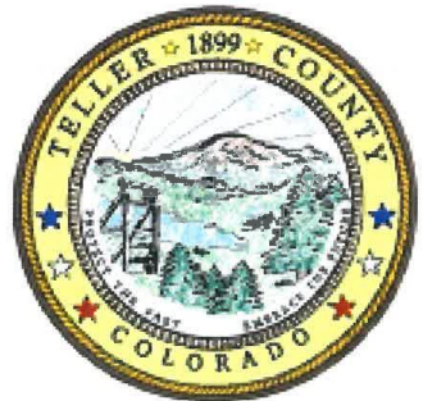




FINANCIAL STATEMENTS

For The Year Ended

DECEMBER 31, 2020





TELLER COUNTY, COLORADO

FINANCIAL STATEMENTS

DECEMBER 31, 2020

Teller County, Colorado
Annual Financial Report
For The Year Ended December 31, 2020

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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

Report On The Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Teller County, Colorado (the County), as of and for the year ended December 31, 2020, 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.

Auditors' 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 County'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 County's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the County as of December 31, 2020 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, budgetary comparison information and the modified approach for County infrastructure capital assets on pages i through ix, 36 through 38 and 39 through 40, respectively, 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, which 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules, the Highway Users Tax Fund Schedule and the schedule of expenditures of federal awards, as required by the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report On Comparative Information

We have previously audited the County's 2019 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated June 16, 2020. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2019 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 3, 2021 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

RubinBrown LLP

June 3, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Teller County, Colorado, we offer readers of the Teller County financial statements this narrative overview and analysis of the financial activities of Teller County for the fiscal year ended December 31, 2020. Consistent with the required reporting standards mandated by the Governmental Accounting Standards Board Statement #34 (GASB 34), Teller County is pleased to present our annual financial report in what we hope to be an informative and understandable format. We encourage readers to consider the information presented here while reviewing the financial statements.

Financial Highlights

- The County's assets and deferred outflows exceeded its liabilities and deferred inflows by \$298,872,004 (net position) for the calendar year reported. At December 31, 2019 net position of \$295,629,958 was reported. This substantial increase in net position is primarily due to an increase in net investment in capital assets.
- Total net position is comprised of the following:
 - (1) Net investment in capital assets of \$276,042,674, comparable to the prior year's balance of \$270,549,424, which includes infrastructure, property and equipment net of accumulated depreciation and reduced for outstanding debt related to the purchase or construction of capital assets. The increase in net asset value is substantially due to an increase in Construction in Progress related to the Sheriff's Office expansion project.
 - (2) Net position of \$3,127,314 is restricted for various purposes by constraints imposed from outside the County.
 - (3) Unrestricted net position of \$19,702,016 represents the portion available to maintain the County's continuing obligations to citizens and creditors, and includes a reduction from net position of \$22,303,429 unrestricted at December 31, 2019.
- In 2019 total assessed value of property that generated the County's 2020 property tax revenues increased, continuing last years trend. The levy on total values resulted in an increase in 2020 total property tax-related revenues assessed of about \$1,916,991, following a 2019 increase of about \$637,248. County management maintained proactive and conservative budgeting and spending policies through 2020 as much as possible, while maintaining services and responding to the pandemic.
- The County's governmental funds total ending fund balances are \$19,985,629 as of December 31, 2020, which is a decrease of \$1,547,996 from the prior year ending fund balance of \$21,533,625. The largest portion of this decrease is in the County's Capital Projects Fund due to the Sheriff's Office expansion project. Through the County's extended strategic plan and budgeting process, management will prioritize and identify critical needs and service levels to be addressed with available funds.
- At the end of the reported calendar year, fund balance for the General Fund was \$9,644,235, or 51.3% of total General Fund expenditures, compared to 40.1% at December 31, 2019.
- Overall, the County financial position is still healthy even with all of the challenges related to the pandemic. The county continues to adhere to budget policies and long-term capital plans, which include maintaining the County's operating abilities and service levels, fund balances and capital reserves. The majority of the expansion of the Sheriff's Office building has been completed and will be finalized in 2021.

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

Overview of the Financial Statements

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

The County's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting and elimination or reclassification of activities between funds.

The first of these government-wide statements is the *Statement of Net Position*. This is the government-wide statement of position presenting information that includes all of the County's assets, deferred outflows, liabilities and deferred inflows, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall health of the County would extend to other nonfinancial factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

Comparative government-wide net position at December 31st, for the past three years has been:

2020	\$298,872,004
2019	295,629,958
2018	291,754,399

The second government-wide statement is the *Statement of Activities*, which reports how the County's net position changed during the current calendar year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the County's distinct activities or functions on revenues provided by the County's taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by property taxes, grants and other inter-governmental revenues from business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities include general government, public safety, public works, health and human services, and culture and recreation. Business-type activities include the wastewater and detentions facilities in Divide.

The government-wide financial statements are presented on pages 4 and 5 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, fund financial statements focus on the County's most significant funds rather than the County as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of combining statements in a later section of the report.

The County uses three types of funds:

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the County's governmental funds. These statements report short-term calendar year accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund operating statement provide a reconciliation to assist in understanding the differences between these two perspectives.

The basic governmental fund financial statements are presented on pages 6 to 9 of this report.

Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The County has three proprietary funds, two are classified as enterprise funds, and one as an internal service fund. The two enterprise funds essentially encompass the same functions reported as business-type activities in the government-wide statements. Services are provided to customers external to the County organization for the wastewater utility and the jail. The internal service fund is used to track the acquisition, and provide for the replacement and maintenance of the County's fleet of vehicles and road equipment, and is classified as governmental activities in the government-wide statements.

The basic proprietary fund financial statements are presented on pages 10 to 13 of this report.

The *Fiduciary funds* are the County's custodial funds, held by the County for other organizations and entities, as presented on pages 14 and 15 of this report.

Notes to the Basic Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin on page 16 of this report.

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information concerning the County's method of reporting infrastructure assets, and budget presentations. Infrastructure asset information is included in the "required supplementary information" section that begins on page 36. Budgetary comparison statements are also included as "required supplementary information" for the County's major funds: the general, road and bridge, social services and capital projects funds. Budgetary comparison schedules for other governmental funds can be found in a later section of this report. These statements and schedules demonstrate compliance with the County's adopted and final revised budget. As discussed, the County reports major funds in the basic financial statements. Combining and individual statements and schedules for non-major funds are presented in a subsequent section of this report beginning on page 42.

Financial Analysis of the County as a Whole

As year-to-year financial information is accumulated on a consistent basis, changes in net position may be observed and used to discuss the changing financial position of the County as a whole.

The County's net position at calendar year-end 2020 was \$298,872,004, as compared to \$295,629,958 the previous year. The following table provides a summary of the County's net position:

Summary of Net Assets for the year ended December 31, 2020
(With comparative amounts for the year ended December 31, 2019)

	2020			2019		
	Governmental Activities	Business-type Activities	Total	Percentage of Total	Total	Percentage of Total
Assets:						
Current assets	\$ 36,880,454	\$ 819,991	\$ 37,700,445	12%	\$ 38,851,576	13%
Capital assets	274,443,905	2,287,914	276,731,819	88%	271,575,642	87%
Total assets	311,324,359	3,107,905	314,432,264	100%	310,427,218	100%
Deferred Outflows of Resources:						
Unamortized charge	-	95,855	95,855	100%	143,782	100%
Liabilities:						
Current liabilities	3,788,234	543,539	4,331,773	83%	3,339,607	74%
Long-term liabilities	451,385	439,046	890,431	17%	1,163,497	26%
Total liabilities	4,239,619	982,585	5,222,204	100%	4,503,104	100%
Deferred Inflows of Resources:						
Unearned grant revenue	1,501	-	1,501	0%	-	0%
Unearned property tax revenue	10,432,410	-	10,432,410	100%	10,437,938	100%
Total liabilities	10,433,911	-	10,433,911	100%	10,437,938	100%
Net position:						
Net investment in capital assets	274,443,905	1,598,769	276,042,674	92%	270,549,424	92%
Restricted	3,127,314	-	3,127,314	1%	2,777,105	1%
Unrestricted	19,079,610	622,406	19,702,016	7%	22,303,429	7%
Total net position	\$ 296,650,829	\$ 2,221,175	\$ 298,872,004	100%	295,629,958	100%

The County continues to maintain an adequate current ratio. The current ratio compares current assets to current liabilities and is an indication of the ability to pay current obligations. The current ratio for governmental activities is 2.59 to 1. The business-type activities report a current ratio of 1.64 to 1. For the County overall, the current ratio is 2.56 to 1, as compared to 2.83 to 1 reported at the end of 2019.

The County reports positive balances in net position for the governmental activities as well as for the combination of the wastewater utility fund and the jail fund. Net position increased \$3,793,375 for governmental activities and decreased by \$551,329 for business-type activities. The County's overall financial position improved during calendar year 2020.

Note that 93% of the governmental activities' net position results from investment in capital assets. The County uses these capital assets to provide services to its citizens. Capital assets in the business-type activities also provide services, but in addition, they generate revenues for these funds. The County's percentage of total net position that is included in capital assets remained the same at 92%.

The following table provides a summary of the County's changes in net position:

Summary of Changes in Net Assets for the year ended December 31, 2020
(With comparative amounts for the year ended December 31, 2019)

	2020			Percentage of Total	2019	
	Governmental Activities	Business-type Activities	Total		Total	Percentage of Total
Revenues:						
Program:						
Charges for services	\$ 2,089,033	\$ 2,720,310	\$ 4,809,343	14%	\$ 5,827,687	18%
Operating grants & contributions	10,777,544	237,879	11,015,423	32%	9,021,537	28%
Capital grants & contributions	-	45,000	45,000	0%	165,000	1%
General:						
Taxes	14,827,277	-	14,827,277	44%	12,321,811	39%
Other	3,513,943	71,214	3,585,157	10%	4,570,242	14%
Total revenues	31,207,797	3,074,403	34,282,200	100%	31,906,277	100%
Program Expenses:						
General government	8,394,863	-	8,394,863	27%	7,926,067	28%
Public safety	9,988,023	-	9,988,023	33%	8,146,045	29%
Public works	4,818,958	-	4,818,958	16%	4,955,417	18%
Health and human services	4,100,285	-	4,100,285	13%	3,898,537	14%
Culture and recreation	112,293	-	112,293	0%	115,900	0%
Wastewater utility	-	147,173	147,173	0%	148,477	1%
Jail	-	3,478,559	3,478,559	11%	2,840,275	10%
Total expenses	27,414,422	3,625,732	31,040,154	100%	28,030,718	100%
Change in net position	3,793,375	(551,329)	3,242,046		3,875,559	
Net position beginning of year	292,857,454	2,772,504	295,629,958		291,754,399	
Net position end of year	\$ 296,650,829	\$ 2,221,175	\$ 298,872,004		\$ 295,629,958	

