

cPa DIXON, WALLER & CO., INC.

ALAMOSA COUNTY

AMBULANCE DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2020

DIXON, WALLER & CO., INC.

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ALAMOSA COUNTY AMBULANCE DISTRICT

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DECEMBER 31, 2020

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FINANCIAL SECTION

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Independent Auditor's Report

**Board of Directors
Alamosa County Ambulance District
106 Blanca Avenue
Alamosa, CO 81101**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Alamosa County Ambulance District as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of the Alamosa County Ambulance District as of December 31, 2020, and the changes in financial position 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 budgetary comparison information on page 18 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis, that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing 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. Our opinion on the basic financial statements is not affected by this missing information.

Dixon, Waller & Co., Inc.

July 13, 2021

BASIC FINANCIAL STATEMENTS

**ALAMOSA COUNTY AMBULANCE DISTRICT
STATEMENT OF NET POSITION
December 31, 2020**

	<u>Governmental Activities</u>	<u>Total</u>
<u>ASSETS</u>		
Cash	395,321	395,321
Property Taxes Receivable	547,613	547,613
Fixed Assets	1,316,440	1,316,440
Accumulated Depreciation	(1,100,953)	(1,100,953)
Prepaid Expenses	282	282
<u>Total Assets</u>	<u>1,158,703</u>	<u>1,158,703</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>		
Other	-	-
<u>Total Deferred Outflows of Resources</u>	<u>-</u>	<u>-</u>
<u>LIABILITIES</u>		
Accounts Payable	895	895
Contracts Payable	-	-
<u>Total Liabilities</u>	<u>895</u>	<u>895</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>		
Property Tax	547,613	547,613
<u>Total Deferred Inflows of Resources</u>	<u>547,613</u>	<u>547,613</u>
<u>NET POSITION</u>		
Net Investment in Capital Assets	215,487	215,487
Restricted for:		
TABOR Reserve	21,719	21,719
Unrestricted	372,989	372,989
<u>Total Net Position</u>	<u>610,195</u>	<u>610,195</u>

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

**ALAMOSA COUNTY AMBULANCE DISTRICT
STATEMENT OF ACTIVITIES
Year Ended December 31, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenue and Changes In Net Position</u>	<u>Total</u>
		<u>Charges for Services</u>	<u>Operating Grants & Contributions</u>	<u>Capital Grants & Contributions</u>	<u>Governmental Activities</u>	
<u>Governmental Activities</u>						
Public Safety –						
Ambulance Service	693,816	-	12,500	-	(681,316)	(681,316)
Capital Outlay	-	-	-	107,414	107,414	107,414
<u>Total Governmental Activities</u>	<u>693,816</u>	<u>-</u>	<u>12,500</u>	<u>107,414</u>	<u>(573,902)</u>	<u>(573,902)</u>
<u>Total Primary Government</u>	<u>693,816</u>	<u>-</u>	<u>12,500</u>	<u>107,414</u>	<u>(573,902)</u>	<u>(573,902)</u>
			<u>General Revenues:</u>			
			Property Taxes		531,798	531,798
			Specific Ownership Taxes		71,159	71,159
			Other Revenues		1,098	1,098
			<u>Total General Revenues</u>		<u>604,055</u>	<u>604,055</u>
			<u>Changes in Net Position</u>		30,153	30,153
			<u>Net Position – Beginning</u>		<u>580,042</u>	<u>580,042</u>
			<u>Net Position – Ending</u>		<u>610,195</u>	<u>610,195</u>

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

ALAMOSA COUNTY AMBULANCE DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2020

