursed or vacation leave which has been earned but not yet used.

Both of the government-wide financial statements distinguish activities of Rio Blanco County that are primarily supported by taxes and state/federal monies (intergovernmental activities) from activities that are intended to be funded primarily from user fees and charges. The governmental activities of the County include general government, health and welfare, judicial and public safety, public works, and recreation and culture. The business-type activities of the County include solid waste landfill, weed and pest control, communications, and Fairfield Complex operations.

Reconciling "schedules" are used in the financial statements to reconcile the "government-wide" financial statements to the "fund" financial statements. These schedules show reconciling amounts caused by the differences in measurement focus and basis of accounting between the two types of financial statements.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been set aside for specific activities or purposes. Rio Blanco County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the County's funds can be categorized into three fund types: governmental, proprietary, and fiduciary funds.

Governmental Funds - *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, governmental fund financial statements focus on near-term flows of spendable resources, as well as on balances of spendable resources available at the end of the year. This information is helpful in evaluating the County's near-term financing requirements.

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

Rio Blanco County maintains six governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the *General Fund*, the *Road and Bridge Fund*, *Human Services Fund*, the *Use Tax Fund*, the *County Capital Improvement Trust Fund*, the *Capital Improvement Plan Fund*, all of which are considered to be major funds. Information from an additional five governmental funds, the *Capital Expenditure Fund*, the *Impact Fee Trust Fund*, *Public Health Agency Fund*, *Conservation Trust Fund*, and *Contingent Fund*, are combined into a single, aggregated presentation.

Proprietary Funds - Rio Blanco County maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The County uses enterprise funds to account for solid waste landfill, weed and pest control, communications, and the Fairfield Complex. The landfill is considered a major fund while the other three are combined into a single aggregate presentation for the enterprise fund financial statements. *Internal Service funds* are an accounting device used to accumulate and allocate costs internally among the County's various functions. The *Fleet Management Fund* is used to account for the County's motorized vehicles and the *Central Services Fund* is used to account for shared services like property and casualty insurance, annual audit services, cost allocation report, etc. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's operations. However, they have their own reporting requirements and are included in the basic financial statements. Rio Blanco County has three fiduciary funds. The 4-H Livestock Sale Fund is used to account for the livestock sale activities (payments from buyers, distribution to sellers and expenditures for running the sale). The Fair Board Association Fund is used to account for the activities of putting on the County Fair. The Sheriff's Inmate Agency Fund is used to account for inmate cash held by the Sheriff for distribution upon release.

Budgetary Comparisons - Rio Blanco County adopts an annual appropriated budget for all of its funds. Budget to actual comparisons for each fund are provided in this report.

Notes to the Financial Statements - These notes provide additional information that is necessary in gaining a full understanding of the data provided in the government-wide and fund financial statements.

Other Information - The combining statements referred to earlier in connection with non-major governmental, enterprise and internal service funds are presented immediately following the notes to the financial statements. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information.

COUNTY-WIDE FINANCIAL ANALYSIS

Net Position - Net assets may serve over time as a useful indicator of a government's financial position. As of December 31, 2019, assets exceeded liabilities plus deferred inflows by \$169.1 million.

The following table provides a summary comparison of the County's governmental and business-type net position for 2019 and a comparison to 2018.

Net Position						
	Governmental		Business Type		Total Primary Government	
	Activities		Activities		(Net of Internal Balances)	
	2019	2018	2019	2018	2019	2018
Assets						
Current and other assets	\$ 74,624,996	\$ 71,569,283	\$ 7,718,690	\$ 7,717,580	\$ 82,343,686	\$ 79,286,863
Capital assets	93,217,164	93,193,561	3,698,749	3,982,372	96,915,913	97,175,933
Total assets	167,842,160	164,762,844	11,417,439	11,699,952	179,259,599	176,462,796
Liabilities						
Current and other liabilities	745,759	630,842	27,950	17,522	773,709	648,364
Long-term liabilities	488,050	513,745	688,431	661,735	1,176,481	1,175,480
Total liabilities	1,233,809	1,144,587	716,381	679,257	1,950,190	1,823,844
Deferred Inflows						
Property tax	7,888,666	7,466,771	272,291	271,616	8,160,957	7,738,387
Total deferred inflows	7,888,666	7,466,771	272,291	271,616	8,160,957	7,738,387
Invested in capital assets	93,217,164	93,193,561	3,698,749	3,982,372	96,915,913	97,175,933
Restricted	25,684,783	26,660,357	1,168,244	1,138,910	26,853,027	27,799,267
Unrestricted	39,817,738	36,297,568	5,561,774	5,627,797	45,379,512	41,925,365
Total net position	\$ 158,719,685	\$ 156,151,486	\$ 10,428,767	\$ 10,749,079	\$ 169,148,452	\$ 166,900,565

Rio Blanco County's total assets were 17.73 times the County's total liabilities plus deferred inflows at December 31, 2019. Rio Blanco County had no long-term liabilities from borrowing or other financing at the end of the year. The total amount of the long-term liabilities was a combination of accrued compensated absences due to employees at year-end and amounts expensed and accrued for closure and post-closure costs for the County's landfills.

At the end of 2019, Rio Blanco County had a total net position of \$169.1 million. 57% was invested in capital assets. Of the remaining, 13% was held by the General Fund, 14.5% by the County Capital Improvement Trust Fund, 1.5% by the Use Tax Fund, 7% by the Road & Bridge Fund, 1% by the Human Services Fund and a balance of 6% in the remaining governmental funds and business-type funds.

The 57% invested in capital is being used in the operation of the County and includes new infrastructure assets that are provided and maintained by the County. Infrastructure assets completed and in place before January 1, 2002 are not included in capital assets. The County has elected to use the modified approach of reporting infrastructure assets placed in service since 2001. There have been no significant changes in the assessed condition of eligible infrastructure assets beyond that which is attributable to normal use.

The portion of total net position which may be used to meet the County's ongoing obligations to citizens (unrestricted) is 27% of the total. This is comparable to 25% in the prior year. The use of 16% was restricted as of December 31, 2019 as compared to 17% the prior year. Current restrictions are generally statutory, but some are imposed by an outside entity relative to grant requirements or specific requirements placed on private contributions.

Changes in Net Position - Governmental and business-type activities increased the County's net position by \$2.2 million in 2019. The following table indicates the changes in net position for governmental and business-type activities for 2019. Comparative data is provided for analysis.

Changes in Net Position						
	Governmental		Business Type		Total Primary Government	
	Activities		Activities		(Net of Internal Balances)	
	2019	2018	2019	2018	2019	2018
REVENUES						
Program revenues:						
Charges for services	\$ 2,765,337	\$ 2,738,917	\$ 1,329,105	\$ 917,156	\$ 4,094,442	\$ 3,656,073
Operating grants/contrib.	6,524,478	6,174,434	42,811	68,676	6,567,289	6,243,110
Capital grants/contrib.	1,073,808	467,799	-	139,555	1,073,808	607,354
General revenues:						
Property taxes	7,459,137	7,407,528	271,608	209,245	7,730,745	7,616,773
Other taxes	4,127,466	3,128,753	8,575	40,089	4,136,041	3,168,842
Other revenues	4,583,734	10,306,557	-	-	4,583,734	10,306,557
Total revenues	26,533,960	30,223,988	1,652,099	1,374,721	28,186,059	31,598,709
EXPENSES						
General government	6,057,986	6,031,642	-	-	6,057,986	6,031,642
Health and welfare	3,512,118	3,500,427	-	-	3,512,118	3,500,427
Intergovernmental	568,206	449,327	-	-	568,206	449,327
Judicial and public safety	4,650,581	4,695,153	-	-	4,650,581	4,695,153
Public works	8,470,562	9,381,428	-	-	8,470,562	9,381,428
Recreation and culture	511,307	863,873	-	-	511,307	863,873
Solid waste landfill	-	-	749,600	794,944	749,600	794,944
Weed and pest control	-	-	589,535	607,119	589,535	607,119
Communications	-	-	532,673	562,211	532,673	562,211
Fairfield complex	-	-	295,603	307,011	295,603	307,011
Total expenditures	23,770,760	24,921,850	2,167,411	2,271,285	25,938,171	27,193,135
Increase before transfers	2,763,200	5,302,138	(515,312)	(896,564)	2,247,888	4,405,574
Transfers	(195,000)	(1,058,133)	195,000	1,058,133	-	-
Increase in net position	\$2,568,200	\$4,244,005	(\$320,312)	\$161,569	\$2,247,888	\$4,405,574

During 2019, total revenues for combined governmental and business-type activities were 42% direct program revenues and 48% general revenues. This is a 9% shift from general revenues to program revenues compared from the prior year.

- The major program revenues for governmental activities were as follows:
 - ❖ Charges for services were 10% of total revenues. Sources of this revenue are charges for permits, fees, fines, goods and services. A significant portion of this revenue is Treasurer, Clerk and Sheriff.
 - ❖ Operating grants and contributions were 25% of total revenues. Major funding came from State shared Highway Users Taxes of \$3.8 million. Federal and state grants are significant revenue sources for operations of Human Services, Public Health and senior nutrition service totaling \$2.5 million.
 - ❖ Capital grants and contributions were 5% of total revenues. \$0.9 million of this revenue was from DOLA for broadband expansion, Columbine Park multipurpose design and CR5 stock pass 5 construction, and \$0.1 million was from federal/state for Meeker and Rangely airport entitlement projects.
- The major program revenues for business-type activities were:
 - ❖ Charges for services were 80% of total revenues for 2019 as compared to 67% of total revenues for 2018. The majority of revenues for each business-type activity are charges for the specific products and/or services for

which the fund was established. The majority of this revenue is communications (\$0.6 million) and landfill (\$0.5 million).

- ❖ Operating grants and contributions were 3% of total revenues.
- ❖ Capital grants and contributions were 0% of total revenues.
- The major sources of general revenues for 2019 were:
 - ❖ Property taxes were 27% of total revenues (vs. 24% for 2018), 47% of general revenues (vs. 36% for 2018).
 - ❖ Other taxes included \$2.0 million of sales tax (vs. \$1.3 million for 2018) and \$1.0 million of use tax (vs. \$0.8 million for 2018). These two taxes were 19% of general revenues (vs. 11% for 2018).
 - ❖ All other general revenues combined were 35% of general revenues (vs. 54% for 2018), the major difference between 2018 and 2019 is due to the Anvil Points distribution of \$6.0 million. The sources of these revenues were: investment earnings \$1.5 million, Federal Mineral Leasing (FML) \$1.6 million, Payment in Lieu of Taxes (PILT) \$0.6 million, Severance Taxes \$0.7 million, and \$1.1 million of miscellaneous revenues.

The total expenditures for combined governmental and business-type activities were made up of \$23.7 million of expenditures for governmental activities (a decrease of \$1.1 million as compared to 2018) and \$2.2 million of expenses for business-type activities (a decrease of \$0.1 million as compared to 2018). Of the total expenditures 92% were for governmental activities and 8% for business-type activities.

- The percentage of total County expenses for each type of governmental activity is:
 - ❖ 25% – Governmental
 - ❖ 15% – Health and welfare
 - ❖ 2% – Intergovernmental
 - ❖ 20% – Judicial and public safety
 - ❖ 36% – Public works
 - ❖ 2% – Recreation and culture
- The percentage of total County expenses for each business-type activity is:
 - ❖ 35% – Solid Waste Landfill
 - ❖ 27% – Weed and Pest Control (includes activity of two pest control districts)
 - ❖ 25% – Communications Fund
 - ❖ 13% – Fairfield Complex (Community Center)
- During 2019 the County's combined business-type activities had a loss of \$0.5 million (before transfers) from normal operations as compared to the 2018 loss of \$0.9 million. The difference reflects an increase in landfill commercial user fees and the continuation/expansion of broadband services in the Communications Fund.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Rio Blanco County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of resources. Such information is useful in assessing the County's financing requirements.

Governmental Accounting Standards Board (GASB), Statement No. 54 developed a hierarchy based on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. "Nonspendable" is for those resources that are not in the form of cash. "Restricted" can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. "Committed" can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Rio Blanco County Commissioners have made a one time commitment of all use taxes collected starting January 1, 2011 to the general purposes of the use tax fund. The RBC Commissioners annually commit a portion of property taxes to operation of the Road & Bridge Fund, the Human Services Fund and the Public Health Fund. "Assigned" are intended uses by the government for specific purposes that do not meet the criteria to be classified as either restricted or committed. Rio Blanco County has assignments as broad as the general purpose of a specific fund, but specific assignments are also made for the completion of projects-in-progress, projects for which funds are being saved over a number of years, and amounts needed to cover budgeted deficits projected for the subsequent year. "Unassigned" is the last category. The only fund allowed to have an unassigned positive fund balance is the General Fund.

As of the end of 2019, the combined ending fund balance of Rio Blanco County's governmental funds was \$62,495,416, an increase of 4% (\$2.4 million) from the prior year. The only funds that had a decline in fund balance from 2018 to 2019 were related to the completion of capital projects. Of the total governmental fund balance, 4% is nonspendable, 41% is restricted, 13% is committed, 24% is assigned and 18% is unassigned. Rio Blanco County had no governmental funds reporting negative unassigned fund balances at December 31, 2019.

The County has six major governmental funds. These are: (1) General Fund, (2) Road and Bridge Fund, (3) Human Services, (4) Use Tax Fund, (5) County Capital Improvement Trust Fund, and (6) Capital Improvement Plan Fund.

1. *General Fund*

The *General Fund* is the primary operating fund for Rio Blanco County. It accounts for many core services and ordinary operations such as public safety, personnel and administration. The fund balance of the general fund was \$22.0 million at December 31, 2019. This was an 8% increase from 2018. 53% or \$11.7 million of the total balance was unassigned. 42% or \$9.2 million was assigned for projects, future fund stabilization and to cover budgeted deficit spending in 2020. 3% or \$0.6 million was reserved for emergencies in compliance with Title-X of the Colorado constitution, and 2% or \$0.4 million was nonspendable in the form of inventories and prepaids.

The unassigned fund balance is available for working capital and to be used for subsequent operations. Working capital is: cash, cash equivalents, and receivables (soon to be converted to cash) that can be used to eliminate short-term accrued liabilities and deferred inflows of property taxes receivable as well as cash disbursements in subsequent periods.

A comparison of unreserved fund balance to total fund expenditures is often a useful measure of the General Fund's ability to continue financial operations without major changes in spending level and/or additional financing. The total of assigned and unassigned fund balances in the General Fund represented 209% of the General Fund expenditures for the year ended December 31, 2019. Unassigned funds were available to cover expenditures for 14.0 months at December 31, 2019 versus 18.8 months at the end of 2018 and 15.0 months at the end of 2017.

Most of the ratios that are used to aid in the financial analysis of business organizations provide only very limited information in an analysis of any governmental type fund; however, governmental funds in severely bad liquidity condition can often be recognized by such an analysis. Therefore the following items and relationships are presented for the Rio Blanco County's General Fund at December 31, 2019:

a. **Working Capital: \$20,996,397**

Governmental funds do not show fixed assets or long-term liabilities on the fund balance sheet; therefore the fund balance is the fund's "working capital." However, a portion of the fund balance may not be available

for use as working capital. Therefore, the total of assigned and unassigned fund balance is substituted for “working capital” as a measure of liquidity for the General Fund.

b. **Current Ratio** (current assets divided by current liabilities plus deferred inflows) **6.0:1**

Modified Current Ratio (current assets less property tax accrual and less long-term prepaid expenses divided by current liabilities and not including deferred inflows of property tax) **159.2:1**. The current ratio is used, by business organizations, to display the ability to meet currently maturing obligations.

While the analysis provided above should be combined with other information in order to develop a conclusion as to the liquidity and the probability of continuation of financial operations by the Rio Blanco County General Fund, little would prevent the County’s General Fund from continuing operations as it has in the past at least for the subsequent year.

2. *Road and Bridge Fund*

The *Road and Bridge 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. A portion of road and bridge property taxes is allocated to cities and towns for use in their road and street activities.

The fund balance in the Road and Bridge Fund at December 31, 2019 was \$11.3 million. Of the total fund balance: 16% was invested in inventory and prepaids, 1% was held for future Federal Forest Reserve Title III projects, 43% was assigned to cover budgeted deficit spending, and the remaining 40% is committed to the general purpose of the fund.

The fund balance increased \$1.7 million over the prior year. CR 73 bridge construction grant was not awarded in 2019 and budgets will be carried over to 2020. \$2,273 was spent on the CR 73 bridge design in 2019. \$1.0 million was assigned in fund balance for the 2020 overlay project.

The total of committed fund balances could provide working capital (in addition to inventory) for about eight months of operations.

Because of a somewhat regular cash flow for operations, limited working capital is needed for operations to continue as normal, except when the fund is used for large projects or incurs unforeseen expenditures.

3. *Human Services Fund*

The *Human Services Fund* accounts for the activities and programs related to family and individual independence and well-being in Rio Blanco County. Primary sources of funds are property taxes and federal/state grants.

The fund balance in the Human Services Fund at December 31, 2019 was \$1.2 million. Of the total fund balance, 1% is a prepaid (nonspendable), 21% was assigned to cover budgeted deficit spending, and the remaining 78% is committed for the general purpose of the fund.

This fund has a regular cash flow due to most of the programs being reimbursed 80% by state/federal grants. Because of the unique situation, this fund does not require a lot of working capital reserves to be accumulated from one year to the next. Therefore, the committed fund balance could provide around five months of operations.

4. *Use Tax Fund*

The *Use Tax Fund* accounts for all County use tax collections, the fiscal management of the use tax revenues and for various other special revenues and the associated programs.

The fund balance in the Use Tax Fund at December 31, 2019 was \$2.3 million. This was an increase of around \$90,000 from 2018 which was due to an increase in construction and motor vehicle use tax collections. 97% of the ending fund balance was committed to the general purpose of the fund.

The Use Tax Fund continues to provide internal operating transfers as well as grants to non-taxing public entities. This fund has operated as a funding source for other funds and for sponsored county-wide programs for many years. These grants, programs, and special projects for the citizens of the County are dependent on the continued collection of use tax.

5. *County Capital Improvement Trust Fund*

The *County Capital Improvement Trust Fund* is a special revenue fund established to account for cash received from the State of Colorado Oil Shale Trust Fund (special mineral leasing receipts sources). The original amounts received from the State have been held by the County for investment purposes only. Historically, the income from these investments has been allocated, on an annual basis, to local government organizations, including Rio Blanco County for county-wide capital improvements.