GOVERNMENTAL REVENUES

The County is heavily reliant on property and sales taxes to support governmental operations and capital. These taxes provided 47% of the County's governmental revenues in 2020 as compared to 44% in 2019. Operating grants and contributions are the second largest revenue source with \$10.78 million in 2020 governmental revenues or 35% of the total, up from 32% in 2019. Note that charges for services and grants and contributions has increased to 47% of governmental program expenses from 45% in 2019, with public safety and social services assistance making up the majority of program operating revenues. Local sales tax increased 14.9% from the prior year but gaming tax revenues decreased 41.3% from the prior year. The gaming tax decrease is directly related to the closure of the casinos for a portion of the year for the pandemic and continued reduction in capacity throughout 2020. The government's taxpayers and the County's other general governmental revenues comprised 59% of the governmental revenues in 2020 as compared to 60% in 2019.

GOVERNMENTAL FUNCTIONAL EXPENSES

The public safety and public works functions make up approximately 54% of the total governmental activities expenses for 2020, compared with 52% in 2019. General government totals about 31%, and health and human services about 15% of 2020 governmental expenditures as compared to 31% and 16% in 2019, respectively.

This table presents the total cost of each of the County's programs, as compared to the net costs (i.e., total cost less revenues generated by the activities). The net costs illustrate the financial burden that was placed on the County's taxpayers by each of these functions.

	Governmental Activities			
	2020		2019	
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
General government	\$ 8,394,863	\$ 6,220,796	\$ 7,926,067	\$ 5,904,823
Public safety	9,988,023	5,228,490	8,146,045	5,574,001
Public works	4,818,958	2,553,082	4,955,417	1,832,583
Health and human services	4,100,285	594,328	3,898,537	633,425
Culture and recreation	112,293	(48,851)	115,900	(51,898)
Total	<u>\$ 27,414,422</u>	<u>\$ 14,547,845</u>	<u>\$ 25,041,966</u>	<u>\$ 13,892,934</u>

After reducing gross expenses by program revenues, public safety (which includes Community Development Services) totals 36% of the adjusted net cost of services in 2020 as compared to 40% in 2019. Public works shows approximately 18% of the 2020 net cost of services, as compared to 13% in 2019. Over half of the funding for the operations of the Road and Bridge Fund (in public works) is Highway User Tax Fund money received from the State.

**BUSINESS-TYPE ACTIVITIES
Revenues vs. Costs**

The jail enterprise fund showed net operating loss of \$532,175 in 2020, compared to a gain of \$838,001 in 2019. This large loss is directly related to the pandemic and the jail's necessity of limiting the number of prisoners in order to maintain social distancing requirements. The wastewater fund showed a net operating gain of \$1,551 compared to a gain of \$17,534 in 2019.

Financial Analysis of the County's Funds

Governmental Funds

As discussed, governmental funds are reported in the fund statements with a short-term inflow and outflow of spendable resources focus. This information is useful in assessing resources available at the end of the year in comparison with upcoming financing requirements. Governmental funds ending fund balances are \$19,985,629, which is a decrease from \$21,533,625 at the end of 2019. The residual amount of unassigned fund balance in the County's general fund, after accounting for all levels of constraint determined according to GASB54, is \$5,377,400 as compared to \$3,980,802 at the end of 2019, indicating that the decrease in total fund balance was limited as to the purpose of its spending.

Major Governmental Funds

The general fund is the County's primary operating fund and the largest source of day-to-day service delivery. Originally budgeted to decrease by about \$2.35 million, actual revenues and expenditures in the general fund resulted in a fund balance increase of \$3,032,977, as compared to an increase of \$757,497 in 2019. Our ongoing budgetary caution resulted in general fund revenues above the 2020 adjusted budget amounts by \$3.09 million as compared to \$2.1 million above adjusted budget

amounts in 2019. Departments continued to hold the line on normal expenditures, resulting in expenses of about \$2.4 million less than budget, as compared to \$1.6 million less in 2019. These large differences between budget and actual are also due, in part, to revenue and expense uncertainties related to the pandemic.

Property taxes distributed to the general fund show a 30.9% increase from calendar year 2019, resulting from an increase in assessed values of property in the County and a shift in the breakdown between funds. Distribution of sales taxes to the general fund increased by about 12.5% from the prior year. This is due to a large increase in total revenue. The County has now had two years of large increases in sales tax revenue, 23% - 2019 over 2018 & 12.5% - 2020 over 2019. The State of Colorado implemented online sales tax collection as of 12/1/2018. Our large increases are probably related to this change. The County will continue to monitor these increases in order to establish new trends for annual sales tax revenue. General fund revenues from other governmental entities (mainly State and Federal) increased by 40.1% from those in 2019, again mainly due to increased federal funding related to the pandemic. Revenues from all types of general fund licenses and permits resulted in a total decrease of 12.1% from 2019. Charges for general fund services had an increase of 5.7%, after a less than 1% increase in 2019.

The general fund balance is considered adequate, and due to conservative budget and spending practices, it shows the equivalent of 51.3% of annual expenditures in 2020. In the general fund, all areas of expenditures showed increases. The increased spending was a result of the deliberate implementation of our strategic plan and increased expenditures related to the pandemic.