	<u>General Fund</u>	<u>Total Governmental Funds</u>
<u>ASSETS:</u>		
Cash	395,321	395,321
Property Tax Receivable	547,613	547,613
Prepaid Expenses	<u>282</u>	<u>282</u>
<u>Total Assets</u>	<u>943,216</u>	<u>943,216</u>
 <u>DEFERRED OUTFLOW OF RESOURCES</u>		
	<u>-</u>	<u>-</u>
 <u>LIABILITIES</u>		
Accounts Payable	895	895
Contracts Payable	<u>-</u>	<u>-</u>
<u>Total Liabilities</u>	<u>895</u>	<u>895</u>
 <u>DEFERRED INFLOW OF RESOURCES</u>		
Property Tax	547,613	547,613
Unearned Grant	<u>-</u>	<u>-</u>
<u>Total Deferred Inflow of Resources</u>	<u>547,613</u>	<u>547,613</u>
 <u>FUND BALANCES:</u>		
Nonspendable:		
Prepaid Expenses	282	282
Restricted for:		
Emergencies	21,719	21,719
Unassigned	<u>372,707</u>	<u>372,707</u>
<u>Total Fund Balances</u>	<u>394,708</u>	<u>394,708</u>
 <u>TOTAL LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES</u>		
	<u>943,216</u>	<u>943,216</u>

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

**ALAMOSA COUNTY AMBULANCE DISTRICT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2020**

Amounts reported for governmental activities in the statement of net position are different because:

<u>Total Fund Balance – Governmental Funds</u>	394,708
Capital Assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$1,316,440 and the accumulated depreciation is \$1,100,953.	<u>215,487</u>
<u>Total Net Position – Governmental Activities</u>	<u>610,195</u>

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

ALAMOSA COUNTY AMBULANCE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2020

	<u>General Fund</u>	<u>Total Governmental Funds</u>
<u>REVENUES:</u>		
Taxes	602,961	602,961
Intergovernmental	119,914	119,914
Interest	830	830
Miscellaneous	264	264
<u>Total Revenues</u>	<u>723,969</u>	<u>723,969</u>
<u>EXPENDITURES:</u>		
<u>Health and Welfare</u>		
Contract Services	561,244	561,244
Insurance	3,060	3,060
Accounting and Auditing Fees	4,540	4,540
County Treasurer Fees	15,837	15,837
Election	10,851	10,851
Miscellaneous	511	511
Capital Outlay	<u>243,105</u>	<u>243,105</u>
<u>Total Expenditures</u>	<u>839,148</u>	<u>839,148</u>
<u>EXCESS OF REVENUES OVER (UNDER)</u>		
<u>EXPENDITURES</u>	<u>(115,179)</u>	<u>(115,179)</u>
<u>OTHER FINANCING SOURCES (USES)</u>		
Lease Purchase Proceeds	-	-
Operating Transfers In (Out)	-	-
<u>Total Other Financing Sources (Uses)</u>	<u>-</u>	<u>-</u>
<u>NET CHANGE IN FUND BALANCES</u>	<u>(115,179)</u>	<u>(115,179)</u>
<u>FUND BALANCE – Beginning</u>	<u>509,887</u>	<u>509,887</u>
<u>FUND BALANCE - Ending</u>	<u>394,708</u>	<u>394,708</u>

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

**ALAMOSA COUNTY AMBULANCE DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENT FUNDS TO THE STATEMENT OF ACTIVITIES
Year Ended December 31, 2020**

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances – Total Governmental Funds (115,179)

Governmental funds report capital outlays as expenditures. However, in the statement of activities, assets with an initial, individual cost of more than \$5,000 are capitalized and the cost is allocated over their estimated useful lives and reported as depreciation expense.

Capital outlays more than \$5,000	243,105	
Depreciation Expense	<u>(97,773)</u>	<u>145,332</u>

Change in Net Position of Governmental Activities 30,153

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

ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The District was created to provide for the treatment and transportation of the sick, injured, or otherwise incapacitated or helpless. It is governed by a five member Board of Directors and was created under C.R.S. 32-1-202. The basic boundaries of the District are the county lines.

The accounting policies of Alamosa County Ambulance District conform to generally accepted accounting principles applicable to governmental units. The following is a summary of significant accounting policies:

A. Reporting Entity

Governmental Accounting Standards Board (GASB) Statement No. 14 (as amended by Statement No. 34, No. 39 and No. 61), "*The Financial Reporting Entity*" (GASB No. 14) describes the financial reporting entity as it relates to governmental accounting. According to this Statement, the financial reporting entity consists of a) the primary government, b) organization for which the primary government is financially accountable, and c) other organizations whose exclusion from the reporting entity's financial statements would cause those statements to be misleading or incomplete. Any organizations that can be described by these last two items are included with the primary government in the financial statements as component units.