Of the \$24.4 million total fund balance 100% is restricted by statute for capital improvement projects. This was an increase of \$0.4 million from 2018. Fund balance increased in 2018 due to the \$6.0 million Anvil Points distribution. The increase in 2019 is from investment earnings and interest rates increasing.

Due to the interest rates, there is a fluctuation in grant awards given out over the years. Awards are given out based on the earnings from the prior year, therefore, future grants are dependent on future investment earnings.

6. *Capital Improvement Plan Fund*

The *Capital Improvement Plan Fund* provides funding for larger projects that help the County provide for its facility and infrastructure needs based on an annual review of a five year plan. The fund balance in the Capital Improvement Plan Fund at December 31, 2019 was \$0.3 million (as compared to \$0.8 million in 2018). This fund paid Treasurer's fees of \$4,608 on grant revenues it received in 2019.

2019 projects included: \$1.0 million (offset by \$0.5 million DOLA grant) on the broadband project, \$0.2 million (offset by \$0.1 DOLA grant) on the Columbine Park multipurpose design, \$71,500 on Rangely Co-Lo parking lot, and \$136,500 at the Rangely and Meeker Airports respectively (offset by \$129,700 in FAA/CDOT).

7. *Other Governmental Funds*

This summary category includes four funds that are not considered major: *Capital Expenditure Fund, Impact Fee Trust Fund, Public Health Fund, Conservation Trust Fund and Contingent Fund*.

Proprietary Funds - The County's proprietary funds statements provide the same type of information found in the government-wide financial statements, but in greater detail.

The County has one major proprietary fund – the *Solid Waste Landfill Fund*. The net assets (equity) in the Solid Waste Landfill at December 31, 2019 was \$5.8 million (as compared to \$6.0 million in 2018).

These financial statements also include three additional enterprise funds and two internal service funds that are not reported as major funds: *Weed & Pest Control Fund, Communications Fund, Fairfield Complex Fund, Central Services Fund and Fleet Management Fund*.

CAPITAL ASSET AND DEBT ADMINISTRATION

The County's capital assets at December 31, 2019 are presented in the following table.

	Governmental	Business Type	
	Activities	Activities	Total
Land	\$ 2,480,498	\$ 303,605	\$ 2,784,103
Land improvements	23,480,014	797,343	24,277,358
Buildings and building improvements	31,886,956	2,114,621	34,001,576
Equipment and furniture	7,588,800	483,179	8,071,979
Infrastructure	23,108,379	-	23,108,379
Construction-in-progress	4,672,518	0	4,672,519
	<u>\$ 93,217,164</u>	<u>\$ 3,698,748</u>	<u>\$ 96,915,913</u>

None of the above capital assets have any associated debt as of December 31, 2019.

Rio Blanco County uses the modified approach to account for infrastructure and, since the modified approach does not require depreciation of these assets, the County committed to preserving and maintaining eligible road and bridge assets at a level of 5 on a scale of 1 to 10 with 10 being very good. All of the eligible assets are fairly new and normal use has not yet brought any of them near to a rating of 5 (no amounts are needed to prevent ratings from dropping below a 5).

BUDGETARY HIGHLIGHTS

The County's budget was prepared in compliance with the State of Colorado statutes. In December of 2018, the Rio Blanco County Commissioners budgeted total expenditures (including transfers out) of \$36.0 million for 2019. During 2019 supplemental budgets were approved, increasing the budgeted expenditures by \$1.4 million to \$37.4 million. At year end, 78% of the total budget was utilized, or \$29.3 million.

In general, Rio Blanco County budgets revenue conservatively and includes additional expenditures (like contingency) to prevent budget law violations and to provide adequate fund balance (and cash) availability. Both revenues and expenditures can be significantly impacted by capital projects. Capital projects are normally budgeted in full to insure the County's match has been fully appropriated, but some projects cannot be completed in one year (or don't get started in the year budgeted). Unused expenditures and related grant reimbursements are re-budgeted in the following year.

	Original Budget	Amendments	Final Budget	Actual	%	Variance (Under)/Over
<u>Revenues & Transfers In</u>						
General	\$ 8,850,866	\$ 2,448,839	\$ 11,299,705	\$ 11,899,386	105%	\$ 599,680
Road and Bridge	8,125,461	1,775,662	9,901,123	8,578,133	87%	(1,322,990)
Use Tax	704,500	17,000	721,500	1,225,764	170%	504,264
County Capital Imp. Trust	353,297	-	353,297	698,523	198%	345,226
Impact Fee Trust	10,000	375,725	385,725	381,663	99%	(4,062)
Capital Expenditure	25,728	52,029	77,757	76,665	99%	(1,092)
Capital Improvement Plan	906,489	223,100	1,129,589	951,868	84%	(177,721)
Human Services	2,362,775	105,000	2,467,775	2,666,218	108%	198,443
Public Health	331,837	(14,943)	316,894	349,925	110%	33,031
Conservation Trust	9,110	-	9,110	10,907	120%	1,797
Contingent	-	-	-	-	0%	-
Solid Waste Landfill	319,498	-	319,498	518,574	162%	199,076
Weed and Pest Control	544,467	-	544,467	498,025	91%	(46,442)
Communications	578,664	-	578,664	659,256	114%	80,592
Fairfield Complex	171,636	-	171,636	171,243	100%	(393)
Central Services	186,297	10,155	196,452	195,923	100%	(529)
Fleet Management	2,483,838	131,932	2,615,770	2,704,554	103%	88,783
	\$ 25,964,462	\$ 5,124,500	\$ 31,088,962	\$ 31,586,626	102%	\$ 497,664

	Original		Final			Variance
	Budget	Amendments	Budget	Actual	%	(Under)/Over
Expenditures & Transfers Out						
General	\$ 12,749,178	\$ 474,589	\$ 13,223,767	\$ 10,273,715	78%	\$ (2,950,052)
Road and Bridge	9,497,371	-	9,497,371	6,840,583	72%	(2,656,788)
Use Tax	1,132,872	17,000	1,149,872	1,135,281	99%	(14,591)
County Capital Imp. Trust	223,923	-	223,923	220,878	99%	(3,045)
Impact Fee Trust	1,264,080	375,725	1,639,805	1,402,601	86%	(237,204)
Capital Expenditure	254,460	52,029	306,489	300,779	98%	(5,709)
Capital Improvement Plan	1,687,841	223,100	1,910,941	1,435,162	75%	(475,779)
Human Services	2,398,250	105,000	2,503,250	2,442,717	98%	(60,533)
Public Health	451,214	(7,247)	443,967	345,819	78%	(98,148)
Conservation Trust	12,971	-	12,971	-	0%	(12,971)
Contingent	100,000	-	100,000	-	0%	(100,000)
Solid Waste Landfill	866,118	-	866,118	749,599	87%	(116,518)
Weed and Pest Control	781,327	-	781,327	589,535	75%	(191,792)
Communications	1,144,032	-	1,144,032	532,673	47%	(611,359)
Fairfield Complex	221,384	-	221,384	295,603	134%	74,219
Central Services	248,561	10,155	258,716	242,955	94%	(15,761)
Fleet Management	2,949,178	131,932	3,081,111	2,493,612	81%	(587,498)
	<u>\$ 35,982,759</u>	<u>\$ 1,382,283</u>	<u>\$ 37,365,042</u>	<u>\$ 29,301,511</u>	<u>78%</u>	<u>\$ (8,063,531)</u>

The original budgeted expenditures plus transfers out for the General Fund was \$12.7 million and it was increased by amendments of \$0.5 million for a final budget of \$13.2 million. \$0.5 million increase in amendments was for the addition of two grants: JBBS and Court Security (both offset by revenue additions), additional maintenance/repair projects that were offset by the final Anvil Points distribution, and the remaining is related to reducing budgeted contingency in the General Fund in order to cover unanticipated additional expenditures in other funds.

In 2019, there was a difference of \$2.9 million between amended budget and actual expenditures plus transfers out in the General Fund. \$1.1 million was due to budgeted contingency amounts not being needed. \$360,000 was from Public Trustee withdrawals not taking place. The balance of the difference of \$1.4 million was normal operations coming in under budget as is required by law and/or carryover of department projects (which were included in the 2020 budget) (the largest unspent amounts being Planning, Economic Development, Facility Management, IT, Dispatch, Building Inspector, CSU Extension, Rangely Airport and Meeker Airport).

The large difference between amended budget and actuals in the Road and Bridge Fund of \$2.7 million is due to the CR 73 bridge construction (\$1.9 million) not being awarded in 2019. The CR 73 bridge construction project was re-budgeted for 2020.

The difference between amended budget and actuals in the Communications Fund of \$0.6 million is due to capital outlay of \$0.55 million not being spent. This amount is dedicated to the broadband project and can only be spent on equipment refresh or other capital costs. Knowing how important the broadband infrastructure is to the County, having enough budget available for future projects is crucial.

FUTURE SIGNIFICANCE

Property tax accounted for 27% of the County's total revenues in 2019. This source of revenue increased 3% or \$113,972 from 2018. Property assessed valuations always fluctuate, but changes in the oil/gas and industrial categories have the greatest impact on the County property tax revenues. Together, these categories made up 76% of total assessed value in 2018 and 2019. Oil and gas was 45% of total assessed value in 2018, and increased to 47% in 2019. Industrial valuations were 31% of total assessed value in 2018, but decreased to 30% in 2019. Total assessed values in 2018 were \$824.5 million and increased 5.6% to \$870.7 million in 2019. This change will be reflected in the taxes collected in 2020. The preliminary certification of values for 2020 that will be the basis for the revenues collected in 2021 will not be distributed until late August; thus expected decline cannot yet be quantified. However, it is known that SB 19-181 will affect the value of oil and gas.

Sales and use taxes increased again from the prior year. Sales taxes increased 52% (\$0.7 million) and use tax increased 19% (\$0.2 million). The Supreme Court ruling in *South Dakota v. Wayfair* allows for online sales tax collections. Also, Colorado Department of Revenue is creating a GIS system that should accurately calculate sales tax based on individual addresses. The full impact these changes will have on the County's sales tax revenue is yet to be determined.

Impact fees were suspended in early 2015. In 2018, impact fees were cancelled. Matching grants will be required to complete any projects along CR 5 with the impact fees not used. After all funds have been depleted, any future projects along CR 5 will require other revenue sources to complete. This fund will become inactive once all funds have been used.

In early 2020, Road and Bridge was awarded a grant in the amount of \$1.2 million for the CR 73 Bridge Construction. This project has been budgeted for and carried over since 2016 contingent upon the award of a grant. Also, Road and Bridge was awarded a grant from DOLA in the amount of \$261,000 for the CR 7 Bridge Construction. With the uncertainty of revenue streams in the future, the need to take care of the aging infrastructure in the County is a priority while maintaining what is currently in use.

In January of 2018, Rio Blanco County took over as network operator (for the broadband project). A one-time transfer was needed in 2018 to make sure enough fund balance was available for working capital needs. This fund is projected to provide for future growth and replacement of equipment without any additional funding sources required. With the completion of the secondary broadband towers in 2019, the current priority is to maintain the existing infrastructure and continue to provide broadband services throughout the County.

In 2018, Rio Blanco County received its first payment of Anvil Points distribution in the amount of \$6.8 million. \$6.0 million was transferred to the County Capital Improvement Trust Fund for future investment earnings to be granted out. Around \$600,000 was transferred into the Communications Fund for future broadband capital projects and the remaining \$200,000 was kept in the General Fund for contingency purposes. In 2019, the County received the final distribution payment in the amount of \$481,609. Part of these funds were used for maintenance projects not approved during the 2019 budget process due to lack of funds.

In the May 2020 Economic Outlook by the Colorado Office of State Planning and Budgeting, Federal Mineral Lease (FML) revenue is expected to decrease by 47% for the FY 2019-20 and is expected to rebound gradually in FY 2020-21 and FY 2021-22. Severance Tax is projected to decrease by 45% in FY 2019-20, and decline by 83% in FY 2020-21 due to ad valorem credits and lower oil prices. Both of these revenue sources have a direct distribution that are passed to Counties, therefore, Rio Blanco County can expect to see a decrease in the August 2020 distribution compared to 2019.

Departments continue to manage within flat budgets from year-to-year. Capital projects are budgeted on a priority basis. The 2020 budget included a 1.1% decrease to health insurance and a no cost of living increase. The main capital project focus for 2020 was to complete the Meeker Airport storm water drainage issue and to maintain/repair existing infrastructure (Rangely CoLo and Rangely Airport roof replacements and CR Overlay project).

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Rio Blanco County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Finance Office, Finance Director, P.O. Box 1047, Meeker, CO 81641.

BASIC FINANCIAL STATEMENTS

RIO BLANCO COUNTY, COLORADO
STATEMENT OF NET POSITION
December 31, 2019

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
ASSETS			
Cash and cash equivalents	\$ 62,625,416	\$ 7,188,058	\$ 69,813,474
Property taxes receivable	7,880,249	272,291	8,152,540
Other receivables	173,807	211,445	385,252
Due from other governmental units	1,437,878	286	1,438,164
Prepays and deposits	960,639	-	960,639
Inventories	1,547,007	46,610	1,593,617
Capital assets, net	93,217,164	3,698,749	96,915,913
Total assets	167,842,160	11,417,439	179,259,599
LIABILITIES			
Accounts payable	262,088	27,950	290,038
Due to other governmental units	381,007	-	381,007
Unearned revenue	102,664	-	102,664
Long-term liabilities			
Due more than one year:			
Compensated absences	488,050	28,089	516,139
Closure and postclosure care	-	660,342	660,342
Total liabilities	1,233,809	716,381	1,950,190
DEFERRED INFLOW OF RESOURCES			
Unavailable property tax	7,888,666	272,291	8,160,957
Total deferred inflows of resources	7,888,666	272,291	8,160,957
NET POSITION			
Invested in capital assets, net of debt	93,217,164	3,698,749	96,915,913
Restricted	25,684,783	1,168,244	26,853,027
Unrestricted	39,817,738	5,561,774	45,379,512
Total net position	\$ 158,719,685	\$ 10,428,767	\$ 169,148,452

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF ACTIVITIES
Year Ended December 31, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services and Fees	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
General government	\$ 6,057,986	\$ 2,155,339	\$ 71,813	\$ 492,580
Health and welfare	3,512,118	43,820	2,500,971	-
Intergovernmental - Grants, etc.	568,206	91,226	-	-
Judicial and public safety	4,650,581	197,782	120,478	-
Public works	8,470,562	237,139	3,820,350	486,644
Recreation and culture	511,307	40,031	10,866	94,584
Total governmental activities	23,770,760	2,765,337	6,524,478	1,073,808
Business-type activities:				
Solid Waste Landfill	749,600	515,763	2,811	-
Weed and Pest Control	589,535	82,843	10,000	-
Communications	532,673	649,256	-	-
Fairfield Complex	295,603	81,243	30,000	-
Total business type activities	2,167,411	1,329,105	42,811	-
Total primary government	\$ 25,938,171	\$ 4,094,442	\$ 6,567,289	\$ 1,073,808

General revenues:

Taxes:

Property

Sales

Use

Specific ownership

Other

Unrestricted investment earnings

Federal - unrestricted

Other general revenues

Gain/(loss) on disposition of assets

Transfers in/(out) -- internal activities

Total general revenues and transfers

Changes in net position

Net position, January 1

Net position, December 31

See accompanying notes to the basic financial statements.

Net (Expense)/Revenue and Changes in Net Assets		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (3,338,254)	\$ -	\$ (3,338,254)
(967,327)	-	(967,327)
(476,980)	-	(476,980)
(4,332,321)	-	(4,332,321)
(3,926,429)	-	(3,926,429)
(365,826)	-	(365,826)
(13,407,137)	-	(13,407,137)
-	(231,026)	(231,026)
-	(496,692)	(496,692)
-	116,583	116,583
-	(184,360)	(184,360)
-	(795,495)	(795,495)
(13,407,137)	(795,495)	(14,202,632)
7,459,137	271,608	7,730,745
2,043,125	-	2,043,125
1,074,654	-	1,074,654
304,525	10,320	314,845
705,162	(1,745)	703,416
1,541,690	-	1,541,690
2,269,480	-	2,269,480
790,627	-	790,627
(18,063)	-	(18,063)
(195,000)	195,000	-
15,975,337	475,183	16,450,519
2,568,200	(320,312)	2,247,887
156,151,486	10,749,079	166,900,565
\$ 158,719,686	\$ 10,428,767	\$ 169,148,452

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2019

	Major Special Revenue Funds			
	General Fund	Road and Bridge Fund	Human Services Fund	Use Tax Fund
ASSETS				
Cash and cash equivalents	\$ 21,263,714	\$ 9,564,075	\$ 1,242,816	\$ 2,306,747
Property taxes receivable	4,253,593	2,960,536	222,040	-
Accrued interest receivable	19,687	-	-	-
Due from other funds	-	-	-	-
Due from other governmental units	411,622	3,211	442,201	18,896
Other receivables	43,196	2,110	-	24,773
Inventories	-	1,245,764	-	-
Prepays and deposits	442,079	517,000	560	-
Total assets	\$ 26,433,891	\$ 14,292,696	\$ 1,907,617	\$ 2,350,416
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 127,871	\$ 32,989	\$ -	\$ 500
Due to other governmental units	-	-	381,007	-
Unearned revenue	9,007	-	93,657	-
Total liabilities	136,878	32,989	474,664	500
Deferred inflow of resources:				
Unavailable property taxes	4,253,593	2,960,536	222,040	-
Total deferred inflow of resources	4,253,593	2,960,536	222,040	-
Fund balances:				
Nonspendable	442,079	1,762,764	560	-
Restricted	604,945	144,806	-	-
Committed	-	4,565,196	956,250	2,274,410
Assigned	9,243,874	4,826,405	254,103	75,506
Unassigned	11,752,522	-	-	-
Total fund balances	22,043,420	11,299,171	1,210,913	2,349,916
Total liabilities, deferred inflows and fund balances	\$ 26,433,891	\$ 14,292,696	\$ 1,907,617	\$ 2,350,416

See accompanying notes to the basic financial statements.