Total road and bridge fund revenues decreased by about \$1.3 million, mainly due to a shift in the breakdown of sales tax and reductions in highway user tax funds and gaming taxes. Results in the road and bridge fund show a decrease in expenditures of about \$57,000 and a decrease of about \$1.15 million in fund balance from the prior year.

In the social services fund, total revenue decreased by about \$65,000 resulting from a shift in property tax breakdown between funds. Total expenditures and transfers out increased about \$140,000 from the prior year. However, this still resulted in an increase in fund balance of about \$162,000.

Proprietary Funds

The proprietary fund statements share the same focus as the government-wide statements, reporting both short-term and long-term information about financial status. This information was discussed in previous areas of the MD&A.

Budgetary Highlights

We have continued to budget to allocate funds to the capital projects fund in anticipation of accomplishing some long-term capital goals in the near future. The County's fleet replacement program has continued according to plan, taking into consideration increases in the cost of certain fleet equipment. Continuing revenue increases have allowed for more flexibility in meeting some of our strategic plan goals, while maintaining conservative spending practices.

The General Fund – Over the course of the year, the Board of County Commissioners has found it necessary to adopt adjustments and supplemental appropriations to the 2020 general fund budget, for the following reasons:

- Revenues that were not anticipated in the originally adopted budget, that have been obtained to fund specific programs or services (ie: grants approved after adoption of the budget, increased program funding)
- Carryover of designated funds received in 2019 but not expended until 2020
- Moving budgeted funds from one spending authority or area to another

Adjustments to the general fund budget resulted in a net increase of appropriations equaling \$2,736,471.

Actual general fund revenues came in \$3,090,447 higher than the adjusted budget amounts. County departments continued to maintain costs through careful monitoring of expenditures, which came in about 11% lower than the adjusted budget. Comparatively, the County spent about 91% of the authorized general fund budget in 2019. Past revenue trends are taken into account while developing conservative estimates for the budget.

Other Major Governmental Funds – Over the course of the year, the Board of County Commissioners has found it necessary to adopt adjustments and supplemental appropriations to other major governmental funds' 2020 budgets. Substantial amounts were:

- The capital projects fund budget was increased by \$2,497,661, to allow for the unanticipated expenditures, and for expenses related to the Sheriff's Office expansion.

Capital Assets and Debt Administration

Capital Assets

At December 31, 2020, the County had \$276,731,819 invested in a broad range of capital assets, including land, buildings, park facilities, roads, bridges and sewer lines. This is a large increase of \$5,156,177. In 2006, the County had completed valuation and condition assessments of all infrastructure in our road and trail systems built prior to 2003, and included them under the "modified approach" of reporting as non-depreciable assets under GASB34. This method of reporting, assessing and tracking the County's infrastructure has shown to be a valuable asset management tool. Due to the successful results of tracking road and trail infrastructure under the modified approach, in 2011 the County reconditioned the Wastewater infrastructure, completed a full assessment of the system, and has added that infrastructure to the assets tracked under the modified approach of reporting. The most recent assessment of all county road and trail infrastructure was performed in the three years ended December 31, 2018, and of the wastewater infrastructure in the three years ended December 31, 2020. The County will continue to perform infrastructure assessments every three years. The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2020, was \$274,443,905 and \$2,287,914 respectively. The total change in this net investment was an increase of 1.98% for governmental and a 7.18% decrease for business-type activities. See Note 4-D for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity:

	Capital Assets (net of depreciation)						% Change
	Governmental Activities		Business Activities		Total		
	2020	2019	2020	2019	2020	2019	
Land	\$ 3,225,910	\$ 3,225,910	\$ 101,300	\$ 101,300	\$ 3,327,210	\$ 3,327,210	0.0%
Construction in progress	6,259,948	743,451	46,680	28,550	6,306,628	772,001	716.9%
Buildings & Improvements	4,162,223	4,433,991	1,136,611	1,330,267	5,298,834	5,764,258	-8.1%
Machinery and equipment	2,821,260	2,732,722	50,611	52,175	2,871,871	2,784,897	3.1%
Infrastructure	257,974,564	257,974,564	952,712	952,712	258,927,276	258,927,276	0.0%
Total Capital Assets, net	<u>\$ 274,443,905</u>	<u>\$ 269,110,638</u>	<u>\$ 2,287,914</u>	<u>\$ 2,465,004</u>	<u>\$ 276,731,819</u>	<u>\$ 271,575,642</u>	<u>1.9%</u>

Long-term Debt

At the end of the calendar year, the County had outstanding debt obligations of \$1,410,165, including debt for compensated absences. During the year, the County retired \$385,000 in capital leases, or 33% of the beginning outstanding capital lease obligations. In 2020, the County had a net increase in compensated absence balances due, of \$156,805 or 33.5%.

	Outstanding Debt						% Change
	Governmental Activities		Business-type Activities		Totals		
	2020	2019	2020	2019	2020	2019	
Capital leases	\$ -	\$ -	\$ 785,000	\$ 1,170,000	\$ 785,000	\$ 1,170,000	-32.9%
Compensated absences	570,107	426,254	55,058	42,106	625,165	468,360	33.5%
Total	<u>\$ 570,107</u>	<u>\$ 426,254</u>	<u>\$ 840,058</u>	<u>\$ 1,212,106</u>	<u>\$ 1,410,165</u>	<u>\$ 1,638,360</u>	<u>-13.9%</u>

See Note 4-G for additional information about the County's long-term debt. Business-type capital leases include Certificates of Participation held by the Teller County Facilities Corporation. In April 2016, these COPs were renegotiated at a lower cost and to a shorter term.