This District is not included in any other governmental "reporting entity" as defined in GASB No. 14 and does not include any other component unit as part of its "reporting entity". As required by accounting principles generally accepted in the USA, these basic financial statements present the District (the primary government) and its component units.

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 the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or identifiable activity are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or identifiable activity. *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 not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all 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. With this measurement focus, operating statements present increases and decreases in net current assets and unassigned fund balance as a measure of available spendable resources. This means that only current liabilities are generally included on their balance sheets.

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. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

All governmental fund types use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period, or soon enough thereafter, to pay liabilities of the current period. Revenues are considered to be available to collect within 60 days after year-end.

Property taxes are reported as receivables and deferred inflows when levied and as revenues when due for collection in the following year and determined to be available.

Grants and entitlement revenues are recognized when compliance with matching requirements is met. A receivable is established when the related expenditures exceed revenue receipts.

Expenditures are recorded when the related fund liability is incurred with the exception of general obligation and capital lease debt service which is recognized when due and certain accrued sick and personal pay which are accounted for as expenditures when expected to be liquidated with expendable available financial resources.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources, as they are needed.

ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

D. Fund Accounting

The accounts of the District are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred flows, fund equity, revenues and expenditures, or expenses, as appropriate. Resources are allocated to and accounted for in individual funds bases upon the purposes for which they are to be spent and the means by which spending activities are controlled. The major funds presented in the accompanying basic financial statements are as follows:

• **Major Governmental Funds**

1. **General Fund** – the general operating fund of the District; used to account for all resources that are not required legally or by sound financial management to be accounted for in another fund.

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities, if any, is included as part of the capitalized value of the assets constructed. No such interest expense was incurred during the current fiscal year.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Equipment	5

ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

F. Budgets and Budgetary Accounting

The District has set procedures to be followed in establishing the budgetary data reflected in the financial statements:

1. Prior to October 1, a proposed operating budget for the fiscal year commencing the following January 1 is developed. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer comments.
3. Prior to December 31, the budget is legally enacted through passage of an ordinance or resolution.
4. A budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).

G. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies, is not used by the Alamosa County Ambulance District.

H. Receivables

Property taxes levied in 2020 but not yet available in 2020 are identified as property taxes receivable and deferred inflows at December 31, 2020 and are presented net of an allowance for uncollectible taxes.

I. Inventory

Inventory is valued at the lower of cost (first-in, first-out) or market. The costs of inventories are recorded as expenditures when they are used.

J. Property Taxes

Under Colorado law, all property taxes are due and payable in the year following the year levied. The 2020 property tax calendar for Alamosa County was as follows:

Levy Date	December 22, 2020
Lien Date	January 1, 2021
Tax Bills Mailed	January 1, 2021
First Installment Due	February 28, 2021
Second Installment Due	June 15, 2021
If Paid in Full, Due	April 30, 2021

K. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expense during the reporting period. Actual results could differ from those estimates.

ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 1 **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

L. Cash and Investments

The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to deposit in the accounts of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, banker's acceptances, and mutual funds composed of otherwise legal investments.

M. Long-Term Obligations

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

In the fund financial statements, governmental fund types recognize debt issued as other financing sources.

N. GASB Statement No. 54

The Government Accounting Standards Board (GASB) has issued Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions (GASB 54). This statement defines the different types of fund balances that a governmental entity must use for financial reporting purposes.

GASB 54 requires the fund balance amounts to be properly reported within one of the fund balance categories list below.

1. Nonspendable such as fund balances associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed, or assigned).
2. Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
3. Committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Board of Directors (the District's highest level of decision-making authority).
4. Assigned fund balance classification is intended to be used by the government for specific purposes that do not meet the criteria to be classified as restricted or committed.
5. Unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

ALAMOSA COUNTY AMBULANCE DISTRICT
 NOTES TO FINANCIAL STATEMENTS
 DECEMBER 31, 2020

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. GASB Statement No. 54 (Continued)

Fund Balance Classification Policies and Procedures

Committed Fund Balance Policy:

The District's Committed Fund Balance is fund balance reporting required by the District, either because of a District Policy in the District Policy Manual, or because of motions that passed at District meetings.