Major Capital Projects Funds			
County Capital Improvement Trust Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds
\$ 24,334,436	\$ 145,937	\$ 578,147	\$ 59,435,872
-	-	444,080	7,880,249
76,901	-	-	96,588
-	-	-	-
-	258,044	303,904	1,437,878
-	-	1,441	71,520
-	-	-	1,245,764
-	-	-	959,639
<u>\$ 24,411,337</u>	<u>\$ 403,981</u>	<u>\$ 1,327,572</u>	<u>\$ 71,127,510</u>
\$ -	\$ 71,806	\$ 26,591	\$ 259,757
-	-	-	381,007
-	-	-	102,664
<u>-</u>	<u>71,806</u>	<u>26,591</u>	<u>743,428</u>
-	-	452,497	7,888,666
<u>-</u>	<u>-</u>	<u>452,497</u>	<u>7,888,666</u>
-	-	-	2,205,403
24,411,337	4,264	519,431	25,684,783
-	-	148,774	7,944,630
-	327,911	180,279	14,908,078
-	-	-	11,752,522
<u>24,411,337</u>	<u>332,175</u>	<u>848,484</u>	<u>62,495,416</u>
<u>\$ 24,411,337</u>	<u>\$ 403,981</u>	<u>\$ 1,327,572</u>	<u>\$ 71,127,510</u>

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO THE STATEMENT OF NET POSITION
December 31, 2019

Total governmental fund balances	\$ 62,495,416
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Amounts reported for governmental activities in the statement of activities are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	88,834,901
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Long-term liabilities and compensated absences, are not due and payable in the current period and therefore are not reported in the governmental funds.	(439,420)
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Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	7,828,787
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Net position of governmental activities	<u><u>\$ 158,719,685</u></u>
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See accompanying notes to the basic financial statements.

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RIO BLANCO COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2019

	Major Special Revenue Funds			
	General Fund	Road and Bridge Fund	Human Services Fund	Use Tax Fund
REVENUES				
Property taxes	\$ 3,758,421	\$ 3,090,797	\$ 420,350	\$ -
Specific ownership taxes	153,628	126,478	17,525	-
Sales taxes	2,043,125	-	-	-
Use taxes	-	-	-	1,074,654
Other taxes	(5,633)	(4,031)	(586)	-
Intergovernmental	2,089,117	5,141,568	2,228,929	111,381
Licenses and permits	9,395	-	-	-
Charges for services	464,690	50,863	-	39,729
Interest earnings	818,403	-	-	-
Fees, fines and forfeits	1,721,227	102,705	-	-
Inter-fund charges	203,230	65,966	-	-
Miscellaneous	643,783	3,788	-	-
Total revenues	11,899,386	8,578,134	2,666,218	1,225,764
EXPENDITURES				
Current:				
General government	5,110,002	-	-	119,455
Judicial and public safety	4,083,674	-	-	-
Health and welfare	226,539	-	2,442,717	479,021
Recreation and culture	250,284	-	-	137,942
Intergovernmental (Grants, etc)	244,604	-	-	123,863
Public Works	151,583	6,838,310	-	-
Capital outlay	-	2,273	-	-
Total expenditures	10,066,686	6,840,583	2,442,717	860,281
Excess (deficiency) of revenues over expenditures	1,832,700	1,737,551	223,501	365,483
OTHER FINANCING SOURCES/(USES)				
Sale of assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	(207,029)	-	-	(275,000)
Total other financing sources/(uses)	(207,029)	-	-	(275,000)
Net change to fund balance	1,625,671	1,737,551	223,501	90,483
Fund balance, January 1	20,417,749	9,561,620	987,412	2,259,433
Fund balance, December 31	\$ 22,043,420	\$ 11,299,171	\$ 1,210,913	\$ 2,349,916

See accompanying notes to the basic financial statements.

<u>Major Capital Projects Funds</u>				
County Capital Improvement Trust Fund	Capital Improvement Plan Fund	Other Governmental Funds	Total Governmental Funds	
\$ -	\$ -	\$ 189,569	\$ 7,459,137	
-	-	6,894	304,525	
-	-	-	2,043,125	
-	-	-	1,074,654	
-	-	(494)	(10,744)	
-	716,868	140,926	10,428,789	
-	-	370,991	380,386	
-	-	4,066	559,348	
698,523	-	24,764	1,541,690	
-	-	-	1,823,932	
-	-	-	269,196	
-	-	30,414	677,985	
698,523	716,868	767,130	26,552,023	
743	124,363	8,357	5,362,920	
-	-	-	4,083,674	
-	-	345,819	3,494,096	
-	13,413	14,130	415,769	
199,739	-	-	568,206	
-	136,531	735,755	7,862,179	
20,397	1,160,854	945,137	2,128,661	
220,879	1,435,161	2,049,198	23,915,505	
477,644	(718,293)	(1,282,068)	2,636,518	
-	-	-	-	
-	235,000	52,029	287,029	
-	-	-	(482,029)	
-	235,000	52,029	(195,000)	
477,644	(483,293)	(1,230,039)	2,441,518	
23,933,693	815,468	2,078,523	60,053,898	
\$ 24,411,337	\$ 332,175	\$ 848,484	\$ 62,495,416	

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2019

Net change in fund balances - total governmental funds	\$ 2,441,518
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Amounts reported for governmental activities in the statement of activities are different because:

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

Fixed assets current additions	2,099,219	
Depreciation expense	(2,151,931)	
Excess of capital outlay over depreciation and other adjustments		(52,712)

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, donations and dispositions) is to decrease net assets	(18,063)
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Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.

Decrease/(increase) in compensated absences	33,547
---	--------

Internal service funds are used by management to charge the costs of certain activities, such as insurance and fleet services, to individual funds.

The net revenue/(expense) of the internal service funds is reported with activities as a "lookback" adjustment.	163,910
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Change in net position of governmental activities	\$ 2,568,200
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See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2019

	Business-type Activities			Governmental Activities
	Solid Waste Landfill Fund	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 5,328,070	\$ 1,859,988	\$ 7,188,058	\$ 3,189,544
Taxes receivable	-	272,291	272,291	-
Due from other governmental units	-	286	286	-
Other receivables	117,847	93,598	211,445	5,699
Inventories	-	46,610	46,610	301,243
Prepays and deposits	-	-	-	1,000
Total current assets	5,445,917	2,272,773	7,718,690	3,497,486
Noncurrent assets:				
Capital assets:				
Land	33,395	270,210	303,605	-
Buildings, improvements, equipment, net	1,005,511	2,389,633	3,395,144	4,382,263
Total noncurrent assets	1,038,906	2,659,843	3,698,749	4,382,263
Total assets	6,484,823	4,932,616	11,417,439	7,879,749
LIABILITIES				
Current liabilities:				
Accounts payable	7,671	20,279	27,950	2,331
Total current liabilities	7,671	20,279	27,950	2,331
Noncurrent liabilities:				
Accrued compensated absences	5,115	22,974	28,089	48,631
Closure and postclosure care	660,342	-	660,342	-
Total noncurrent liabilities	665,457	22,974	688,431	48,631
Total liabilities	673,128	43,253	716,381	50,962
DEFERRED INFLOW OF RESOURCES				
Unavailable property tax	-	272,291	272,291	-
Total deferred inflows of resources	-	272,291	272,291	-
NET POSITION				
Invested in capital assets	1,038,906	2,659,843	3,698,749	4,382,263
Restricted for closure & post-closure care	1,168,244	-	1,168,244	-
Unrestricted	3,604,545	1,957,229	5,561,774	3,446,524
Total net position	\$ 5,811,695	\$ 4,617,072	\$ 10,428,767	\$ 7,828,787

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2019

	Business-type Activities			Governmental Activities
	Solid Waste Landfill Fund	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Operating revenues:				
Property taxes	\$ -	\$ 271,608	\$ 271,608	\$ -
Specific ownership taxes	-	10,320	10,320	-
Other taxes	-	(1,746)	(1,746)	-
Charges for services	518,575	813,342	1,331,917	2,804,042
Grants and private contributions	-	30,000	30,000	-
Intergovernmental revenues	-	10,000	10,000	-
Total operating revenues	518,575	1,133,524	1,652,099	2,804,042
Operating expenses:				
Personnel	259,487	455,300	714,787	575,114
Supplies	12,265	197,059	209,324	752,682
Purchased services	58,926	547,565	606,491	52,864
Special dues, permits and fees	14,209	-	14,209	-
Closure and post-closure costs	44,436	-	44,436	-
Rent and utilities	5,896	37,713	43,609	12,214
Repairs and maintenance	-	-	-	41,187
Insurance and claims	-	-	-	189,974
Interdepartmental charges	174,545	68,838	243,383	152,918
Depreciation	172,286	111,336	283,622	959,614
Total operating expenses	742,050	1,417,811	2,159,861	2,736,567
Operating income/(loss)	(223,475)	(284,287)	(507,762)	67,475
Nonoperating revenues/(expenses):				
Gain/(loss) on disposition of assets and inventory	-	-	-	43,284
Capital contributed revenue	-	-	-	53,150
Capital contributed expense	(7,550)	-	(7,550)	-
Total nonoperating revenues/(expenses)	(7,550)	-	(7,550)	96,434
Income/(loss) before transfers in/(out)	(231,025)	(284,287)	(515,312)	163,909
Transfers in/(out)	-	195,000	195,000	-
Change in net position	(231,025)	(89,287)	(320,312)	163,909
Total net position, January 1	6,042,720	4,706,359	10,749,079	7,664,878
Total net position, December 31	\$ 5,811,695	\$ 4,617,072	\$ 10,428,767	\$ 7,828,787

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2019

	Business-type Activities			Governmental Activities
	Solid Waste Landfill Fund	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from external customers	\$ 403,967	\$ 997,012	\$ 1,400,979	\$ 74,210
Cash received from internal customers	12,000	111,675	123,675	2,733,120
Cash payments to external suppliers for goods and services	(134,309)	(779,244)	(913,553)	(1,033,395)
Cash payments to internal suppliers for goods and services	(174,545)	(68,838)	(243,383)	(152,918)
Cash payments to employees for services	(256,945)	(448,287)	(705,232)	(567,262)
Net cash provided/(used) by operating activities	(149,832)	(187,682)	(337,514)	1,053,755
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	195,000	195,000	-
Net cash provided by noncapital financing activities	-	195,000	195,000	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of fixed assets	-	-	-	(1,159,125)
Proceeds from disposal of assets	-	-	-	201,567
Net cash (used) by capital and related financing activities	-	-	-	(957,558)
Net increase/(decrease) in cash and equivalents	(149,832)	7,318	(142,514)	96,197
Cash balances, January 1	5,477,903	1,852,669	7,330,572	3,093,347
Cash balances, December 31	\$ 5,328,071	\$ 1,859,987	\$ 7,188,058	\$ 3,189,544
Reconciling of operating income/(loss) to net cash provided/(used) by operating activities:				
Operating income/(loss)	\$ (223,475)	\$ (284,287)	\$ (507,762)	\$ 67,475
Adjustments to reconcile operating income/(loss) to net cash provided/(used) by operating activities:				
Depreciation expense	172,286	111,336	283,622	959,614
Miscellaneous nonoperating revenues/(expenses)	(7,550)	-	(7,550)	-
Assets (increase)/decrease:				
Other receivables	(102,608)	(24,699)	(127,307)	3,288
Due from other governments	-	(138)	(138)	-
Inventories	-	(15,504)	(15,504)	23,720
Prepays and deposits	-	-	-	451
Liabilities increase/(decrease):				
Accounts payable	(8,168)	18,597	10,429	(8,645)
Accrued compensated absences	2,542	7,013	9,555	7,852
Closure and postclosure care	17,141	-	17,141	-
Total adjustments	73,643	96,605	170,248	986,280
Net cash provided/(used) by operating activities	\$ (149,832)	\$ (187,682)	\$ (337,514)	\$ 1,053,755

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2019

	Custodial Funds
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 45,168
Receivables:	
Taxes for other governments	-
Total assets	45,168
LIABILITIES	
Total liabilities	-
NET POSITION	
Restricted For:	
Individuals, organizations and other governments	45,168
Total net position	\$ 45,168

See accompanying notes to the basic financial statements.

RIO BLANCO COUNTY, COLORADO
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
December 31, 2019

	Custodial Funds
ADDITIONS	
Sales	\$ 285,807
Charge for service	5,232
Award sponsorship	10,656
Account deposits	69,298
Miscellaneous	1,835
Total additions	372,828
DEDUCTIONS	
Sales	288,416
Award sponsorship	8,710
Account withdrawals	64,230
Miscellaneous	7,370
Total deductions	368,727
Change in net position	4,101
Total net position, January 1	41,067
Total net position, December 31	\$ 45,168

See accompanying notes to the basic financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of Rio Blanco County, Colorado conform to Generally Accepted Accounting Principles (GAAP) 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.

A. Reporting Entity

Rio Blanco County is located in northwestern Colorado with a population of approximately 6,308. The two principal towns are Rangely and Meeker. Rio Blanco County is a political subdivision of the State of Colorado, governed by an elected three-member Board of County Commissioners. The County has six other elected officials; the Assessor, the Clerk and Recorder, the Coroner, the Sheriff, the Surveyor, and the Treasurer. Rio Blanco County is included in the Ninth Judicial District. An elected District Attorney serves Garfield, Pitkin, and Rio Blanco Counties.

The County's General Fund accounts for all financial operating transactions of the offices of elected officials and all Rio Blanco County contributions to the Ninth Judicial District Attorney's office. The County's Capital Expenditure Fund and Capital Improvement Plan Fund account for the capital expenditures and capital projects for the elected offices and the County government in general. The County Capital Improvement Trust Fund contributes to capital projects within the boundaries of the County – occasionally projects for the County government, but usually projects for the municipalities, school districts, and special taxing districts in the form of grants.

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

These financial statements include two legal entities in addition to the County: Piceance Creek Pest Control District and Lower White River Pest Control District. The Pest Control Districts are integrated into the Weed & Pest Control Fund, with all moneys being tracked by separate departments to keep activity and running balances for each district separate from each other and separate from county-wide pursuits as required by state statute.

At December 31, 2019, Rio Blanco County's total taxable assessed valuation was approximately \$871 million. Of this, approximately \$649 million (or 75%) was owned by ten taxpayers: Enterprise Gas Processing LLC, \$208 million; Chevron U. S. A., Inc., \$153 million; XTO Energy, Inc., \$75 million; Willow Creek, \$72 million; TEP Rocky Mountain, LLC, \$40 million; Merit Energy Mid-Con Div., \$26 million; Blue Mountain Energy, Inc., \$22 million; Bargath, LLC, \$21 million; Utah Gas Corporation, \$19 million; and, White River Hub, LLC, \$13 million.

Approximately 47% of the County's assessed value is derived from oil and gas activities, and an additional 30% is derived from industrial activities. The assessed value of this property is dependent, to a large extent, on quantities of oil and gas production and upon the market price.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and user charges for support.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are 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 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 that are not properly included among program revenues are reported as *general revenues*.

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. The County considers revenues to be available if they are collectible within 180 days except for property taxes which are considered available if they are collectible within sixty days after year-end. Property taxes, sales taxes, licenses, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. 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 when payment is due.

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

The government reports the following major governmental funds:

- The General Fund is the County's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Road and Bridge Fund 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. A portion of road and bridge taxes is allocated to cities and towns for use in their road and street activities.
- The Human Services Fund accounts for activities and programs related to family and individual independence and well-being in Rio Blanco County. Primary sources of funds are property taxes and federal/state grants.
- The Use Tax Fund accounts for all County use tax collections, the fiscal management of the use tax revenues and various other special revenues.
- The County Capital Improvement Trust Fund was established to account for cash received from the State for oil shale mineral leasing receipts. The original State receipts have been held for investment only. The income from these investments has been allocated to local governmental entities, including Rio Blanco County, for countywide capital improvements.
- The Capital Improvement Plan Fund is used to record the expenditures of various capital purchases of general capital assets over \$100,000.

The government reports the following major proprietary funds:

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

- The Solid Waste Landfill Fund accounts for the County's landfill operations.

The balance of governmental funds are considered non-major, and account for capital expenditure fund, impact fee trust fund, public health, and conservation trust activities. The balance of proprietary funds are considered non-major, and account for weed and pest control, communications and Fairfield Complex activities.

The government reports the following fund types:

Internal service funds are considered non-major proprietary funds, and account for insurance, audit fees, rent, copies, postage, and fleet management services on a cost reimbursement basis.

The County has three kinds of fiduciary funds which are all reported as Custodial Funds. These activities meet the following requirements: 1) assets are associated with the activity controlled by the government, 2) assets are not derived from the government's own-source revenue or non-exchange transactions, and 3) assets are for the benefit of individuals and the government does not have administrative/direct financial involvement. The Sheriff's inmate balances are cash held for prisoners until release. The Fair Board account and 4-H Livestock Sale account is held for the operation of the County Fair/Livestock Sale each year. The Fair Board has direct control over these assets.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are certain charges between the County's enterprise funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

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

D. Assets, Liabilities, Deferred Inflows, and Net Assets or Equity

1. Investments

Investments at December 31, 2019, consisted of treasury notes stated at fair market value, C-SAFE, CSIP and money market mutual funds stated at amortized cost, and ColoTrust stated at net asset value.

2. Cash and Cash Equivalents

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

3. Disaggregation of Receivable and Payable Balances

Significant components of receivables and payables are disaggregated in the financial statements. All receivables are expected to be collected within one year. All material payables are expected to be paid within one year with the exception of the amounts for the accrual for compensated absences and liabilities for landfill closure and post-closure costs.

4. Prepaid Expenses and Deposits

Of the prepaid expenses and deposits shown on the statement of net position, 40% (\$386,560) is a prepaid IRU to link broadband service directly between the towns of Meeker and Rangely, 50% (\$480,000) is a prepayment for gravel to

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

be taken from the Wakara pit over a period of 30 years ending December 31, 2043, 4% (\$37,000) is prepayments of royalties for gravel being extracted from other pits, 3% (\$25,488) is a prepayment for Venture Technologies data support for the Server/SAN project, 2% (\$24,876) is a prepayment for Techxtend appliance support for the County backup solution, and of the 1% balance (\$4,100) is prepayment for Venture Technologies EXSI, (\$1,000) is prepayment of postage, (\$984) is GovConnection laptop warranty, (\$560) is prepayment for CYMA software support, and (\$72) is prepayment for RBC Domain Name.

5. *Property Taxes*

Property taxes are levied in December and attach as an enforceable lien on property as of January 1 of the following year. Taxes are payable either in two installments due on February 28 and June 15 or in full on April 30. The County, through the Rio Blanco County Treasurer, bills and collects its own property taxes as well as property taxes of all other taxing authorities within the County. Taxes levied in 2019 for collection in 2020 are recorded in governmental funds as taxes receivable and deferred inflow of resources as of December 31, 2019 since the amount is measurable but not available until 2020. An allowance for un-collectible taxes is not provided as the uncollectible amounts were determined to be negligible based upon an analysis of historical trends.