Economic Conditions Affecting the County

Teller County weathered the COVID-19 pandemic better than many other government entities. There were no layoffs, hiring or salary freezes required in 2020. However, departments were encouraged to reduce/delay unnecessary expenditures in order to offset some of the additional expenditures required to respond to the outbreak. The County expects that economic uncertainties resulting from the COVID-19 pandemic will continue to impact future revenues and expenditures. The related financial impact and duration cannot be fully estimated at this time due to uncertainties in the duration and continued spread of outbreak. The federal American Rescue Plan Act which was passed in March, 2021 allocated \$4,931,321 in funding for the County. Use of this funding must be incurred by 12/31/2024. At this time, the County is unsure exactly how these funds can/will be used. Hopefully, they will cover any additional expenditures required to continue to administer testing and vaccinations, protect our citizens and recover some of our revenue losses. County leadership is continually monitoring the situation and will make every effort to provide the very best service to our residents as we have done in the past.

Gaming tax revenue decreased significantly due to the closure of the casinos for a portion of the year because of the pandemic and continued reduction in capacity throughout 2020. The County is expecting a decrease in 2021 as the capacity reductions continue. However, the decrease should not be as severe. Building-related activity decreased. Sales tax showed a significant increase though out the year in 2020. To-date 2021 activity is on par with the first two months of 2020 but we have concerns as to how the current pandemic may continue to affect future revenues.

Assessed values certified in 2020 for revenue collection in 2021 showed a slight decrease. We expect property tax revenues in 2021 to decrease slightly over 2020.

The Cripple Creek & Victor Gold Mine, owned by the Newmont Mining Corporation, did not show increases in 2020 production. However, they continue to be a valuable member of the community and they stimulate the economy in many ways, most importantly jobs. The current mine life permit runs through 2025 so we expect the mine to continue to support future County property tax revenues.

For at least the past five years' County Elected Officials have prioritized funding for salary increases for all county departments with a particular emphasis on law enforcement, however the County continued to lag behind other comparable entities in salary compensation. In 2020 the County used increased property taxes to fund overdue staff equity adjustments, merit increases and increased law enforcement positions. These increases still may not match regional markets however they reflect the county's financial abilities and other fiscal responsibilities.

In order to maintain services, the County is continuing to pursue all cost-effective sources of funding. County offices and departments continue to sustain services with the funding available. We strive to improve in all areas of responsibility. Community outreach and communications goals remain a County-wide priority.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Director of Finance or the County Administrator at the County's Centennial Building, 112 North "A" Street, Cripple Creek, CO 80813.



BASIC FINANCIAL STATEMENTS

Teller County, Colorado
Statement of Net Position
December 31, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
Assets			
Current Assets			
Cash and investments (Note 4-A)	\$ 24,009,666	\$ 737,270	\$ 24,746,936
Receivables:			
Accounts	1,925,669	57,128	1,982,797
Property taxes	10,432,410	-	10,432,410
Intergovernmental	207,169	-	207,169
Prepaid expenses	177,134	-	177,134
Inventory	128,406	-	128,406
Other Assets			
Prepaid items	-	25,593	25,593
Capital Assets (Note 4-D)			
Nondepreciable capital assets	267,659,606	1,100,692	268,760,298
Depreciable capital assets, net	6,777,247	1,187,222	7,964,469
Total Assets	<u>311,317,307</u>	<u>3,107,905</u>	<u>314,425,212</u>
Deferred Outflows of Resources			
Unamortized charge	-	95,855	95,855
Total Deferred Outflows of Resources	<u>-</u>	<u>95,855</u>	<u>95,855</u>
Liabilities			
Current Liabilities			
Accounts payable	3,188,693	141,323	3,330,016
Intergovernmental payable	480,819	-	480,819
Accrued interest payable	-	1,204	1,204
Compensated absences payable	118,722	11,012	129,734
Capital leases payable	-	390,000	390,000
Long-Term Liabilities (Note 4-G)			
Compensated absences payable (net of current portion)	451,385	44,046	495,431
Capital leases payable (net of current portion)	-	395,000	395,000
Total Liabilities	<u>4,239,619</u>	<u>982,585</u>	<u>5,222,204</u>
Deferred Inflows of Resources			
Grant revenue	1,501	-	1,501
Property tax revenue	10,432,410	-	10,432,410
Total Deferred Inflows of Resources	<u>10,433,911</u>	<u>-</u>	<u>10,433,911</u>
Net Position			
Net investment in capital assets (Note 4-I)	274,436,853	1,598,769	276,035,622
Restricted for:			
Emergencies (Note 5-C)	500,000	-	500,000
Parks and open space	1,058,647	-	1,058,647
Social services programs	1,367,270	-	1,367,270
Other	201,397	-	201,397
Unrestricted	19,079,610	622,406	19,702,016
Total Net Position	<u>\$ 296,643,777</u>	<u>\$ 2,221,175</u>	<u>\$ 298,864,952</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Activities
For the Year Ended December 31, 2020