Assigned Fund Balance Policy:

The District's Assigned Fund Balance is fund balance reporting occurring by District Administration authority, under the direction of the Chief Business Officer.

Order of Fund Balance Spending Policy

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year by adjusting journal entries.

First, non-spendable fund balances are determined. Then restricted fund balances for specific purposes are determined (not including non-spendable amounts). Then unrestricted fund balances are determined following the order of committed, assigned, and unassigned.

Fund Balance Classification by Fund:

	<u>General Fund</u>	<u>Total Governmental Funds</u>
Nonspendable		
Prepaid Expenses	282	282
Restricted		
Emergencies	21,719	21,719
Committed	-	-
Assigned	-	-
Unassigned	<u>372,707</u>	<u>372,707</u>
Total Fund Balances	<u>394,708</u>	<u>394,708</u>

O. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of financial position and the balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position and the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

**ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
December 31, 2020**

NOTE 2 CAPITAL ASSETS

Capital assets activity for the year ended December 31, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Assets Being Depreciated:				
Vehicles	601,070	217,866	-	818,936
Equipment	<u>472,265</u>	<u>25,239</u>	-	<u>497,504</u>
Total Capital Assets Being Depreciated	<u>1,073,335</u>	<u>243,105</u>	<u>-</u>	<u>1,316,440</u>
Less Accumulated Depreciation for:				
Equipment	<u>1,003,180</u>	<u>97,773</u>	-	<u>1,100,953</u>
Total Accumulated Depreciation	<u>1,003,180</u>	<u>97,773</u>	<u>-</u>	<u>1,100,953</u>
Total Capital Assets Being Depreciated, Net	<u>70,155</u>	<u>145,332</u>	<u>-</u>	<u>215,487</u>
<u>Governmental Activities</u>				
Capital Assets, Net	<u>70,155</u>	<u>145,332</u>	<u>-</u>	<u>215,487</u>

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

<u>Governmental Activities:</u>	
Ambulance Service	<u>97,773</u>

NOTE 3 CASH

The District's deposits at year end were covered by Federal depository insurance or secured under the Public Deposit Protection Act of the State of Colorado, whereby the custodial bank pledges collateral for amounts on deposit in excess of the amount guaranteed by the FDIC for governmental entities.

	<u>Bank Balance</u>	<u>Carrying Amount</u>
Insured	250,000	250,000
Uninsured, Collateralized Under the Public Deposit Protection Act of the State of Colorado	<u>139,000</u>	<u>139,000</u>
<u>Sub-Total</u>	<u>389,000</u>	<u>389,000</u>
Cash with County Treasurer	-	<u>6,321</u>
<u>Total Cash and Deposits</u>	<u>389,000</u>	<u>395,321</u>

Cash of \$21,719 is restricted as Emergency Reserves as required by Article X, Section 20 of the Constitution of the State of Colorado. (See Note 4)

As presented above, deposits with a bank balance of \$139,000 and a carrying balance of \$139,000 as of December 31, 2020 are uninsured, are exposed to custodial risk, and are collateralized with securities held by the pledging financial institution.

**ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020**

NOTE 4 CONTINGENCIES - TAX, SPENDING AND DEBT LIMITATIONS

In November 1992, the voters of Colorado approved Amendment 1, commonly known as the Taxpayer's Bill of Rights (TABOR), which adds a new Section 20 to Article X of the Colorado Constitution. TABOR contains tax, spending, revenue and debt limitations which apply to the State of Colorado and all local governments.

Enterprises, defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of annual revenue in grants from all state and local governments combined, are excluded from the provisions of TABOR.

The initial base for local government spending and revenue limits is 1992 Fiscal Year Spending. Future spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 1% of Fiscal Year Spending (excluding bonded debt service) in 1993, 2% in 1994 and 3% thereafter. Local governments are not allowed to use the emergency reserves to compensate for economic contributions, revenue shortfalls, or salary or benefit increases.