Current general local property taxes levied in 2018 and collected in 2019 are as follows:

Fund	Assessed Valuations	Mill Levy	Taxes Levied	Taxes Collected	Percent Collected
General	\$ 824,559,380	4.560	\$ 3,759,991	\$ 3,758,421	100.0%
Road and Bridge	824,559,380	3.750	3,092,098	3,090,797	100.0%
Human Services	824,559,380	0.510	420,525.28	420,350.00	100.0%
Public Health Agency	824,559,380	0.200	164,912	164,843	100.0%
Capital Expenditures	824,559,380	0.030	24,737	24,726	100.0%

6. *Interfund Transactions*

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

7. *Inventories*

Inventories in most governmental funds are recorded as expenditures when purchased. Inventories in the Road and Bridge Fund, and chemicals in the Weed & Pest Control Fund are adjusted to reflect expenditures when consumed rather than when purchased. The material and supplies inventory (except gravel) held by the Road and Bridge Fund is stated at average cost. The weighted average method is used for gravel inventory. The parts and supplies inventory held by the Fleet Management Fund are stated at the lower of cost or market using the first-in, first-out method. The chemical inventory held by the Weed & Pest Control Fund is valued at cost, which is determined using the first-in, first-out method.

8. *Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The County defines capital assets, other than infrastructure assets, as assets with an initial, individual cost of more than \$5,000 and a useful life of more than one year. Infrastructure assets are not recorded as capital assets unless the cost is greater than \$5,000. All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Rio Blanco County, Colorado
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Depreciation on capital assets, with the exception of infrastructure, is provided on the straight-line basis over the following estimated useful lives:

Buildings and improvements	20 to 50 Years
Land improvements (depreciable)	25 to 30 Years
Equipment and Furniture	5 to 40 Years

For reporting infrastructure assets, a modified approach is allowed by GASB 34. This approach is in lieu of the depreciation of infrastructure assets. The County has elected to use this method of reporting infrastructure assets. The County must maintain two requirements in order to qualify to use this approach:

1. The County must manage the eligible infrastructure assets using an asset management system with specific characteristics.
2. The County must document that the eligible infrastructure assets are being preserved approximately at (or above) a condition level established and disclosed by the County.

The County has developed and implemented an asset management system to measure, at least every third year by class of infrastructure asset, if the minimum standards are being maintained. Additional required disclosures are included as part of the Required Supplementary Information.

Rio Blanco qualified as a Phase III county as per GASB Statement 34 and elected not to report infrastructure assets which were acquired and in service at January 1, 2002. Infrastructure assets, acquired subsequent to January 1, 2002, are included with other fixed assets and the disclosure provisions are shown below.

At December 31, 2019 Rio Blanco County has recognized only twelve items of infrastructure; five bridges and seven road sections. The following information is presented in regard to these assets:

1. The Rio Blanco County Commissioners have made the commitment to preserve and maintain these eligible infrastructure assets at a level of 5 on a maintenance scale of 1 to 10.
2. The Rio Blanco County Commissioners are responsible for determining the appropriate condition level at which these assets are rated.
3. No depreciation expense is reported for these assets, nor are amounts capitalized in connection with improvements that lengthen the life of the assets, unless the improvement also increases the service potential of these assets.
4. Rio Blanco County maintains an inventory of these assets and performed condition assessments during 2019 to establish that the specified condition level (1 above) has been maintained. The assessment for 2019 provided condition assessments equal to or greater than 8 for all twelve items currently on the eligible asset list. These high levels of condition are primarily due to the very limited use (low traffic) of the assets and their relatively new installation.
5. The County's estimate of the amount to be expended to preserve and maintain these assets, at the stated condition level of 5, for the subsequent year (2020) is zero dollars.

9. Leases

All of the County leases pertain to the Broadband tower sites and are accounted for in the General Fund. The County acts as the lessee and lessor. A liability is reported for the: 1) Douglas Pass site, 2) TeePee Park site, 3) Mellen Hill site, and 4) IRU broadband service. The payment for the IRU is accounted for in a prepaid and amortized over the life of the lease. A receivable is reported for: 1) Marvine Tower site, 2) Lobo Tower site, 3) Rangely North Tower site and 4) Stadtman Tower site. All leases are under the materiality level and therefore are disclosed in the notes if not already accounted for in the financial statements.

Rio Blanco County, Colorado
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10. Future Compensated Absences

County employees accumulate sick leave and vacation benefits at rates of 8 hours per month and 8 to 16 hours per month, respectively, depending on position and length of service. In the event of retirement or termination, an employee is paid 100% of accumulated vacation pay, and those with five or more years of continuous service are paid a percentage of their accumulated sick leave from 5% to 20% dependent upon number of years of service. 240 hours of annual vacation accrual may be carried over from one year to the next. 960 hours of sick leave accrual may be carried over from one year to the next. Compensatory time is granted (except for official, professional, and administrative positions) at the rate of one and one-half hours for each overtime hour worked, with various limitations. The entire compensated absence liability is reported on the government-wide financial statements as long-term debt.

11. Long-term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. At December 31, 2019, the only long term debt that Rio Blanco County had was from the accrual of compensated absences and the recognition and recording of closure and post-closure costs related to County landfills.

12. Deferred Inflows of Resources

In addition to liabilities, the statement of net position reports a separate section of 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 will not be recognized as an inflow of resources (revenue) until that time.

13. Fund Equity

Net Position

Net position represents the difference between assets and liabilities plus deferred inflows in the government-wide financial statements. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The County first applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fund Balance

In the fund financial statements, governmental funds report designations of fund balance for amounts that are non-spendable, legally restricted by laws or outside parties, committed internally by the Board of County Commissioners, assigned internally by an appointed body/official (County Finance/Budget Director), or remain unassigned. These classifications comprise a hierarchy based primarily on the extent to which the government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. When funds in more than one classification could be used for an expenditure, the funds highest in the hierarchy (most constrained) are used first.

14. Emergency Reserve

The reserve for emergencies, as required by Section 20 to Article X of the Colorado Constitution, also known as the Taxpayer's Bill of Rights (TABOR), is classified as restricted on the entity-wide statements. It is recorded as restricted in the General Fund even though the calculation of the amount required includes portions for other governmental funds and small amounts for some of the proprietary funds.

15. Contraband Proceeds

The Colorado Contraband Forfeiture Act requires the proceeds from the seizure of contraband be audited and reported through the Department of Local Affairs Civil Asset Forfeiture electronic file and publicly published on a biannual basis. During 2019, the County had no proceeds from the seizures of contraband.

16. Estimates

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

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Annual budgets are adopted for all funds, except agency funds, of the County. The Budget Office submits a proposed operating budget for the following calendar year to the County Commissioners prior to October 15 of each year. The budget is prepared using the modified accrual basis of accounting. The operating budget includes proposed expenditures/expenses and anticipated revenues. As required by statute, public hearings are conducted to obtain citizen's comments. Prior to the levy of property tax, the budget is legally adopted through the passage of budget adoption and appropriation resolutions prior to December 15 of each year.

B. Budgeted Level of Expenditures

Budgetary control is maintained at the department level for the General Fund, Use Tax Fund and Weed & Pest Control Fund and at specific fund level for all other funds. Although the budget shows various classifications by object and by function, the department directors are authorized to transfer budgeted amounts within each of the object classifications; however, use of any budgeted contingency amounts must be specifically authorized by the Board of County Commissioners. All annual appropriations lapse at year-end. During 2019, the County Commissioners adopted one supplemental appropriation which included transfer appropriations between funds.

For the budget to actual reporting required by state statutes, the proprietary funds present the adjustments necessary to reconcile ending net income/(loss) on the budgetary basis to the GAAP basis net change in fund equity.

All budget amounts presented in the accompanying required supplementary information reflect the original budget and the final amended budget.

NOTE 3 - CASH AND INVESTMENTS

A. Deposits

Title 11, Article 10.5 of the Colorado Revised Statutes, (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 a single financial institution collateral pool 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. Collateral in the pool is considered to be equal to depository insurance pursuant to definitions listed in GASB Statement No. 40. At year end the County's deposits were not exposed to credit risk, as all deposits were insured by the Federal Deposit Insurance Commission (FDIC) or collateralized in accordance with PDPA. As of December 31, 2019, the carrying amount of the County's Primary Government's Funds demand account deposits were \$26,806,314 and the bank balance was \$21,291,956. Of the bank balance \$750,000 was covered by FDIC insurance and the excess was collateralized in accordance with PDPA.

B. Investments

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest. Authorized investments include obligations of the United States and certain U.S. government agency securities; certain international agency securities; general obligation and revenue bonds of U.S. local government entities; bankers' acceptances of certain banks; commercial paper; written repurchase agreements collateralized by certain authorized securities; certain money market funds; guaranteed investment contracts and local government investment pools.

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Rio Blanco County currently has funds invested in the following investment pools:

- (1) Colorado Government Liquid Asset Trust (COLOTRUST) is an investment vehicle established by local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission oversees this pool. COLOTRUST operates similarly to money market funds and each share is valued at \$1.00. The investment pool is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by the pooled investments are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor. The custodian's internal records identify the investments owned by COLOTRUST. These pools are not required to be (and are not) registered with the SEC. COLOTRUST's funds are rated AAA by Standard and Poor's, Fitch's and Moody's rating services. Information on COLOTRUST can be obtained at www.colotrust.com.
- (2) Colorado Surplus Asset Fund Trust (CSAFE) is an original Local Government Investment Pool (LGIP) established in 1988 under Colorado State Statutes CRS 25-75-601 and 701. This pool is an investment vehicle established by local government entities in Colorado to pool operating & surplus funds for overnight investment purposes. The State Securities Commission oversees this pool. CSAFE operates similarly to money market funds and each share is valued at \$1.00. The investment pool is monitored quarterly by the Colorado Division of Securities with regard to operations and investments and audited annually. Investments consist of U.S. Treasury bills, notes and note strips, and repurchase agreements collateralized by U.S. Treasury Notes, Government Agencies, Colorado Rated Bank Deposits that are collateralized at 102% and A1+, A1 and P1 (AAA rated) Commercial Paper. The designated custodial bank, US Bank, provides safekeeping and depository services in connection with the direct investment and withdrawal functions of each pooled investment. All securities owned by the pooled investments are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by each pool investor. CSAFE is not required to be registered with the SEC. CSAFE's fund is rated AAA by Standard and Poor's rating service. Additional information on CSAFE can be obtained at www.csafe.org.
- (3) PFM Funds Prime Series, Colorado Investors Class is a money market mutual fund marketed as the Colorado Statewide Investment Program (CSIP). The Prime Series is a separate investment portfolio of PFM Funds (the Trust). The Trust is an open-end, diversified, management investment company registered under the Investment Company Act of 1940. The PFM Funds Prime Series invests in obligations of the United States Government and its agencies, high quality debt obligations of U.S. companies and obligations of financial institutions and is rated AAA by Standard & Poor's rating service. PFM Asset Management, LLC serves as the investment advisor, administrator, and transfer agent. Shares of the Fund are distributed by PFM Fund Distributors, Inc., member Financial Industry Regulatory Authority (FINRA). U.S. Bank N.A. serves as the custodian and acts as safekeeping agent. To obtain financial statements for PFM Funds Prime Series, Colorado Investors Class, you may visit its website at www.csipinvest.com.

The County's investment policy follows all statutory requirements, concentrates on investments with maturities of 60 months or less in order to limit principal risk caused by changes in interest rates and encourages diversification of the portfolio. The County invests its funds in a manner which will provide the highest investment return while ensuring preservation of capital and protection of investment principal. The County reports investments at fair value. The County's investments are registered in the name of the government.

Summary of Cash and Investments Held by County for Primary Government's Funds

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Cash on hand	\$ 3,784
Demand accounts (bank and money markets)	3,721,756
ColoTrust, CSafe, CSIP	28,417,848
Certificates of deposit	23,082,513
Sigma-Money Market Fund	2,045
U.S. Treasury Notes	14,585,530
	<u>\$ 69,813,476</u>

Cash and Investments Held by County for Others

Demand accounts	<u>\$ 403,092</u>
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Fair Value

The County categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

- Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities
- Level 3: Unobservable inputs for an asset or liability.

The County has the following fair value measurements as of December 31, 2019:

	12/31/2019	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
Treasury Notes	\$ 14,585,530	\$ -	\$ 14,585,530	\$ -
Investments Measured at Amortized Costs:				
Money Market Mutual Funds	2,045			
CSAFE, CSIP	10,766,731			
Investments Measured at Net Asset Value:				
ColoTrust	17,651,118			
Total Investments	<u>\$ 43,005,424</u>			

NOTE 4 – INTERFUND TRANSACTIONS

The County reports internal transactions between its funds. Certain eliminations have been made in regards to interfund activities. All internal balances in the Statement of Net Position have been eliminated. 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 business-type activities column are eliminated.

Rio Blanco County, Colorado
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Due To/Due From Other Funds

Due to and due from balances result from interfund transactions for which the related transfer has not yet occurred, creating a receivable in one fund and an offsetting payable in another fund. There were no outstanding due to/due from interfund transactions at year-end.

Interfund Transfers

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

	Transfers in:						
	Capital Expenditures Fund	Capital Improvement Plan Fund	County Capital Improvement Trust Fund	Weed & Pest Control Fund	Communications Fund	Fairfield Complex Fund	Transfers Total
Transfers out:							
General Fund	\$ 52,029	\$ 130,000	\$ -	\$ -	\$ -	\$ 25,000	\$ 207,029
Use Tax Fund	-	105,000	-	125,000	10,000	35,000	\$ 275,000
	<u>\$ 52,029</u>	<u>\$ 235,000</u>	<u>\$ -</u>	<u>\$ 125,000</u>	<u>\$ 10,000</u>	<u>\$ 60,000</u>	<u>\$ 482,029</u>

Rio Blanco County received \$0.5 million of Anvil Points funding in 2019, of which \$130,000 was transferred to the Capital Improvement Plan Fund and \$52,000 was transferred to the Capital Expenditure Fund for certain projects. This was the second (and final) of two payments for a total amount of \$7.2 million that was received.

Rio Blanco County normally allocates a portion of its 9.050 mill levy for capital projects each year. The full amount is receipted into the Capital Expenditure Fund. But, because Rio Blanco County maintains two separate capital funds (one for projects under \$100,000 and one for projects over \$100,000), the portion needed for the larger projects in the Capital Improvement Plan Fund must be transferred from the Capital Expenditure Fund. In 2019 nothing needed to be transferred due to carryover projects and fund balance reserves being able to cover budgeted expenditures. \$105,000 was also budgeted to transfer from the Use Tax Fund to the Capital Improvement Plan Fund to be used on the Columbine Park design.

Rio Blanco County currently subsidizes two of its three enterprise (business type) funds.

- (1) The Solid Waste Landfill Fund continued to be self-sustaining in 2019 due to its level of fund balance and increased commercial revenue.
- (2) Because the Weed & Pest Control Fund includes two districts that have a cap of 2.0 mills on residents within their borders, the County cannot assess additional mills for county-wide weed/pest control efforts; thus, the General Fund's property tax revenues can't be used for this purpose. So, the County transfers funds from the Use Tax Fund to support this function. In 2019, \$125,000 was transferred to the Weed & Pest Control Fund. This amount has fluctuated between \$100,000 and \$200,000 for a number of years.
- (3) The Communications Fund needed \$10,000 transferred in due to an increase in operational expenditures in 2019. The transfer enabled the fund to maintain enough working capital in fund balance per internal policy. This fund should be self-sustaining in future years.
- (4) In 2019, the County contributed \$60,000 to the Fairfield Complex Fund in the form of transfers plus an additional \$76,636 in the form of internal rent for the spaces the government occupies in the community center. The County's contributions to this fund have been increasing over the years as the Town of Meeker's and Freeman E. Fairfield Trust contributions declined and then stopped. \$35,000 is transferred annually from the Use Tax Fund with the balance needed for operations and projects being transferred from the General Fund. Generally, about \$100,000 combined is needed to support operations and more is contributed in years when projects are planned.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
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NOTE 5 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, was as follows:

		Balance			Balance
		1/1/2019	Additions	Deletions	12/31/2019
Governmental activities:					
Capital assets not being depreciated:					
Land		\$ 2,480,498	\$ -	\$ -	\$ 2,480,498
Land Improvements		620,797	-	-	620,797
Infrastructure		23,108,379	-	-	23,108,379
Construction-In-Progress		13,578,275	968,396	9,874,153	4,672,518
	Total capital assets not being depreciated	39,787,949	968,396	9,874,153	30,882,192
Capital assets being depreciated:					
Land Improvements		20,942,298	9,894,550	-	30,836,848
Buildings and Improvements		37,890,419	85,315	-	37,975,734
Equipment and Furniture		16,326,950	2,237,386	1,259,316	17,305,020
	Total capital assets being depreciated	75,159,666	12,217,251	1,259,316	86,117,601
Less accumulated depreciation:					
Land Improvements		7,104,556	873,074	-	7,977,630
Buildings and Improvements		5,180,696	908,082	-	6,088,778
Equipment and Furniture		9,468,801	1,330,389	1,082,970	9,716,220
	Total accumulated depreciation	21,754,054	3,111,545	1,082,970	23,782,629
	Total capital assets being depreciated, net	53,405,612	9,105,706	176,346	62,334,972
	Governmental activities capital assets, net	\$ 93,193,561	\$ 10,074,102	\$ 10,050,499	\$ 93,217,164

		Balance			Balance
		1/1/2019	Additions	Deletions	12/31/2019
Business-type activities:					
Capital assets not being depreciated:					
Land		\$ 303,605	\$ -	\$ -	\$ 303,605
Construction-In-Progress		0	-	-	0
	Total capital assets not being depreciated	303,605	-	-	303,605
Capital assets being depreciated:					
Land Improvements		1,324,594	-	-	1,324,594
Buildings and Improvements		3,311,717	-	-	3,311,717
Equipment and Furniture		900,275	-	-	900,275
	Total capital assets being depreciated	5,536,587	-	-	5,536,587
Less accumulated depreciation:					
Land Improvements		382,807	144,444	-	527,251
Buildings and Improvements		1,103,323	93,774	-	1,197,097
Equipment and Furniture		371,691	45,405	-	417,096
	Total accumulated depreciation	1,857,820	283,623	-	2,141,443
	Total capital assets being depreciated, net	3,678,766	(283,623)	-	3,395,143
	Business-type activities capital assets, net	\$ 3,982,371	\$ (283,623)	\$ -	\$ 3,698,748

Rio Blanco County, Colorado
Notes to Basic Financial Statements
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Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:				
General Government				\$ 667,233
Health and Welfare				23,838
Judicial and Public Safety				612,860
Public Works				751,682
Recreation and Culture				96,318
Total depreciation expense - governmental activities				2,151,931
Central Services				7,759
Fleet Management				951,855
Total depreciation expense - governmental activities including internal service funds				<u>\$ 3,111,545</u>
Business-type activities:				
Solid Waste Landfill Fund				\$ 172,286
Weed & Pest Control Fund				2,352
Fairfield Complex Fund				108,984
Total depreciation expense - business-type activities				<u>\$ 283,622</u>

The County maintains a fixed asset capitalization threshold of \$5,000.