Function/Program	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Business-Type Activities	Total
Primary Government						
Governmental Activities						
General government	\$ 8,401,915	\$ 1,169,872	\$ 1,004,195	\$ -	\$ (6,227,848)	\$ (6,227,848)
Public safety	9,988,023	847,188	3,912,345	-	(5,228,490)	(5,228,490)
Public works	4,818,958	34,408	2,231,468	-	(2,553,082)	(2,553,082)
Health and human services	4,100,285	37,565	3,468,392	-	(594,328)	(594,328)
Culture and recreation	112,293	-	161,144	-	48,851	48,851
Total Governmental Activities	27,421,474	2,089,033	10,777,544	-	(14,554,897)	(14,554,897)
Business-Type Activities:						
Water and sewer	147,173	147,863	-	45,000	45,690	45,690
Jail	3,478,559	2,572,447	237,879	-	(668,233)	(668,233)
Total Business-Type Activities	3,625,732	2,720,310	237,879	45,000	(622,543)	(622,543)
Total - Primary Government	\$ 31,047,206	\$ 4,809,343	\$ 11,015,423	\$ 45,000	(14,554,897)	(15,177,440)
General Revenues						
Property taxes levied for general government purposes					10,403,119	10,403,119
Sales taxes					4,424,158	4,424,158
Gaming taxes					1,235,551	1,235,551
Specific ownership taxes and other					1,259,254	1,259,254
Unrestricted grants					297,282	297,282
Non capital grants					-	3,160
Gain on sale of capital assets					32,152	32,152
Investment earnings					206,839	206,839
Miscellaneous					482,865	482,865
Total General Revenues					18,341,220	18,412,434
Change in Net Position					3,786,323	3,234,994
Net Position Beginning of Year					292,857,454	295,629,958
Net Position End of Year					\$ 296,643,777	\$ 298,864,952

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Balance Sheet
Governmental Funds
December 31, 2020

	General	Road and Bridge	Social Services	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 9,964,664	\$ 2,132,782	\$ 1,783,270	\$ 4,247,970	\$ 3,160,852	\$ 21,289,538
Receivables:						
Accounts	1,412,463	235,353	16,359	258,046	-	1,922,221
Property taxes	9,213,505	320,802	898,103	-	-	10,432,410
Intergovernmental	-	-	207,169	-	-	207,169
Prepaid expenses	173,239	1,231	1,639	-	1,025	177,134
Total Assets	<u>20,763,871</u>	<u>2,690,168</u>	<u>2,906,540</u>	<u>4,506,016</u>	<u>3,161,877</u>	<u>34,028,472</u>
Liabilities, Deferred Inflows and Fund Balances						
Liabilities						
Accounts payable	1,904,630	57,027	158,709	1,005,939	1,808	3,128,113
Intergovernmental payable	-	-	480,819	-	-	480,819
Total Liabilities	<u>1,904,630</u>	<u>57,027</u>	<u>639,528</u>	<u>1,005,939</u>	<u>1,808</u>	<u>3,608,932</u>
Deferred Inflows of Resources						
Unavailable grant revenue	1,501	-	-	-	-	1,501
Unavailable property tax revenue	9,213,505	320,802	898,103	-	-	10,432,410
Total Deferred Inflows of Resources	<u>9,215,006</u>	<u>320,802</u>	<u>898,103</u>	<u>-</u>	<u>-</u>	<u>10,433,911</u>
Fund Balances						
Nonspendable	173,239	1,231	1,639	-	1,025	177,134
Restricted	33,127	-	1,367,270	168,270	1,558,647	3,127,314
Committed	-	-	-	1,184,734	1,599,624	2,784,358
Assigned	4,060,469	2,311,108	-	2,147,073	773	8,519,423
Unassigned	5,377,400	-	-	-	-	5,377,400
Total Fund Balances	<u>9,644,235</u>	<u>2,312,339</u>	<u>1,368,909</u>	<u>3,500,077</u>	<u>3,160,069</u>	<u>19,985,629</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 20,763,871</u>	<u>\$ 2,690,168</u>	<u>\$ 2,906,540</u>	<u>\$ 4,506,016</u>	<u>\$ 3,161,877</u>	<u>\$ 34,028,472</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Reconciliation of Governmental Funds Balance Sheet to
The Statement of Net Position
December 31, 2020

Total Governmental Fund Balances	\$	19,985,629
 Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds (exclusive of internal service funds' capital assets)		
Cost	\$ 279,752,416	
Less accumulated depreciation	(7,632,418)	272,119,998
 The internal service funds are used by management to charge the costs of the operation and maintenance of the vehicle fleet to individual funds. The assets and liabilities of the internal service funds are included in governmental activities columns in the statement of net position.		
		5,084,754
 Liabilities are not due and payable in the current period and therefore are not reported in the fund balance sheets but are reported on the government-wide statement of net position: (exclusive of internal service funds' liabilities)		
Compensated absences		(546,604)
 Net Position of Governmental Activities	 \$	 296,643,777