TABOR requires, with certain exceptions, voters approval prior to imposing new taxes, increasing a tax rate, increasing a mill levy above that for the prior year, extending an expiring tax, or implementing a tax policy change directly causing a net tax revenue gain to any local government.

Except for bond refinancing at lower interest rates or adding employees to existing pension plans, TABOR specifically prohibits the creation of multiple-fiscal year debt or other financial obligations without voter approval or without irrevocable pledging present cash reserves for all future payments.

Voters authorized the Ambulance District to collect, retain and expend all revenues and other funds collected from any source during 1999 and subsequent years, provided that no local tax rate or mill levy shall be increased without further voter approval.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending Limits (and qualifications as an Enterprise) will require judicial interpretation.

ALAMOSA COUNTY AMBULANCE DISTRICT
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020

NOTE 5 **RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees, or acts of God.

The District maintains commercial insurance for all risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 6 **RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

The governmental funds balance sheet includes reconciliation between *fund balances – total governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. Additionally, the governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between *net change in fund balances – total government funds* and *changes in net position of governmental activities* as reported in the government-wide statement of activities.

These reconciliations detail items that require adjustment to convert from the current resources measurement and modified accrual basis for governmental fund statements to the economic resources measurement and full accrual basis used for government-wide statements.

There were no items having an effect on measurement and basis which were eliminated from the government fund statements during the consolidation of governmental activities.

NOTE 7 **COMPLIANCE WITH BUDGET LAWS**

The actual expenditures of the District exceeded the budget by \$119,913 and may be in violation of Colorado Budget Law.

NOTE 8 **SERVICE AGREEMENT – CONTRACT SERVICES**

The District has a service agreement with San Luis Valley Health to provide for the operations and management of the ambulance service. The District purchases and maintains the ambulance and equipment. The District collects various revenues from property taxes, interest income, grants and miscellaneous other revenues. District paid expenditures and amounts retained for capital are deducted from these revenues and annually, the difference is remitted to the San Luis Valley Health as contract services. For the year ended December 31, 2020, the amount paid for contract services was \$561,244.

REQUIRED SUPPLEMENTARY INFORMATION

Budgetary Comparison Information – General Fund

MAJOR GOVERNMENTAL FUNDS

General Fund

The General Fund accounts for all transactions of the District not accounted for in other funds. This fund represents an accounting for the District's ordinary operations financed from property taxes and other general revenues. It is the most significant fund in relation to the District's overall operations.

**ALAMOSA COUNTY AMBULANCE DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GENERAL FUND**

For the Year Ended December 31, 2020

	<u>Budgeted Amounts</u>	<u>Actual</u>	<u>Variance with Final Budget- Favorable (Unfavorable)</u>
	<u>Original & Final</u>		
<u>REVENUES</u>			
Property Taxes	532,423	527,899	(4,524)
Delinquent Property Taxes	3,000	1,438	(1,562)
Specific Ownership Taxes	58,562	71,159	12,597
Interest Earnings	1,000	830	(170)
Interest on Taxes	2,750	2,465	(285)
Senate Bill 34	12,500	12,500	-
Grant Proceeds	109,000	107,414	(1,586)
Miscellaneous	-	264	264
<u>Total Revenues</u>	<u>719,235</u>	<u>723,969</u>	<u>4,734</u>
<u>EXPENDITURES</u>			
Contract Services	432,124	561,244	(129,120)
Insurance	3,600	3,060	540
Accounting and Auditing Fees	4,540	4,540	-
County Treasurer Fees	15,971	15,837	134
Election	5,000	10,851	(5,851)
Dues and Subscriptions	-	416	(416)
Office Expense	-	36	(36)
Miscellaneous	-	59	(59)
Capital Outlay	<u>258,000</u>	<u>243,105</u>	<u>14,895</u>
<u>Total Expenditures</u>	<u>719,235</u>	<u>839,148</u>	<u>(119,913)</u>
<u>REVENUES OVER (UNDER) EXPENDITURES</u>	-	(115,179)	
<u>FUND BALANCE, Beginning of Year</u>	<u>509,887</u>	<u>509,887</u>	
<u>FUND BALANCE, End of Year</u>	<u>509,887</u>	<u>394,708</u>	

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