NOTE 6 – LEASES

Lessor –

The Marvine Tower Site sublease agreement was signed on November 13, 2012. The lease term is for twenty-nine (29) years beginning December 1, 2012 and ending November 30, 2041. The lease agreement can renew for another twenty (20) year term if the County's lease agreement for the Marvine Tower Site is extended. Rent is paid to the County in the amount of \$3,600 per year and adjusted in accordance with the Consumer Price Index. Total amount of inflows recognized in the reporting period (2019) and schedule of future payments is provided below:

Marvine Tower Site				
Year	Beg Value	Interest	Receivable	End Value
6 (2019)	\$ 130,027	\$ -	\$ 4,007	\$ 126,020
7 (2020)	126,020	-	4,127	121,894
8 (2021)	121,894	-	4,251	117,643
9 (2022)	117,643	-	4,378	113,265
10 (2023)	113,265	-	4,510	108,755
15 (2028)	108,755	-	24,660	84,095
20 (2033)	84,095	-	28,588	55,508
25 (2038)	55,508	-	33,141	22,367
29 (2041)	22,367	-	22,367	(0)

The Lobo Tower Site lease agreement was signed on October 9, 2017. The lease term is for an initial five (5) years

Rio Blanco County, Colorado
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with the option to extend for three (3) additional five (5) year terms. Rent is paid to the County in the amount of \$600/month (\$7,200/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized in the reporting period (2019) and schedule of future payments is provided below:

<i>Lobo Tower Site</i>				
Year	Beg Value	Interest	Receivable	End Value
2 (2019)	\$ 185,032	\$ -	\$ 7,453	\$ 177,579
3 (2020)	177,579	-	7,677	169,902
4 (2021)	169,902	-	7,907	161,995
5 (2022)	161,995	-	8,144	153,851
6 (2023)	153,851	-	8,389	145,462
11 (2028)	145,462	-	45,872	99,590
16 (2033)	99,590	-	53,179	46,412
20 (2037)	46,412	-	46,412	(0)

The Rangely North Tower Site lease agreement was signed on February 2, 2019. The lease term is for an initial five (5) years with the option to extend for five (5) additional five (5) year terms. Rent is paid to the County in the amount of \$500/month (\$6,000/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized for the reporting period (2019) and schedule of future payments is provided below:

<i>Rangely North Tower Site</i>				
Year	Beg Value	Interest	Receivable	End Value
1 (2019)	\$ 285,075	\$ -	\$ 4,625	\$ 280,450
2 (2020)	280,450	-	6,150	274,300
3 (2021)	274,300	-	6,335	267,965
4 (2022)	267,965	-	6,525	261,441
5 (2023)	261,441	-	6,720	254,720
10 (2028)	254,720	-	36,749	217,972
15 (2033)	217,972	-	42,602	175,370
20 (2038)	175,370	-	49,388	125,982
25 (2043)	125,982	-	57,254	68,729
30 (2048)	68,729	-	66,372	2,357
31 (2049)	2,357	-	2,357	(0)

The Stadtman Tower Site lease agreement amendment was signed on January 30, 2019 (originally signed on November 3, 2017). The lease term is for an initial five (5) years with the option to extend for five (5) additional five (5) year terms. Rent is paid to the County in the amount of \$1,200/month (\$14,400/year) with an annual increase of 3% on the anniversary of the commencement date. Total amount of inflows recognized for the reporting period (2019)

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and schedule of future payments is provided below:

Stadtman Tower Site				
Year	Beg Value	Interest	Receivable	End Value
2 (2019)	\$ 649,371	\$ -	\$ 13,854	\$ 635,517
3 (2020)	635,517	-	14,869	620,647
4 (2021)	620,647	-	15,315	605,332
5 (2022)	605,332	-	15,775	589,558
6 (2023)	589,558	-	16,248	573,310
11 (2028)	573,310	-	88,850	484,460
16 (2033)	484,460	-	103,001	381,459
21 (2038)	381,459	-	119,407	262,052
26 (2043)	262,052	-	138,426	123,626
30 (2047)	123,626	-	123,626	0

Lessee—

The IRU agreement as assigned to the County on December 14, 2015. The term of the agreement is for 20 years. The County paid a lump sum of \$483,200 in December 2015. The County has recorded the amount as a prepaid and amortizes the amount of \$24,160 each year. The total amount of outflows recognized (amortized) for the reporting period (2019) and maturity analysis of all future amortized costs is provided below:

WREA IRU (Prepaid)				
Year	Beg Value	Interest	Amortization	End Value
4 (2019)	\$ 410,720	\$ -	\$ (24,160)	\$ 386,560
5 (2020)	386,560	-	(24,160)	362,400
6 (2021)	362,400	-	(24,160)	338,240
7 (2022)	338,240	-	(24,160)	314,080
8 (2023)	314,080	-	(24,160)	289,920
13 (2028)	289,920	-	(120,800)	169,120
18 (2033)	169,120	-	(120,800)	48,320
20 (2035)	48,320	-	(48,320)	-

There are three tower sites agreements that the County has entered into: Douglas Pass, TeePee Park and Mellen Hill. The Douglas Pass lease was signed on October 12, 2012. The term of the agreement is for 18 years from August 1, 2012 through July 31, 2030. The lease can be renewed for an additional ten (10) year term. The lease payment is for \$7,200 per year with an annual increase in accordance with the Consumer Price Index. The TeePee Park lease was signed on July 12, 2012. The term of the agreement is for ten (10) years from July 1, 2012 through June 20, 2022. The lease will automatically renew for an additional ten (10) years through June 30, 2032. The lease payment is for \$2,800 per year with no annual increase. The Mellen Hill agreement was signed on June 14, 2011. The term of the agreement is for six (6) years, with the option to extend for two (2) additional five (5) year terms. The lease payment is for \$3,600 per year with an annual increase of 3%. For purposes of reporting, the total amount of outflows recognized for the

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

reporting period (2019) and maturity analysis of all future lease payments is provided below:

Tower Site Leases (Douglas Pass, TeePee Park & Mellen Hill)				
Year	Beg Value	Interest	Payment	End Value
8 (2019)	\$ 205,821	\$ -	\$ (11,300)	\$ 194,521
9 (2020)	194,521	-	(11,555)	182,967
10 (2021)	182,967	-	(11,817)	171,150
11 (2022)	171,150	-	(12,088)	159,062
12 (2023)	159,062	-	(12,366)	146,695
17 (2028)	146,695	-	(60,363)	86,333
22 (2033)	86,333	-	(39,307)	47,026
27 (2038)	47,026	-	(32,583)	14,443
29 (2040)	14,443	-	(14,443)	0

NOTE 7 - RISK MANAGEMENT AND SELF-INSURANCE

Colorado Counties Casualty and Property Pool

The County is exposed to various risks of loss related to property and casualty 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 Pool provides the County with general property, vehicle comprehensive and collision, and various liability insurance coverage. The County pays an annual contribution to CAPP for its property and casualty insurance coverage. During 2019, the County paid contributions of \$189,974 as compared to \$176,453 in the prior year. 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 the prior year by major categories of risk, and there have been no settlements that exceed the County's insurance coverage during the past three years.

County Workers' Compensation Pool

The County is exposed to various risks of loss related to injuries of employees while on the job. In 1985, 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 County pays an annual contribution to CWCP for its workers' compensation insurance coverage. During 2019, the County paid contributions of \$202,735 as compared to \$222,977 in the prior year. 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. There were no significant reductions in insurance coverage from the prior year by major categories of risk, and there have been no settlements that exceed the County's insurance coverage during the past three years.

NOTE 8 - CLOSURE AND POSTCLOSURE CARE COST OF LANDFILLS

The U. S. Environmental Protection Agency rule of October 9, 1991 is the primary basis for Municipal Solid Waste Landfill (SWL) closure care requirements. The Solid Waste Regulations promulgated by the Colorado Board of Health with authority under the Solid Waste Disposal Act of 30-20-104.5 of the Colorado Revised Statutes also apply.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

The costs associated with SWL closure and post closure care are properly accounted for by utilizing procedures that are established to insure compliance with Generally Accepted Accounting Principles as outlined in Statement No. 18 of the Governmental Accounting Standards Board. This statement was published in August of 1993 and is effective for financial statements for all periods beginning after June 15, 1993.

Rio Blanco County's estimates of "current total closure and post-closure costs" are based upon current technology and engineering techniques. Due to an increase in drill cuttings, a new estimate of closure and post-closure costs were obtained in 2016 from a Registered Professional Engineer. While the estimates applicable for December 31, 2019 are as accurate as possible, changes in these estimates due to inflation or deflation, technology or changes to laws and regulations will continue and will be subject to annual reevaluation and adjustment during each year.

The "current estimate of total combined closure and post closure cost," for all landfills, as last revised, is \$1,828,585. This amount includes \$325,967 for the Rangely Landfill and \$1,502,618 for the Meeker (Wray Gulch) Landfill. The total expense that has been recognized for the currently operating landfills in all years through 2019 is \$1,059,097 (\$492,477 for Rangely, \$566,620 for Meeker). All previously recorded expense, which has not been disbursed, is carried in the books as a noncurrent liability of \$660,342. The Fund has available cash of \$660,342 to pay for recognized closure and post-closure costs for all County landfills. The portion of total costs that have been recognized as an expense and recorded as a liability are based upon the portion of landfill capacity used.

The percentages of each landfill's capacity used to date and the estimated remaining landfill lives in years are shown below:

<u>Landfill</u>	<u>Percent of capacity used</u>	<u>Remaining life</u>
Rangely	22.8%	0 years
Meeker (Wray Gulch)	39.0%	48 years

Expense recognition, for landfill closure and post closure costs, is further complicated by the Colorado State Health Department's requirements that the reserves be based upon time (20-year maximum amortization) rather than upon usage of landfill space as per Generally Accepted Accounting Principles (GAAP). The County continues to hold reserves in excess of recognized expenses per GAAP in order to insure compliance with the State of Colorado's statutes and regulations. The differences in calculations would require that \$1,828,586 (\$325,967 for Rangely, \$1,502,618 for Meeker) be held vs. the \$660,342 liability recognition that is required by GAAP for operating landfills. At the end of 2019, reserves are also held in the Solid Waste Landfill Fund in the amount of \$1,168,244 to insure adequate reserves for all closure/post-closure costs. By providing these reserves, Rio Blanco County has mostly eliminated the risks of not being financially prepared for unanticipated catastrophic losses.

Calculations of the estimated total current cost of closure/post-closure care applicable to each landfill are as follows:

	Meeker	Rangely
Final cover closure cost	\$ 731,117	\$ -
Post closure-care cost	771,502	325,967
Total closure and post closure costs	<u>\$ 1,502,618</u>	<u>\$ 325,967</u>

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

NOTE 9 - LONG-TERM LIABILITIES

The only long term debt Rio Blanco County had was from the accrual of compensated absences (vacation, sick, and comp time to be used at some future date) and the recognition of closure and post-closure costs for landfills.

		Balance		Balance
		1/1/2019	Changes	12/31/2019
Governmental activities				
	Compensated absences	\$ 513,744	\$ (25,694)	\$ 488,050
	Total governmental	513,744	(25,694)	488,050
Business type activities				
	Compensated absences	18,534	9,556	28,090
	Closure/post-closure costs	643,201	17,141	660,342
	Total business type	661,735	26,697	688,432
	Total long-term obligations	\$ 1,175,479	\$ 1,003	\$ 1,176,482

NOTE 10 – COMMITMENTS

The County entered into contractual agreements during the year with amounts outstanding at December 31, 2019 for the following projects: hazard mitigation plan \$1,575; Clerk recording/indexing project \$32,452; after hours broadband support (NOC) \$5,000; project THOR host agreement \$36,960; Jail health consulting service \$10,000; DHS attorney contract \$100,000; oil and gas appraisal of properties \$13,750; public health consulting pharmacist \$500; engineering for various road and bridge projects \$192,148. The completion of all of these projects/commitments is included in the 2020 budget.

NOTE 11 - RESERVATIONS OF FUND BALANCE

Reservations of fund balance either indicate that a portion of fund balance is legally segregated for a specific future use or indicate that a portion of fund balance is not available for appropriation.

Fund balances reserved for prepaid expenditures and inventories do not represent available resources, thus, they are considered non-spendable. For committed fund balances, the Board of County Commissioners is the decision-making authority, and the action required to commit funds or release committed funds is a resolution. For assigned fund balances, the Board of County Commissioners authorized by resolution the County Finance/Budget Director to designate funds for intended uses to be reviewed bi-annually (for the finalization of financial statements and budget). Also defined by resolution, in any case where there are various components of fund balance available to be spent for a specific purpose, the most restricted funds shall be spent first in the order of restricted, then committed, then assigned and unassigned last.

Fund balance reserved for emergencies represents a 3% legal restriction pursuant to Article X, Section 20 of the State Constitution (TABOR Amendment). This requirement applies to the majority of the funds to some extent, but the total is set aside in the General Fund for the sake of simplicity.

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

		Major Special Revenue Funds			
Fund balances:		General Fund	Road & Bridge Fund	Human Services Fund	Use Tax Fund
Nonspendable:					
	Inventory	\$ -	\$ 1,245,764	\$ -	\$ -
	Prepays	442,079	517,000	560	-
	Nonspendable	442,079	1,762,764	560	-
Restricted for:					
	General Purpose of Fund	-	-	-	-
	Emergencies	604,945	-	-	-
	Forest Service Title III Projects	-	144,806	-	-
	Capital Projects	-	-	-	-
	Grant Match Requirements	-	-	-	-
	Restricted	604,945	144,806	-	-
Committed to:					
	General Purpose of Fund	-	4,565,196	956,249	2,274,410
	Committed	-	4,565,196	956,249	2,274,410
Assigned to:					
	General Purpose of Fund	-	-	-	-
	Electric Sales Tax Grants	325,284	-	-	-
	Extension Program Activities	8,692			
	Incomplete Capital Projects	-	60,400	-	-
	Future Capital Projects	-	4,000,000	-	-
	Future Funding Stabilization	6,000,000			
	Projected Budget Deficit	2,909,898	766,005	254,103	75,506
	Assigned	9,243,874	4,826,405	254,103	75,506
Unassigned:		11,752,523	-	-	-
	Unassigned	11,752,523	-	-	-
	Total funds	\$ 22,043,420	\$ 11,299,171	\$ 1,210,912	\$ 2,349,916

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

		Major Capital Projects Funds		
		County Capital Improvement Trust Fund	Capital Improvement Plan Fund	Other Governmental Funds
Fund balances:				
	Nonspendable:			
	Inventory	\$ -	\$ -	\$ -
	Prepays	-	-	\$ -
	Nonspendable	-	-	-
Restricted for:				
	General Purpose of Fund	-	-	15,058
	Emergencies	-	-	100,000
	Forest Service Title III Projects	-	-	-
	Capital Projects	24,411,337	-	404,373
	Grant Match Requirements	-	4,264	-
	Restricted	24,411,337	4,264	519,432
Committed to:				
	General Purpose of Fund	-	-	148,774
	Committed	-	-	148,774
Assigned to:				
	General Purpose of Fund	-	98,169	40,434
	Electric Sales Tax Grants	-	-	-
	Extension Program Activities			
	Incomplete Capital Projects	-	-	-
	Future Capital Projects	-	120,000	-
	Future Funding Stabilization			
	Projected Budget Deficit	-	109,742	139,845
	Assigned	-	327,911	180,279
Unassigned:		-	-	-
	Unassigned	-	-	-
	Total funds	\$ 24,411,337	\$ 332,175	\$ 848,484

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

NOTE 12 - RETIREMENT PLAN

Rio Blanco County is a member employer of the Colorado County Officials and Employees Retirement Association (CCOERA). This association was formed by Colorado State Statute to provide retirement benefits to employees of Colorado local governments. CCOERA administers two different retirement plans a 401(a) Defined Contribution Plan and a 457 Deferred Compensation Plan.

Rio Blanco County provides pension benefits for all of its full-time employees and all regular part-time employees who work more than 20 hours per week through a defined contribution plan with the Colorado County Officials and Employees Retirement Association Retirement Plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate one year from the date of employment. Elected officials are eligible to participate immediately. Participation is mandatory for all eligible employees and for all elected officials. Both the County and the employee contribute 6% of the employee's monthly base salary to the plan. Employees may also make additional contributions up to a maximum of 10% of compensation.

The County's contribution for each employee (and interest allocated to the employee's account) is 100% vested after five years. If an elected official fails to become re-elected, they immediately become fully vested. Any non-vested County contributions forfeited by an employee who leaves the County's employment are remitted to the County. For the year ended December 31, 2019 the County's total payroll was \$7,798,061, the total payroll covered by the retirement plan was \$6,625,899 and the total contribution paid was \$795,108. The County's portion of the contribution was \$397,254 and the employee's portion was \$397,254. The County has no liability for losses under the plan.

NOTE 13 - POST EMPLOYMENT BENEFITS

The County provides no post-employment benefits to employees who retire from the County other than those mandated by the State and Federal governments. The "Consolidated Omnibus Budget Reconciliation Act of 1985" (COBRA), that is mandated by the Federal Government, requires that employers allow eligible employees the opportunity to purchase medical and dental insurance for various periods of time after their employment is discontinued. Rio Blanco County complies with the Federal Statutes.

NOTE 14 – COMPONENT UNIT TRANSACTIONS

The financial activity and balances of the Piceance Creek Pest Control District and the Lower White River Pest Control District are included as separate departments within the Weed and Pest Control Fund. The revenues, expenses, and ending fund balances for each is detailed on page E-16 of this report.

NOTE 15 - RELATED PARTY TRANSACTIONS

Due to the size of the County, certain related party transactions are unavoidable. During the year various amounts of goods and services were purchased from related parties, these include County Commissioners, elected officials and various department heads. The amounts are not considered to be material to these financial statements.

NOTE 16 – SUBSEQUENT EVENTS

Subsequent to December 31, 2019, and prior to publication of these financial statements, the County has entered into contractual agreements for the following significant amounts:

- Contract for dust control project \$345,224, contract for herbicide \$114,450, contract for CR 8 surface treatment \$1,909,945, contract for chip seal project \$909,260, contract for Lower White River Pest Control

Rio Blanco County, Colorado
Notes to Basic Financial Statements
December 31, 2019

District aerial spraying contract \$139,168; and contract for Piceance Creek Weed and Pest herbicide hand spraying bid \$200,000 (two contracts, each \$100,000).