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2020

	General	Road and Bridge	Social Services	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Property taxes	\$ 9,295,550	\$ 319,807	\$ 788,533	\$ -	\$ (771)	\$ 10,403,119
Sales taxes	2,079,354	663,624	-	1,681,180	-	4,424,158
Intergovernmental	7,401,406	2,601,642	2,729,118	348,552	161,144	13,241,862
Licenses and permits	726,455	22,069	-	-	-	748,524
Charges for services	1,212,386	13,340	-	-	-	1,225,726
Fines and forfeitures	24,697	2,156	-	-	-	26,853
Investment earnings	72,158	37,253	-	54,763	12,223	176,397
Miscellaneous	785,109	23,319	2,206	87,930	-	898,564
Total Revenues	<u>21,597,115</u>	<u>3,683,210</u>	<u>3,519,857</u>	<u>2,172,425</u>	<u>172,596</u>	<u>31,145,203</u>
Expenditures						
Current:						
General government	8,066,399	-	-	34,766	-	8,101,165
Public safety	9,687,738	-	-	206,114	-	9,893,852
Highways and streets	-	4,832,504	-	-	-	4,832,504
Health and human services	962,573	-	3,125,424	-	-	4,087,997
Culture and recreation	54,689	-	-	-	58,584	113,273
Capital Outlay	17,567	-	-	5,598,984	-	5,616,551
Total Expenditures	<u>18,788,966</u>	<u>4,832,504</u>	<u>3,125,424</u>	<u>5,839,864</u>	<u>58,584</u>	<u>32,645,342</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,808,149</u>	<u>(1,149,294)</u>	<u>394,433</u>	<u>(3,667,439)</u>	<u>114,012</u>	<u>(1,500,139)</u>
Other Financing Sources (Uses)						
Transfers in	232,685	-	-	-	-	232,685
Transfers out	(7,857)	-	(232,685)	(40,000)	-	(280,542)
Total Other Financing Sources (Uses)	<u>224,828</u>	<u>-</u>	<u>(232,685)</u>	<u>(40,000)</u>	<u>-</u>	<u>(47,857)</u>
Net Change in Fund Balances	<u>3,032,977</u>	<u>(1,149,294)</u>	<u>161,748</u>	<u>(3,707,439)</u>	<u>114,012</u>	<u>(1,547,996)</u>
Fund Balances Beginning of Year	<u>6,611,258</u>	<u>3,461,633</u>	<u>1,207,161</u>	<u>7,207,516</u>	<u>3,046,057</u>	<u>21,533,625</u>
Fund Balances End of Year	<u>\$ 9,644,235</u>	<u>\$ 2,312,339</u>	<u>\$ 1,368,909</u>	<u>\$ 3,500,077</u>	<u>\$ 3,160,069</u>	<u>\$ 19,985,629</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
*Reconciliation of the Statement of Revenues, Expenditures and Changes
in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2020*