- Awarded a grant for the CR73 White River Bridge Replacement project in the amount of \$1,200,000.
- Awarded a grant for the CR7 Bridge Replacement project in the amount of \$261,615.

NOTE 17 - BUDGET AMENDMENTS

During 2019 the County amended its budget. The following is a schedule of the changes to the original budget:

Fund	Original Budget	Amendment	Final Budget
General	\$ 12,724,178	\$ 292,560	\$ 13,016,738
Road and Bridge	9,497,371	-	9,497,371
Use Tax	857,872	17,000	874,872
County Capital Imp. Trust	223,923	-	223,923
Impact Fee Trust	1,264,080	375,725	1,639,805
Capital Expenditure	254,460	52,029	306,489
Capital Improvement Plan	1,687,841	223,100	1,910,941
Human Services	2,398,250	105,000	2,503,250
Public Health	451,214	(7,247)	443,967
Conservation Trust	12,971	-	12,971
Contingent	100,000	-	100,000
Solid Waste Landfill	866,118	-	866,118
Weed and Pest Control	781,327	-	781,327
Communications	1,144,032	-	1,144,032
Fairfield Complex	221,384	-	221,384
Central Services	248,561	10,155	258,716
Fleet Management	2,949,178	131,932	3,081,110
Total expenditures	<u>\$ 35,682,760</u>	<u>\$ 1,200,254</u>	<u>\$ 36,883,014</u>

NOTE 18 - TAX, SPENDING AND DEBT LIMITATIONS

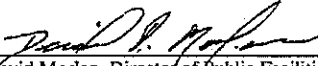
Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the amendment. However, the entity has made certain interpretations of the amendment's language in order to determine its compliance. The Amendment requires that emergency reserves be established. These reserves must be at least three percent of fiscal year spending. Emergency reserves at December 31, 2019 were \$604,945.

REQUIRED SUPPLEMENTARY INFORMATION

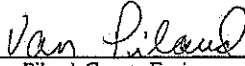
RIO BLANCO COUNTY, COLORADO
 REQUIRED SUPPLEMENTARY INFORMATION
 FOR GOVERNMENTS USING THE MODIFIED APPROACH
 Year Ended December 31, 2019

Eligible Asset	Life	Condition (scale of 1 to 10)											Last Assessment	Maintenance							Description of Repairs Needed	
	Placed in Service	Condition Assessed										Rating and/or comment		Actual Cost						2018		2019
		Average Daily Traffic (ADT)												Estimated Cost								
		12/31/11	12/31/12	12/31/13	12/31/14	12/31/15	12/31/16	12/31/17	12/31/18	12/31/19	Current Change			2011	2012	2013	2014	2015	2016			
Age of Asset (years)																						
County Road 5	2012	10	10	10	10	10	10	10	10	10	0	Constructed in 2012			\$0	\$0	\$0	\$0	\$0	\$23,229	\$0	None
Mile Post 10.75 - 11.71	7	970	970	970	970	441	441	372	372	0	Excellent			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
County Road 5 & 24	2012	10	10	10	10	10	10	10	10	10	0	Constructed in 2012								\$17,906	\$0	None
Mile Post 26.60 - 27.34	7	611	611	611	611	437	437	437	437	0	Excellent			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
County Road 5 (SP 7)	2015					10	10	10	10	10	0	Constructed in 2015								\$12,341	\$0	None
Mile Post 18.9 to 19.41	4					700	495	495	429	429	0	Excellent					\$0	\$0	\$0	\$0	\$0	
County Road 5 (SP 4)	2016						10	10	10	10	0	Constructed in 2016						\$0	\$0	\$6,049	\$0	None
Mile Post 15.2	3							467	467	467	0	Excellent							\$0	\$0	\$0	
County Road 5 & 3	2015					10	10	10	10	10	0	Constructed in 2015								\$19,600	\$0	None
Mile Post 17.31 to 18.12	4					700	436	436	371	371	0	Excellent					\$0	\$0	\$0	\$0	\$0	
County Road 5 & 20 (SP 17)	2015					10	10	10	10	10	0	Constructed in 2015								\$16,454	\$0	None
Mile Post 36.27-36.95	4					600	336	336	295	295	0	Excellent					\$0	\$0	\$0	\$0	\$0	
County Road 0	2016						10	10	10	10	0	Constructed in 2016										None
Bridge RIOB-000-00.01	3							153	153	153	0	Sufficiency 84.7 (very good)						\$0	\$0			
County Road 10	2015					10	10	10	10	10	0	Constructed in 2015										None
Bridge RIOB-010-07.27	4					67	50	50	50	50	0	New, excellent. Sufficiency Rating 94.3					\$0	\$0	\$0			
County Road 14	2004	10	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	0	Lonco Engineering in 2012										None
Bridge RIOB 014-00.23	15	15	23	23	23	23	27	27	26	26	0	Sufficiency 93.8 (Excellent)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
County Road 27	2011	10	9.5	9.5	9.5	9.5	9.5	9.5	9.5	9.5	0	Lonco Engineering in 2012										None
Bridge RIOB 027-00.20	8	50	75	75	75	75	153	153	133	133	0	Sufficiency 94.3 (Excellent)		\$0	\$0	\$0	\$0	\$0	\$0	\$0		
County Road 54	2003	8	8	8	8	8	8	8	8	8	0	Lonco Engineering in 2012	\$0	\$0	\$ 36,234	\$0	\$0	\$0	\$0	\$0		None
Bridge RIOB 054-00.06	16	66	116	116	116	116	98	98	79	79	0	Sufficiency 69.7 (Good)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
County Road 72	2014					10	10	10	10	10	0	Constructed in 2014					\$ 37,075					None
All 1.4 Miles to WGLF	5					100	100	34	34	34	0	New, excellent				\$0	\$0	\$0	\$0	\$0		

The Rio Blanco County Commissioners are responsible for determining the appropriate condition level at which infrastructure assets are to be maintained. They made the commitment to preserve and maintain eligible road and bridge assets at a level of 5 on a maintenance scale of 1 to 10, with 10 being very good condition. The Rio Blanco County Road & Bridge Department maintains an inventory of these assets and performs condition assessments to insure the specified condition level is being maintained.


 David Morlan, Director of Public Facilities


 Date


 Van Pilaud, County Engineer


 Date

RIO BLANCO COUNTY, COLORADO**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****Year Ended December 31, 2019**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 3,759,991	\$ 3,759,991	\$ 3,758,421	\$ (1,570)
Specific ownership taxes	150,656	150,656	153,628	2,972
Sales taxes	1,200,000	1,200,000	2,043,125	843,125
Other taxes	-	-	(5,633)	(5,633)
Intergovernmental	279,469	2,101,595	2,089,117	(12,478)
Licenses and permits	27,550	27,550	9,395	(18,155)
Charges for services	665,879	765,879	464,690	(301,189)
Interest earnings	640,000	640,000	818,403	178,403
Fees, fines and forfeits	1,857,030	1,857,030	1,721,227	(135,803)
Inter-fund charges	203,230	203,230	203,230	-
Private contributions	10,000	10,000	3,661	(6,339)
Miscellaneous	57,061	583,773	640,122	56,349
Total revenues	8,850,866	11,299,704	11,899,386	599,682
EXPENDITURES				
General government				
Assessor	626,036	626,036	569,348	56,688
Board of County Commissioners	1,950,976	1,831,228	568,488	1,262,740
C.D. Project Management	-	-	-	-
C.D. Economic Development	370,461	429,861	317,575	112,286
C.D. Natural Resources	133,362	133,362	129,312	4,050
C.D. Planning	107,180	107,180	57,817	49,363
Clerk and Recorder	569,848	695,381	575,110	120,271
County Attorney	206,871	206,871	157,089	49,782
County Surveyor	34,212	34,212	25,962	8,250
Financial	402,503	402,503	360,897	41,606
Human Resources	189,041	189,041	151,708	37,333
Information Management	588,856	595,056	518,478	76,578
Graphic Information Systems	172,373	172,373	165,445	6,928
Maintenance of Buildings	995,496	995,496	898,892	96,604
Treasurer	930,240	1,039,738	613,881	425,857
Total general government	7,277,455	7,458,338	5,110,002	2,348,336
Judicial and public safety				
Emergency Management	168,493	168,493	155,117	13,376
C.D. Building Inspection	334,443	334,443	227,737	106,706
Coroner	114,553	114,553	96,056	18,497
Dispatch	580,143	580,143	509,095	71,048
District Attorney	258,733	258,733	258,733	-
Jail	1,047,967	1,071,889	1,013,353	58,536
Sheriff	1,956,413	2,001,519	1,823,583	177,936
Total judicial and public safety	4,460,745	4,529,773	4,083,674	446,099
Health and welfare				
Extension	245,121	245,121	206,650	38,471
Extension Program Activities	24,200	24,200	2,698	21,502
Veteran Services	20,685	20,685	17,191	3,494
Total health and welfare	290,006	290,006	226,539	63,467
Intergovernmental				
Water Related Programs & Projects	207,628	250,276	244,604	5,672
Total intergovernmental	207,628	250,276	244,604	5,672

RIO BLANCO COUNTY, COLORADO**GENERAL FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****(Continued)****Year Ended December 31, 2019**

	Budgeted		Actual	Variance
	Original	Final		
Recreation and Culture				
County Fair	29,651	29,651	28,055	1,596
Meeker Fairgrounds	221,963	221,963	180,229	41,734
White River Museum	42,000	42,000	42,000	-
Total recreation and culture	293,614	293,614	250,284	43,330
Public Works				
Meeker Airport	95,441	95,441	71,791	23,650
Rangely Airport	99,289	99,289	79,792	19,497
Total public works	194,730	194,730	151,583	43,147
Total general fund expenditures	12,724,178	13,016,737	10,066,686	2,950,051
Excess (deficiency) of revenues over expenditures	(3,873,312)	(1,717,033)	1,832,700	3,549,733
OTHER FINANCING SOURCES/(USES)				
Transfers out	(25,000)	(207,029)	(207,029)	-
Total other financing sources/(uses)	(25,000)	(207,029)	(207,029)	-
Net change to fund balance	(3,898,312)	(1,924,062)	1,625,671	3,549,733
Fund balance, January 1	19,540,848	19,540,848	20,417,749	876,901
Fund balance, December 31	\$ 15,642,536	\$ 17,616,786	\$ 22,043,420	\$ 4,426,634

RIO BLANCO COUNTY, COLORADO**ROAD AND BRIDGE FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****Year Ended December 31, 2019**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 3,092,098	\$ 3,092,098	\$ 3,090,797	\$ (1,301)
Specific ownership taxes	123,895	123,895	126,478	2,583
Other taxes	-	-	(4,031)	(4,031)
Charges for services	6,250	6,250	50,863	44,613
Federal shared revenues	-	103,613	103,613	-
State shared revenues	3,130,608	3,602,657	3,797,555	194,898
Intergovernmental	1,542,510	2,742,510	1,240,400	(1,502,110)
Inter-fund charges	146,900	146,900	65,966	(80,934)
Licenses, permits, fees	80,000	80,000	102,705	22,705
Miscellaneous	3,199	3,199	3,788	589
Total revenues	8,125,460	9,901,122	8,578,134	(1,322,988)
EXPENDITURES				
Operations	6,212,944	6,212,944	-	6,212,944
Engineering	-	-	2,273	(2,273)
Construction	2,571,526	2,571,526	388,966	2,182,560
Maintenance of condition	-	-	4,555,117	(4,555,117)
Snow and ice removal	-	-	931,248	(931,248)
Traffic services	-	-	281,425	(281,425)
Administration	712,901	712,901	681,554	31,347
Total expenditures	9,497,371	9,497,371	6,840,583	2,656,788
Excess (deficiency) of revenues over expenditures	(1,371,911)	403,751	1,737,551	1,333,800
OTHER FINANCING SOURCES/(USES)				
Total other financing sources	-	-	-	-
Net change to fund balance	(1,371,911)	403,751	1,737,551	1,333,800
Fund balance, January 1	9,471,865	9,471,865	9,561,620	89,755
Fund balance, December 31	\$ 8,099,954	\$ 9,875,616	\$ 11,299,171	\$ 1,423,555

RIO BLANCO COUNTY, COLORADO
HUMAN SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 420,525	\$ 420,525	\$ 420,350	\$ (175)
Specific ownership taxes	16,850	16,850	17,525	675
Other taxes	-	-	(586)	(586)
Intergovernmental	1,925,400	2,030,400	2,228,929	198,529
Total revenues	2,362,775	2,467,775	2,666,218	198,443
EXPENDITURES				
Health and welfare	2,398,250	2,503,250	2,442,717	60,533
Total expenditures	2,398,250	2,503,250	2,442,717	60,533
Net change to fund balance	(35,475)	(35,475)	223,501	258,976
Fund balance, January 1	867,751	867,751	987,412	119,661
Fund balance, December 31	\$ 832,276	\$ 832,276	\$ 1,210,913	\$ 378,637

RIO BLANCO COUNTY, COLORADO**USE TAX FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****Year Ended December 31, 2019**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges/donations for services	\$ 36,500	\$ 36,500	\$ 39,729	\$ 3,229
Intergovernmental	68,000	85,000	111,381	26,381
Use taxes	600,000	600,000	1,074,654	474,654
Total revenues	704,500	721,500	1,225,764	504,264
EXPENDITURES				
General Government	121,030	121,030	119,455	1,575
Intergovernmental	126,800	126,800	123,863	2,937
Public health and welfare	467,576	484,576	479,021	5,555
Public works	-	-	-	-
Recreation and culture	142,466	142,466	137,942	4,524
Total expenditures	857,872	874,872	860,281	14,591
Excess (deficiency) of revenues over expenditures	(153,372)	(153,372)	365,483	518,855
OTHER FINANCING SOURCES/(USES)				
Transfers out	(275,000)	(275,000)	(275,000)	-
Total other financing sources/(uses)	(275,000)	(275,000)	(275,000)	-
Net change to fund balance	(428,372)	(428,372)	90,483	518,855
Fund balance, January 1	2,189,493	2,189,493	2,259,433	69,940
Fund balance, December 31	\$ 1,761,121	\$ 1,761,121	\$ 2,349,916	\$ 588,795

RIO BLANCO COUNTY, COLORADO
COUNTY CAPITAL IMPROVEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted				Actual	Variance		
	Original		Final					
REVENUES								
Interest earnings	\$	355,155	\$	355,155	\$	426,480	\$	71,325
Amortized Discounts/(Premiums)		(1,858)		(1,858)		30,937		32,795
Change in fair value of investments		-		-		241,106		241,106
Total revenues		353,297		353,297		698,523		345,226
EXPENSES								
Administration and fees		800		800		743		57
Intergovernmental		223,123		223,123		220,136		2,987
Total expenditures		223,923		223,923		220,879		3,044
Excess (deficiency) of revenues over expenditures		129,374		129,374		477,644		348,270
OTHER FINANCING SOURCES/(USES)								
Total other financing sources/(uses)		-		-		-		-
Net change to fund balance		129,374		129,374		477,644		348,270
Fund balance, January 1		23,876,618		23,876,618		23,933,693		57,075
Fund balance, December 31	\$	24,005,992	\$	24,005,992	\$	24,411,337	\$	405,345

RIO BLANCO COUNTY, COLORADO
CAPITAL IMPROVEMENT PLAN FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted				Actual	Variance		
	Original		Final					
REVENUES								
Intergovernmental	\$	801,489	\$	894,589	\$	716,868	\$	(177,721)
Total revenues		801,489		894,589		716,868		(177,721)
EXPENDITURES								
Treasury fees		32,664		32,664		4,608		28,056
Contingency		30,500		17,000		-		17,000
Facility Management Projects		-		130,000		71,540		58,460
Broadband Improvement/Expansion		1,020,431		1,020,431		1,019,900		531
Rangely Airport Projects		-		98,000		19,255		78,745
Meeker Airport Projects		299,245		294,345		117,277		177,068
Columbine Park		305,000		305,000		189,168		115,832
Fairfield Complex Remodeling		-		13,500		13,413		87
Total expenditures		1,687,840		1,910,940		1,435,161		475,779
Excess (deficiency) of revenues over expenditures		(886,351)		(1,016,351)		(718,293)		298,058
OTHER FINANCING SOURCES/(USES)								
Transfers in		105,000		235,000		235,000		-
Total other financing sources/(uses)		105,000		235,000		235,000		-
Net change to fund balance		(781,351)		(781,351)		(483,293)		298,058
Fund balance, January 1		812,847		812,847		815,468		2,621
Fund balance, December 31	\$	31,496	\$	31,496	\$	332,175	\$	300,679

OTHER SUPPLEMENTARY INFORMATION

RIO BLANCO COUNTY, COLORADO
EXPLANATION OF NON-MAJOR FUNDS

Year Ended December 31, 2019

Governmental Funds - Special Revenue

The *Capital Expenditure Fund* accounts for annual expenditures, exceeding \$5,000, for long-lived additions or betterments, which are not chargeable as an expenditure of operations and maintenance.

The *Impact Fee Trust Fund* accounts for the collection and spending of impact fees. Impact fees were established to require new development to pay a reasonable, fair, and equitable share of the growth related costs incurred by the County.

The *Public Health Agency Fund* accounts for activities and programs related to public health in Rio Blanco County. Primary sources of funds are property taxes, federal/state grants, charges, and fees.

The *Conservation Trust Fund* accounts for funds received from Colorado Lottery proceeds.

The *Contingent Fund* accounts for the funds the County would use to cover unforeseen contingencies.

Proprietary Funds Enterprise Funds

The *Weed and Pest Control Fund* accounts for the County's weed and pest control programs, cost sharing sales of herbicides to County landowners and to control programs established by Federal, State and local organizations. The *Piceance Creek Pest Control District* and the *Lower White River Pest Control District* are included within this fund.

The *Fairfield Complex Fund* accounts for Meeker's community center which provides a location for the senior nutrition program, meeting rooms and a large hall/kitchen for public use and community activities as well as senior housing. The community center also rents space to the County government for administrative offices.

Proprietary Funds - Internal Service Funds

The *Central Services Fund* accounts for all county wide charges, such as insurances, audit fees, and internet access.

The *Fleet Management Fund* accounts for the County's vehicles and heavy equipment.

RIO BLANCO COUNTY, COLORADO
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
December 31, 2019

	Non-Major Cap Project Fund	Non-Major Special Revenue Funds				Total Nonmajor Governmental Funds
	Capital Expenditure Fund	Impact Fee Trust Fund	Public Health Fund	Conservation Trust Fund	Contingent Fund	
ASSETS						
Cash and cash equivalents	\$ 33,489	\$ 155,040	\$ 274,560	\$ 15,058	\$ 100,000	\$ 578,147
Taxes receivable	348,298	-	95,782	-	-	444,080
Due from other governmental units	26	271,198	32,680	-	-	303,904
Other receivables	-	575	866	-	-	1,441
Total assets	\$ 381,813	\$ 426,813	\$ 403,888	\$ 15,058	\$ 100,000	\$ 1,327,572
LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 22,440	\$ 4,151	\$ -	\$ -	\$ 26,591
Total liabilities	-	22,440	4,151	-	-	26,591
Deferred inflow of resources:						
Unavailable property taxes	348,298	-	104,199	-	-	452,497
Total deferred inflow of resources	348,298	-	104,199	-	-	452,497
Fund balances:						
Nonspendable	-	-	-	-	-	-
Restricted	-	404,373	-	15,058	100,000	519,431
Committed	-	-	148,774	-	-	148,774
Assigned	33,515	-	146,764	-	-	180,279
Unassigned	-	-	-	-	-	-
Total fund balance	33,515	404,373	295,538	15,058	100,000	848,484
Total liabilities, deferred inflows and fund balances	\$ 381,813	\$ 426,813	\$ 403,888	\$ 15,058	\$ 100,000	\$ 1,327,572

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2019

	Non-Major Cap Project Fund		Non-Major Special Revenue Funds				Total Nonmajor Governmental Funds
	Capital Expenditure Fund	Impact Fee Trust Fund	Public Health Fund	Conservation Trust Fund	Contingent Fund		
REVENUES							
Property taxes	\$ 24,726	\$ -	\$ 164,843	\$ -	\$ -		\$ 189,569
Specific ownership taxes	164	-	6,730	-	-		6,894
Other taxes	(255)	-	(239)	-	-		(494)
Intergovernmental	-	-	130,060	10,866	-		140,926
Licenses and permits	-	356,940	14,051	-	-		370,991
Charges for service	-	-	4,066	-	-		4,066
Interest earnings	-	24,723	-	41	-		24,764
Miscellaneous	-	-	30,414	-	-		30,414
Total revenues	24,635	381,663	349,925	10,907	-		767,130
EXPENDITURES							
Current:							
General government	7,228	1,129	-	-	-		8,357
Health and welfare	-	-	345,819	-	-		345,819
Recreation	14,130	-	-	-	-		14,130
Public Works	82,895	652,860	-	-	-		735,755
Capital outlay	196,525	748,612	-	-	-		945,137
Total expenditures	300,778	1,402,601	345,819	-	-		2,049,198
Excess (deficiency) of revenues over expenditures	(276,143)	(1,020,938)	4,106	10,907	-		(1,282,068)
OTHER FINANCING SOURCES/(USES)							
Transfers in	52,029	-	-	-	-		52,029
Total other financing sources/(uses)	52,029	-	-	-	-		52,029
Net change to fund balance	(224,114)	(1,020,938)	4,106	10,907	-		(1,230,039)
Fund balance, January 1	257,629	1,425,311	291,432	4,151	100,000		2,078,523
Fund balance, December 31	\$ 33,515	\$ 404,373	\$ 295,538	\$ 15,058	\$ 100,000		\$ 848,484

RIO BLANCO COUNTY, COLORADO
CAPITAL EXPENDITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted			
	Original	Final	Actual	Variance
REVENUES				
Property taxes	\$ 24,737	\$ 24,737	\$ 24,726	\$ (11)
Specific ownership taxes	991	991	164	(827)
Other taxes	-	-	(255)	(255)
Total revenues	25,728	25,728	24,635	(1,093)
EXPENDITURES				
Treasury fees	1,286	1,287	1,255	32
Central Service Charges	5,974	5,973	5,973	-
Contingency	22,473	73	-	73
General government:				
Surveyor/GIS	35,000	35,000	34,300	700
Maintenance	17,678	59,707	55,229	4,478
Information Systems	125,899	119,499	119,482	17
Judicial and public safety:				
Sheriff	17,000	13,300	13,300	-
Public works:				
Rangely Airport	-	45,500	45,147	353
Recreation and culture:				
Columbine Park	29,150	26,150	26,092	58
Total expenditures	254,460	306,489	300,778	5,711
Excess (deficiency) of revenues over expenditures	(228,732)	(280,761)	(276,143)	4,618
OTHER FINANCING SOURCES/(USES)				
Transfers in	-	52,029	52,029	-
Total other financing sources/(uses)	-	52,029	52,029	-
Net change to fund balance	(228,732)	(228,732)	(224,114)	4,618
Fund balance, January 1	252,460	252,460	257,629	5,169
Fund balance, December 31	\$ 23,728	\$ 23,728	\$ 33,515	\$ 9,787

RIO BLANCO COUNTY, COLORADO**IMPACT FEE TRUST FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE****BUDGET AND ACTUAL****Year Ended December 31, 2019**

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interest earnings	10,000	10,000	24,723	14,723
Grants	-	375,725	356,940	(18,785)
Total revenues	10,000	385,725	381,663	(4,062)
EXPENDITURES				
Road & Bridge Capital Projects	621,673	985,945	748,612	237,333
Refunds	641,407	652,860	652,860	-
Treasury fees	1,000	1,000	1,129	(129)
Total expenditures	1,264,080	1,639,805	1,402,601	237,204
Excess (deficiency) of revenues over expenditures	(1,254,080)	(1,254,080)	(1,020,938)	233,142
OTHER FINANCING SOURCES/(USES)				
Total other financing sources/(uses)	-	-	-	-
Net change to fund balance	(1,254,080)	(1,254,080)	(1,020,938)	233,142
Fund balance, January 1	1,422,405	1,422,405	1,425,311	2,906
Fund balance, December 31	\$ 168,325	\$ 168,325	\$ 404,373	\$ 236,048

RIO BLANCO COUNTY, COLORADO
PUBLIC HEALTH AGENCY FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 164,912	\$ 164,912	\$ 164,843	\$ (69)
Specific ownership taxes	6,608	6,608	6,730	122
Other taxes	-	-	(239)	(239)
Intergovernmental	126,317	111,374	130,060	18,686
Licenses and permits	12,000	12,000	14,051	2,051
Charges for service	4,000	4,000	4,066	66
Miscellaneous	18,000	18,000	30,414	12,414
Total revenues	331,837	316,894	349,925	33,031
EXPENDITURES				
Health and welfare	451,215	443,968	345,819	98,149
Total expenditures	451,215	443,968	345,819	98,149
Excess (deficiency) of revenues over expenditures	(119,378)	(127,074)	4,106	131,180
OTHER FINANCING SOURCES/(USES)				
Total other financing sources/(uses)	-	-	-	-
Net change to fund balance	(119,378)	(127,074)	4,106	131,180
Fund balance, January 1	279,765	279,765	291,432	11,667
Fund balance, December 31	\$ 160,387	\$ 152,691	\$ 295,538	\$ 142,847

RIO BLANCO COUNTY, COLORADO
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Intergovernmental	\$ 9,100	\$ 9,100	\$ 10,866	\$ 1,766
Interest earnings	10	10	41	31
Total revenues	9,110	9,110	10,907	1,797
EXPENDITURES				
Recreation	12,971	12,971	-	12,971
Total expenditures	12,971	12,971	-	12,971
Net change to fund balance	(3,861)	(3,861)	10,907	14,768
Fund balance, January 1	3,861	3,861	4,151	290
Fund balance, December 31	\$ -	\$ -	\$ 15,058	\$ 15,058

RIO BLANCO COUNTY, COLORADO

CONTINGENT FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

BUDGET AND ACTUAL

Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	100,000	100,000	-	100,000
Net change to fund balance	(100,000)	(100,000)	-	100,000
Fund balance, January 1	100,000	100,000	100,000	-
Fund balance, December 31	\$ -	\$ -	\$ 100,000	\$ 100,000

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
December 31, 2019

	Weed and Pest Communications		Fairfield	Total
	Control	Fund	Complex	Non-major
	Fund		Fund	Enterprise
				Funds
ASSETS				
Current Assets:				
Cash and cash equivalents	\$ 671,677	\$ 846,009	\$ 342,302	\$ 1,859,988
Taxes receivable	272,291	-	-	272,291
Due from other governmental units	286	-	-	286
Other receivables	-	93,418	180	93,598
Inventories	46,610	-	-	46,610
Total current assets	990,864	939,427	342,482	2,272,773
Noncurrent assets:				
Capital assets:				
Land	-	-	270,210	270,210
Buildings and equipment, net	35,599	-	2,354,034	2,389,633
Total noncurrent assets	35,599	-	2,624,244	2,659,843
Total assets	1,026,463	939,427	2,966,726	4,932,616
LIABILITIES				
Current liabilities:				
Accounts payable	5,460	14,361	458	20,279
Total current liabilities	5,460	14,361	458	20,279
Noncurrent liabilities:				
Compensated absences	2,749	13,772	6,453	22,974
Closure and post-closure care	-	-	-	-
Total noncurrent liabilities	2,749	13,772	6,453	22,974
Total liabilities	8,209	28,133	6,911	43,253
DEFERRED INFLOW OF RESOURCES				
Unavailable property tax	272,291	-	-	272,291
Total deferred inflows of resources	272,291	-	-	272,291
NET POSITION				
Invested in capital assets	35,598	-	2,624,245	2,659,843
Restricted for closure & post-closure care	-	-	-	-
Unrestricted (deficit)	710,365	911,294	335,570	1,957,229
Total net position	\$ 745,963	\$ 911,294	\$ 2,959,815	\$ 4,617,072

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NON-MAJOR ENTERPRISE FUNDS
Year Ended December 31, 2019

	Weed and Pest Communications		Fairfield	Total
	Control	Fund	Complex	Non-major
	Fund	Fund	Fund	Enterprise
				Funds
Operating revenues:				
Property taxes	\$ 271,608	\$ -	\$ -	\$ 271,608
Specific ownership taxes	10,320	-	-	10,320
Other taxes	(1,746)	-	-	(1,746)
Charges for services	47,470	649,256	4,607	701,333
Private contributions	-	-	30,000	30,000
Intergovernmental revenues	10,000	-	-	10,000
Interdepartmental fees	35,177	-	76,636	111,813
Miscellaneous operating	196	-	-	196
Total operating revenues	373,025	649,256	111,243	1,133,524
Operating expenses:				
Salaries and wages	80,830	166,398	63,118	310,346
Employee benefits	26,995	75,244	42,715	144,954
Supplies	53,675	41,558	15,191	110,424
Chemicals	85,292	-	-	85,292
Purchased services	302,537	231,712	13,316	547,565
Utilities	-	-	37,713	37,713
Interdepartmental charges	36,511	17,761	14,566	68,838
Depreciation	2,352	-	108,984	111,336
Other	1,343	-	-	1,343
Total operating expenses	589,535	532,673	295,603	1,417,811
Operating income/(loss)	(216,510)	116,583	(184,360)	(284,287)
Nonoperating revenues/(expenses):				
Total nonoperating revenues/(expenses)	-	-	-	-
Income/(loss) before transfers in/(out)	(216,510)	116,583	(184,360)	(284,287)
Transfers in/(out)	125,000	10,000	60,000	195,000
Change in net position	(91,510)	126,583	(124,360)	(89,287)
Total net position, January 1	837,473	784,711	3,084,175	4,706,359
Total net position, December 31	\$ 745,963	\$ 911,294	\$ 2,959,815	\$ 4,617,072

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
Year Ended December 31, 2019

	Weed and Pest Communications Control Fund	Fund	Fairfield Complex Fund	Total Non-major Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from external customers	\$ 337,848	\$ 624,154	\$ 35,010	\$ 997,012
Cash received from internal customers	35,039	-	76,636	111,675
Cash payments to external suppliers for goods and services	(452,891)	(259,932)	(66,421)	(779,244)
Cash payments to internal suppliers for goods and services	(36,511)	(17,761)	(14,566)	(68,838)
Cash payments to employees for services	(108,140)	(234,384)	(105,763)	(448,287)
Net cash provided/(used) by operating activities	(224,655)	112,077	(75,104)	(187,682)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from/(to) other funds	125,000	10,000	60,000	195,000
Net cash provided by noncapital financing activities	125,000	10,000	60,000	195,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Net cash provided by capital and related financing activities	-	-	-	-
CASH FLOWS FROM INVESTING ACTIVITIES				
Net increase/(decrease) in cash and equivalents	(99,655)	122,077	(15,104)	7,318
Cash balances, January 1	771,332	723,932	357,405	1,852,669
Cash balances, December 31	\$ 671,677	\$ 846,009	\$ 342,301	\$ 1,859,987

**Reconciling of operating income/(loss) to net cash
provided/(used) by operating activities:**

Operating income/(loss)	\$ (216,510)	\$ 116,583	\$ (184,360)	\$ (284,287)
Adjustments to reconcile operating income/(loss) to net cash provided/(used) by operating activities:				
Depreciation expense	2,352	-	108,984	111,336
Assets (increase)/decrease:				
Other receivables	-	(25,102)	403	(24,699)
Due from other governments	(138)	-	-	(138)
Inventories	(15,504)	-	-	(15,504)
Liabilities increase/(decrease):				
Accounts payable	5,460	13,338	(201)	18,597
Accrued compensated absences	(315)	7,258	70	7,013
Total Adjustments	(8,145)	(4,506)	109,256	96,605
Net cash provided/(used) by operating activities	\$ (224,655)	\$ 112,077	\$ (75,104)	\$ (187,682)

RIO BLANCO COUNTY, COLORADO
SOLID WASTE LANDFILL FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for sales and services	\$ 303,498	\$ 303,498	\$ 503,764	\$ 200,266
Interdepartmental fees	12,000	12,000	12,000	-
Miscellaneous	4,000	4,000	2,811	(1,189)
Total revenues	319,498	319,498	518,575	199,077
EXPENSES				
Salaries and wages	174,863	174,863	177,378	(2,515)
Employee benefits	100,849	100,849	82,109	18,740
Supplies	25,000	25,000	12,265	12,735
Purchased services	81,100	81,100	58,926	22,174
Special dues, permits and fees	8,000	8,000	14,209	(6,209)
Closure and post-closure costs	220,000	220,000	44,436	175,564
Utilities	8,000	8,000	5,896	2,104
Interdepartmental charges	240,706	240,706	174,545	66,161
Total operating expenses	858,518	858,518	569,764	288,754
Capital outlay	7,600	7,600	7,550	50
Total expenses	866,118	866,118	577,314	288,804
Income/(loss) before other financing sources/(uses)	(546,620)	(546,620)	(58,739)	487,881
TRANSFERS AND CONTRIBUTED CAPITAL				
Total other financing sources/(uses)	-	-	-	-
Net income/(loss)	\$ (546,620)	\$ (546,620)	(58,739)	\$ 487,881

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Capital purchased by this fund	7,550
Capital contributed to another fund from this fund	(7,550)
Capital contributed to this fund by another fund	-
Depreciation (not budgeted)	(172,286)
Total adjustments to basis	(172,286)
Net change in fund equity	(231,025)
Fund equity, January 1	6,042,720
Fund equity, December 31	\$ 5,811,695

RIO BLANCO COUNTY, COLORADO
WEED AND PEST CONTROL FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Property taxes	\$ 271,617	\$ 271,617	\$ 271,608	\$ (9)
Specific ownership taxes	8,400	8,400	10,320	1,920
Other taxes	-	-	(1,746)	(1,746)
Charges for sales and services	55,000	55,000	47,470	(7,530)
Intergovernmental revenues	40,000	40,000	10,000	(30,000)
Interdepartmental charges	44,450	44,450	35,177	(9,273)
Miscellaneous	-	-	196	196
Total revenues	419,467	419,467	373,025	(46,442)
EXPENSES				
Salaries and Wages	91,760	91,760	80,830	10,930
Employee benefits	26,164	26,164	26,995	(831)
Supplies	65,000	65,000	53,675	11,325
Chemicals	144,000	144,000	85,292	58,708
Purchased services	410,005	410,005	302,537	107,468
Interdepartmental charges	42,798	42,798	36,511	6,287
Other	1,600	1,600	1,343	257
Total operating expenses	781,327	781,327	587,183	194,144
Total expenses	781,327	781,327	587,183	194,144
Income/(loss) before other financing sources/(uses)	(361,860)	(361,860)	(214,158)	147,702
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers in	125,000	125,000	125,000	-
Total other financing sources/(uses)	125,000	125,000	125,000	-
Net income/(loss)	\$ (236,860)	\$ (236,860)	(89,158)	\$ 147,702

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Depreciation (not budgeted)	(2,352)
Total adjustments to basis	(2,352)
Net change in fund equity	(91,510)
Fund equity, January 1	837,473
Fund equity, December 31	\$ 745,963

The above includes all county-wide efforts and the efforts of two pest control districts in accordance with Title 35 Agriculture, Article 5 Pest Control Districts. C.R.S. 35-5-111(2) states, "moneys derived from a particular district shall be used only in that district, and moneys derived on a county-wide basis shall be used for the whole county". The segregation of these funds is being tracked in separate departments within this fund.

	County-wide	Piceance Creek Pest Control Dist.	Lower White River Pest Control Dist.	Total
Fund equity, January 1	\$ 270,927	\$ 491,772	\$ 74,774	\$ 837,473
Total revenues	217,648	186,253	94,124	498,025
Total expenses	(224,216)	(267,296)	(98,023)	(589,535)
Fund equity, December 31	\$ 264,359	\$ 410,729	\$ 70,875	\$ 745,963

RIO BLANCO COUNTY, COLORADO
COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2019

		Budgeted			
		Original	Final	Actual	Variance
REVENUES					
Charges for sales and services	\$	568,664	\$ 568,664	\$ 649,256	\$ 80,592
Total revenues		568,664	568,664	649,256	80,592
EXPENSES					
Salaries and wages		159,141	159,141	166,398	(7,257)
Employee benefits		60,624	60,624	75,244	(14,620)
Supplies		30,000	30,000	41,558	(11,558)
Purchased services		310,730	310,730	231,712	79,018
Interdepartmental charges		30,043	30,043	17,761	12,282
Total operating expenses		590,538	590,538	532,673	57,865
Capital outlay		553,494	553,494	-	553,494
Total expenses		1,144,032	1,144,032	532,673	611,359
Income/(loss) before other financing sources/(uses)		(575,368)	(575,368)	116,583	691,951
TRANSFERS AND CONTRIBUTED CAPITAL					
Transfers in		10,000	10,000	10,000	-
Total other financing sources/(uses)		10,000	10,000	10,000	-
Net income/(loss)	\$	(565,368)	\$ (565,368)	126,583	\$ 691,951

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Net change in fund equity	126,583
Fund equity, January 1	784,711
Fund equity, December 31	<u>\$ 911,294</u>

RIO BLANCO COUNTY, COLORADO
FAIRFIELD COMPLEX FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Charges for sales and services	\$ 5,000	\$ 5,000	\$ 4,607	\$ (393)
Private contributions	30,000	30,000	30,000	-
Interdepartmental charges	76,636	76,636	76,636	-
Total revenues	111,636	111,636	111,243	(393)
EXPENSES				
Salaries and wages	70,492	70,492	63,118	7,374
Employee benefits	51,218	51,218	42,715	8,503
Supplies	23,000	23,000	15,191	7,809
Purchased services	17,647	17,647	13,316	4,331
Utilites	37,800	37,800	37,713	87
Repairs and maintenance	5,000	5,000	-	5,000
Interdepartmental charges	16,227	16,227	14,566	1,661
Total operating expenses	221,384	221,384	186,619	34,765
Total expenses	221,384	221,384	186,619	34,765
Income/(loss) before other financing sources/(uses)	(109,748)	(109,748)	(75,376)	34,372
TRANSFERS AND CONTRIBUTED CAPITAL				
Transfers in	60,000	60,000	60,000	-
Total other financing sources/(uses)	60,000	60,000	60,000	-
Net income/(loss)	\$ (49,748)	\$ (49,748)	(15,376)	\$ 34,372

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Depreciation (not budgeted)	(108,984)
Total adjustments to basis	(108,984)
Net change in fund equity	(124,360)
Fund equity, January 1	3,084,175
Fund equity, December 31	\$ 2,959,815

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
December 31, 2019

	Central Service Fund	Fleet Management Fund	Total Internal Service Funds
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 95,886	\$ 3,093,658	\$ 3,189,544
Other receivables	55	5,644	5,699
Inventories	-	301,243	301,243
Prepays and deposits	1,000	-	1,000
Total current assets	96,941	3,400,545	3,497,486
Noncurrent assets:			
Capital assets:			
Buildings and equipment, net	34,349	4,347,914	4,382,263
Total noncurrent assets	34,349	4,347,914	4,382,263
Total assets	131,290	7,748,459	7,879,749
LIABILITIES			
Current liabilities:			
Accounts payable	699	1,632	2,331
Total current liabilities	699	1,632	2,331
Noncurrent liabilities:			
Compensated absences	-	48,631	48,631
Total noncurrent liabilities	-	48,631	48,631
Total liabilities	699	50,263	50,962
NET POSITION			
Invested in capital assets	34,349	4,347,914	4,382,263
Unrestricted	96,242	3,350,282	3,446,524
Total net position	\$ 130,591	\$ 7,698,196	\$ 7,828,787

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year Ended December 31, 2019

	Central Service Fund	Fleet Management Fund	Total Internal Service Funds
Operating revenues:			
Charges for services-internal	\$ 195,513	\$ 2,399,564	\$ 2,595,077
Charges for services-external	410	70,922	71,332
Miscellaneous operating	-	137,633	137,633
Total operating revenues	195,923	2,608,119	2,804,042
Operating expenses:			
Salaries and wages	-	385,337	385,337
Employee benefits	-	189,777	189,777
Supplies	9,211	743,471	752,682
Purchased services	34,563	18,301	52,864
Rent	923	-	923
Utilities	-	11,291	11,291
Repairs and maintenance	525	40,662	41,187
Insurance and claims	189,974	-	189,974
Interdepartmental charges	-	152,918	152,918
Depreciation	7,759	951,855	959,614
Total operating expenses	242,955	2,493,612	2,736,567
Operating income/(loss)	(47,032)	114,507	67,475
Nonoperating revenues:			
Gain/(loss) on disposition of assets and inventory	-	43,284	43,284
Capital contributions	-	53,150	53,150
Total nonoperating revenues/(expenses)	-	96,434	96,434
Income/(loss) before contributions and transfers in/(out)	(47,032)	210,941	163,909
Transfers in/(out)	-	-	-
Change in net position	(47,032)	210,941	163,909
Total net position, January 1	177,623	7,487,255	7,664,878
Total net position, December 31	\$ 130,591	\$ 7,698,196	\$ 7,828,787

RIO BLANCO COUNTY, COLORADO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year Ended December 31, 2019

	Central Service Fund	Fleet Management Fund	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from external customers	\$ (42)	\$ 74,252	\$ 74,210
Cash received from internal customers	195,923	2,537,197	2,733,120
Cash payments to external suppliers for goods and services	(234,497)	(798,898)	(1,033,395)
Cash payments to internal suppliers for goods and services	-	(152,918)	(152,918)
Cash payments to employees for services	-	(567,262)	(567,262)
Net cash provided/(used) by operating activities	(38,616)	1,092,371	1,053,755
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from/(to) other funds	-	-	-
Net cash provided by noncapital financing activities	-	-	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of fixed assets	(15,756)	(1,143,369)	(1,159,125)
Proceeds from disposal of assets and reimbursements	-	201,567	201,567
Net cash (used) by capital and related financing activities	(15,756)	(941,802)	(957,558)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest on investments	-	-	-
Net increase/(decrease) in cash and equivalents	(54,372)	150,569	96,197
Cash balances, January 1	150,258	2,943,089	3,093,347
Cash balances, December 31	\$ 95,886	\$ 3,093,658	\$ 3,189,544

**Reconciling of operating income to net cash
provided/(used) by operating activities:**

Operating income/(loss)	\$ (47,032)	\$ 114,507	\$ 67,475
Adjustments to reconcile operating income/(loss) to net cash provided/(used) by operating activities:			
Depreciation expense	7,759	951,855	959,614
Assets (increase)/decrease:			
Other receivables	(42)	3,330	3,288
Inventories	-	23,720	23,720
Prepays and deposits	-	451	451
Liabilities increase/(decrease):			
Accounts payable	699	(9,344)	(8,645)
Accrued compensated absences	-	7,852	7,852
Total Adjustments	8,416	977,864	986,280
Net cash provided/(used) by operating activities	\$ (38,616)	\$ 1,092,371	\$ 1,053,755

RIO BLANCO COUNTY, COLORADO
CENTRAL SERVICES FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interfund Charges	\$ 185,297	\$ 195,452	\$ 195,513	\$ 61
Charges for sales and services	1,000	1,000	410	(590)
Total revenues	186,297	196,452	195,923	(529)
EXPENSES				
Supplies	15,792	15,792	9,211	6,581
Contracted services	13,771	13,771	13,159	612
Audit services	21,000	21,000	21,000	-
Rent	1,119	1,119	923	196
Repairs and maintenance	602	602	525	77
Pass thru costs	1,000	1,000	404	596
Insurance	185,276	185,276	189,974	(4,698)
Total operating expenses	238,560	238,560	235,196	3,364
Capital outlay	10,000	20,155	-	20,155
Total expenses	248,560	258,715	235,196	23,519
Income/(loss) before other financing sources/(uses)	(62,263)	(62,263)	(39,273)	22,990
TRANSFERS AND CONTRIBUTED CAPITAL				
Total other financing sources/(uses)	-	-	-	-
Net income/(loss)	\$ (62,263)	\$ (62,263)	(39,273)	\$ 22,990

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Depreciation (not budgeted)	(7,759)
Total adjustments to basis	(7,759)
Net change in fund equity	(47,032)
Fund equity, January 1	177,623
Fund equity, December 31	\$ 130,591

RIO BLANCO COUNTY, COLORADO
FLEET MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND EQUITY
BUDGET AND ACTUAL
Year Ended December 31, 2019

	Budgeted		Actual	Variance
	Original	Final		
REVENUES				
Interdepartmental fees	\$ 2,408,838	\$ 2,408,838	\$ 2,399,564	\$ (9,274)
Charges for sales and services	65,000	65,000	70,922	5,922
Miscellaneous	10,000	141,932	137,633	(4,299)
Total revenues	2,483,838	2,615,770	2,608,119	(7,651)
EXPENSES				
Salaries and wages	375,232	375,232	385,337	(10,105)
Employee benefits	194,568	194,568	189,777	4,791
Supplies	889,700	889,700	743,471	146,229
Purchased services	31,399	35,039	18,301	16,738
Utilities	11,190	11,190	11,291	(101)
Repairs and maintenance	35,000	40,593	40,662	(69)
Interdepartmental charges	151,089	151,089	152,918	(1,829)
Total operating expenses	1,688,178	1,697,411	1,541,757	155,654
Capital outlay	1,261,000	1,383,699	1,041,802	341,897
Total expenses	2,949,178	3,081,110	2,583,559	497,551
Income/(loss) before other financing sources/(uses)	(465,340)	(465,340)	24,560	489,900
TRANSFERS AND CONTRIBUTED CAPITAL				
Gain/(loss) on assets	-	-	43,284	43,284
Total other financing sources/(uses)	-	-	43,284	43,284
Net income/(loss)	\$ (465,340)	\$ (465,340)	67,844	\$ 533,184

Adjustments to Reconcile Budgetary Basis to GAAP Basis - Adjustment for:

Capital purchased by this fund	1,041,802
Depreciation (not budgeted)	(951,855)
Total adjustments to basis	143,097
Net change in fund equity	210,941
Fund equity, January 1	7,487,255
Fund equity, December 31	\$ 7,698,196

ADDITIONAL REPORTS

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		Rio Blanco County
		YEAR ENDING :
This Information From The Records Of (example - City of _ or County of _)		December 2019
Prepared By:	Janae Stanworth, Finance/Budget Director	
Phone:	(970) 878-9442	

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)	3,315,949
4. Miscellaneous local receipts (from page 2)	120,616
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)	3,436,565
B. Private Contributions	
C. Receipts from State government (from page 2)	3,797,555
D. Receipts from Federal Government (from page 2)	1,344,013
E. Total receipts (A.7 + B + C + D)	8,578,133

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	438,212
2. Maintenance:	4,508,144
3. Road and street services:	
a. Traffic control operations	281,425
b. Snow and ice removal	931,248
c. Other	
d. Total (a. through c.)	1,212,674
4. General administration & miscellaneous	681,554
5. Highway law enforcement and safety	
6. Total (1 through 5)	6,840,583
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)	6,840,583

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

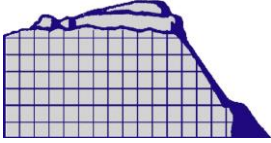
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	9,561,620	8,578,133	6,840,583	11,299,171	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2019	
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	3,086,765	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	102,705	f. Charges for Services	116,829
5. Specific Ownership &/or Other	126,478	g. Other Misc. Receipts	3,788
6. Total (1. through 5.)	229,183	h. Other Private Contribution	0
c. Total (a. + b.)	3,315,949	i. Total (a. through h.)	120,616
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,776,597	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	144,013
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	17,605	d. Federal Transit Admin	
d. Other (Specify) - Imp Asst Wildlife	3,352	e. U.S. Corps of Engineers	
e. Other (Specify) - DOLA/State Brid	0	f. Other Federal	1,200,000
f. Total (a. through e.)	20,958	g. Total (a. through f.)	1,344,013
4. Total (1. + 2. + 3.f)	3,797,555	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		2,273	2,273
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		46,973	46,973
(3). System Preservation		388,966	388,966
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	435,939	435,939
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	438,212	438,212
			(Carry forward to page 1)
Notes and Comments:			



Paul D. Miller CPA, LLC.

Certified Public Accountant

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of County Commissioners
Rio Blanco County
Meeker, CO

I have audited, in accordance with the 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 Rio Blanco County, Colorado as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise Rio Blanco County, Colorado's basic financial statements, and have issued my report thereon dated May 8, 2020.

Internal Control over Financial Reporting

In planning and performing my audit of the financial statements, I considered Rio Blanco County, Colorado's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Rio Blanco County, Colorado's internal control. Accordingly, I do not express an opinion on the effectiveness of Rio Blanco County, Colorado'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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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.

My 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 my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Rio Blanco County, Colorado's financial statements are free from material misstatement, I 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 my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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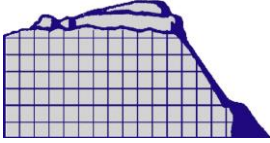
Purpose of this Report

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

Paul D. Miller, CPA, LLC

Grand Junction, CO

May 8, 2020



Paul D. Miller CPA, LLC.

Certified Public Accountant

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

Board of County Commissioners
Rio Blanco County
Meeker, CO

Report on Compliance for Each Major Federal Program

I have audited Rio Blanco County, Colorado's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Rio Blanco County, Colorado's major federal programs for the year ended December 31, 2019. Rio Blanco County, Colorado'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

My responsibility is to express an opinion on compliance for each of Rio Blanco County, Colorado's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my 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, Costs Principles, and Audit Requirements of Federal Awards (Uniform Guidance). Those standards and the Uniform Guidance require that I 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 Rio Blanco County, Colorado's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Rio Blanco County, Colorado's compliance.

Opinion on Each Major Federal Program

In my opinion, Rio Blanco County, Colorado 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, 2019.

Report on Internal Control over Compliance

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

G-3

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Paul D. Miller, CPA, LLC

Grand Junction, CO

May 8, 2020

RIO BLANCO COUNTY
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of auditor’s report issued:	UNMODIFIED
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Internal control over financial reporting:

Material weakness identified.	NONE NOTED
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Significant deficiency identified that is not considered material weaknesses.	NONE NOTED
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Noncompliance material to financial statements noted.	NONE NOTED
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Federal Awards

Internal control over major programs: Material weakness identified.	NONE NOTED
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Significant deficiency identified that is not considered material weaknesses.	NONE NOTED
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Type of auditor’s report issued:	UNMODIFIED
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Any auditing findings that are required to be reported in accordance with the Uniform Guidance	NONE NOTED
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Identification of major program:

20.106	Airport Improvement Grant
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93.658	Foster Care – Title IV-E
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Rio Blanco County
Schedule of Findings and Questioned Costs
For the Year Ended December 31, 2019

Dollar threshold used to distinguish between Type A and type B programs	\$750,000
Auditee qualified as low-risk auditee.	YES

SECTION II – FINANCIAL STATEMENT FINDINGS

There were no financial findings for the year ended December 31, 2019

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no Federal Award Findings or Questioned Costs for the year ending December 31, 2019.

SECTION IV – PRIOR YEAR FINDINGS AND QUESTIONED COSTS.

There were no prior year findings or questioned costs.

Rio Blanco County
Schedule of Expenditures of Federal Awards
Year Ended December 31, 2019

C.F.D.A. PROGRAM TITLE	C.F.D.A. PROGRAM NUMBER	AMOUNT OF EXPENDITURES
U.S. DEPARTMENT OF AGRICULTURE		
<i>Passed through CO Dept. of Human Services</i>		
SNAP Cluster:		
Supplemental Nutrition Assistance Program Benefits (Food Stamps) - Fed Incentives	10.551	102
State Administrative Matching Grants for Food Stamp Program	10.561	68,542
Total SNAP Cluster		68,645
<i>Passed through CO Dept. Public Health & Environment</i>		
Special Supplemental Nutrition Program for Women, Infants and Children	10.557	44,461
Special Supplemental Nutrition Program for Women, etc. - Non-Cash	10.557	60,629
		105,090
<i>Passed through CO Division of Local Affairs</i>		
Forest Service Schools & Roads Cluster:		
Forest Service Title I	10.665	103,613
Total Forest Service Schools & Roads Cluster		103,613
Total		277,348
U.S. DEPARTMENT OF JUSTICE		
<i>Direct assistance</i>		
Bulletproof Vest Partnership Program	16.607	3,177
Total		3,177
U.S. DEPARTMENT OF TRANSPORTATION		
<i>Direct assistance</i>		
Airport Improvement Grants (Meeker)	20.106 *	105,549
Airport Improvement Grants (Rangely)	20.106 *	17,329
		122,878
Total		122,878
U.S. DEPARTMENT OF HOMELAND SECURITY		
<i>Passed through CO DOLA - Division of Emergency Management</i>		
Emergency Management Performance Grant (EMS Coordinator)	97.042	50,000
<i>Passed through Division of Homeland Security & Emergency Management</i>		
Pre-Disaster Mitigation	97.074	30,078
		80,078
Total		80,078
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES		
<i>Passed through CO Dept. Public Health & Environment</i>		
Injury Prevention & Control and State & Community Based Programs	93.136	5,000
Immunization Grants	93.268	1,813
PPHF Capacity Building Assist to Strengthen PH Imm Infrastructure & Performance	93.539	6,145
Maternal and Child Health Services Block Grant to the States	93.994	6,477
Emergency Preparedness and Response	93.069	18,189
Preventive Health and Health Services Block Grant	93.991	5,000
		42,624
<i>Passed through Mesa County Department of Human Services</i>		
Aging Cluster:		
Nutrition - Parts C1 and C2 Administration	93.045	52,857
NSIP - Nutrition Services	93.053	2,991
Total Aging Cluster		55,848
<i>Passed through CO Division of Local Affairs</i>		
Community Services Block Grant Formula and Discretionary Awards		
- Community Food and Nutrition Programs (CDBG)	93.569	37,615
		37,615
<i>Passed through CO Dept. of Human Services</i>		
Guardianship Assistance	93.090	4,298
Child Support Enforcement	93.563	51,956
Child Welfare Services - State Grants	93.645	10,654
Foster Care - Title IV-E	93.658 *	127,530
Adoption Assistance	93.659	23,275
Social Services Block Grant	93.667	9,963
		227,675
TANF Cluster		
Temporary Assistance for Needy Families	93.558 *	145,490
Total TANF Cluster		145,490
CCDF Cluster:		
Child Care and Development Block Grant	93.575	29,838
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	9,223
Total CCDF Cluster		39,061
<i>Passed through Dept. of Health Care Policy and Financing</i>		
Medicaid Cluster:		
Medical Assistance Program	93.778	107,753
Total Medicaid Cluster		107,753
Total		656,067
Grand Total		1,139,548

* Denotes Major Programs

RIO BLANCO COUNTY, COLORADO
Notes to schedule of Expenditures of Federal Awards
December 31, 2019

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes federal grant activity of Rio Blanco County, Colorado and is presented on the accrual basis of accounting.

The information in this schedule is presented in accordance with the requirements Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Costs Principles, and Audit Requirements of Federal Awards (Uniform Guidance).

The 10% de Minimis rule is not used.