Net Changes In Fund Balances - Total Governmental Funds		\$ (1,547,996)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures.		
However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay and donated capital value exceeded depreciation expense in the current period.		
Depreciation expense	\$ (375,799)	
Capital outlay	<u>5,616,551</u>	5,240,752
Capitalized assets are not reported on the governments fund financial statements, however on the government-wide statements fixed assets and related depreciation have been reported. This is the net value of assets removed.		
Capitalized asset	\$ (112,300)	
Accumulated depreciation	<u>104,937</u>	(7,363)
The internal service fund is used by management to charge the costs of the operation and maintenance of the vehicle fleet to individual funds. The net revenue of certain activities of the internal service fund is reported with governmental activities.		
		240,326
Compensated absences reported in the statement of activities, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
Liability @ 12/31/20	\$ (546,604)	
Liability @ 12/31/19	<u>407,208</u>	(139,396)
Change in Net Position of Governmental Activities		<u>\$ 3,786,323</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Assets				
Current Assets:				
Cash and cash equivalents	\$ 118,946	\$ 618,324	\$ 737,270	\$ 2,720,128
Receivables:				
Accounts	10,791	46,337	57,128	3,448
Inventory	-	-	-	128,406
Prepaid items	-	25,593	25,593	-
Total Current Assets	<u>129,737</u>	<u>690,254</u>	<u>819,991</u>	<u>2,851,982</u>
Noncurrent Assets:				
Capital Assets:				
Land	-	101,300	101,300	-
Infrastructure	981,262	-	981,262	-
Other non-depreciable assets	18,130	-	18,130	-
Depreciable capital assets, net	-	1,187,222	1,187,222	2,316,855
Total Noncurrent Assets	<u>999,392</u>	<u>1,288,522</u>	<u>2,287,914</u>	<u>2,316,855</u>
Total Assets	<u>1,129,129</u>	<u>1,978,776</u>	<u>3,107,905</u>	<u>5,168,837</u>
Deferred Outflows of Resources				
Unamortized charge	-	95,855	95,855	-
Total Deferred Outflows of Resources	<u>-</u>	<u>95,855</u>	<u>95,855</u>	<u>-</u>
Liabilities				
Current Liabilities:				
Accounts payable	9,960	131,363	141,323	60,580
Accrued interest	-	1,204	1,204	-
Compensated absences payable	-	11,012	11,012	4,701
Capital leases payable	-	390,000	390,000	-
Total Current Liabilities	<u>9,960</u>	<u>533,579</u>	<u>543,539</u>	<u>65,281</u>
Long-Term Liabilities:				
Compensated absences payable (net of current portion)	-	44,046	44,046	18,802
Capital leases payable (net of current portion)	-	395,000	395,000	-
Total Long-Term Liabilities	<u>-</u>	<u>439,046</u>	<u>439,046</u>	<u>18,802</u>
Total Liabilities	<u>9,960</u>	<u>972,625</u>	<u>982,585</u>	<u>84,083</u>
Net Position				
Net investment in capital assets	999,392	599,377	1,598,769	2,316,855
Unrestricted	119,777	502,629	622,406	2,767,899
Total Net Position	<u>\$ 1,119,169</u>	<u>\$ 1,102,006</u>	<u>\$ 2,221,175</u>	<u>\$ 5,084,754</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Revenues,
Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Funds
	Wastewater Utility	Jail	Total	
Operating Revenues				
Charges for services	\$ 147,713	\$ 2,572,447	\$ 2,720,160	\$ 1,439,891
Intergovernmental	-	237,879	237,879	-
Licenses and permits	150	-	150	-
Miscellaneous	861	67,193	68,054	66
Total Operating Revenues	<u>148,724</u>	<u>2,877,519</u>	<u>3,026,243</u>	<u>1,439,957</u>
Operating Expenses				
Administration	9,450	46,692	56,142	-
Operations	137,723	3,159,803	3,297,526	914,163
Depreciation	-	203,199	203,199	395,919
Total Operating Expenses	<u>147,173</u>	<u>3,409,694</u>	<u>3,556,867</u>	<u>1,310,082</u>
Operating Income (Loss)	<u>1,551</u>	<u>(532,175)</u>	<u>(530,624)</u>	<u>129,875</u>
Non-Operating Revenues (Expenses)				
Non capital grants	-	3,160	3,160	-
Transfers in	-	-	-	47,857
Gain on sale of capital assets	-	-	-	32,152
Investment earnings	-	-	-	30,442
Interest and fiscal charges	-	(68,865)	(68,865)	-
Total Non-Operating Revenues (Expenses)	<u>-</u>	<u>(65,705)</u>	<u>(65,705)</u>	<u>110,451</u>
Net Income (Loss) Before Capital Contributions	<u>1,551</u>	<u>(597,880)</u>	<u>(596,329)</u>	<u>240,326</u>
Capital Contributions	<u>45,000</u>	<u>-</u>	<u>45,000</u>	<u>-</u>
Change in Net Position	<u>46,551</u>	<u>(597,880)</u>	<u>(551,329)</u>	<u>240,326</u>
Net Position Beginning of Year	<u>1,072,618</u>	<u>1,699,886</u>	<u>2,772,504</u>	<u>4,844,428</u>
Net Position End of Year	<u>\$ 1,119,169</u>	<u>\$ 1,102,006</u>	<u>\$ 2,221,175</u>	<u>\$ 5,084,754</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Cash Flows from Operating Activities				
Cash received from customers	\$ 145,564	\$ 3,031,138	\$ 3,176,702	\$ 1,436,509
Cash payments for goods and services	(138,511)	(1,106,058)	(1,244,569)	(753,047)
Cash payments to employees for services	-	(2,036,098)	(2,036,098)	(316,563)
Net Cash Provided (Used) by Operating Activities	<u>7,053</u>	<u>(111,018)</u>	<u>(103,965)</u>	<u>366,899</u>
Cash Flows from Capital and Related Financing Activities				
Non capital grants	-	3,160	3,160	-
Principal paid on long-term debt	-	(385,000)	(385,000)	-
Interest paid on long-term debt	-	(21,528)	(21,528)	-
Proceeds from sale of capital assets	-	-	-	32,152
Contributions	45,000	-	45,000	-
Payments for capital acquisitions	(18,130)	(7,979)	(26,109)	(488,745)
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>26,870</u>	<u>(411,347)</u>	<u>(384,477)</u>	<u>(456,593)</u>
Cash Flows from Investing Activities and Transfers In				
Transfers In	-	-	-	47,857
Investment earnings	-	-	-	30,442
Net Cash Flows from Investing Activities and Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,299</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>33,923</u>	<u>(522,365)</u>	<u>(488,442)</u>	<u>(11,395)</u>
Cash and Cash Equivalents Beginning of Year	<u>85,023</u>	<u>1,140,689</u>	<u>1,225,712</u>	<u>2,731,523</u>
Cash and Cash Equivalents End of Year	<u>\$ 118,946</u>	<u>\$ 618,324</u>	<u>\$ 737,270</u>	<u>\$ 2,720,128</u>

(continued)

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2020

(continued)

	Business-type Activities - Enterprise Funds			Governmental Activities - Internal Service Fund
	Wastewater Utility	Jail	Total	
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities				
Operating Income (Loss)	\$ 1,551	\$ (532,175)	\$ (530,624)	\$ 129,875
Adjustments:				
Depreciation	-	203,199	203,199	395,919
(Increase) Decrease in Assets:				
Accounts receivable	(3,160)	153,619	150,459	(3,448)
Prepaid expenses	-	35,946	35,946	-
Inventory	-	-	-	7,594
Increase (Decrease) in Liabilities:				
Accounts payable	8,662	15,441	24,103	(167,499)
Compensated absences payable	-	12,952	12,952	4,458
Net Cash Provided (Used) by Operating Activities	<u>\$ 7,053</u>	<u>\$ (111,018)</u>	<u>\$ (103,965)</u>	<u>\$ 366,899</u>

See the accompanying notes to the basic financial statements.

Teller County, Colorado
Statement of Fiduciary Net Position
Custodial Funds
December 31, 2020

	SWTC Library Custodial Fund	Other Custodial Funds	Total
Assets			
Cash and investments	\$ 425,366	\$ 1,118,821	\$ 1,544,187
Total Assets	425,366	1,118,821	1,544,187
Liabilities			
County warrants outstanding	-	455,208	455,208
Accounts payable	-	324,568	324,568
Due to other entities	-	339,045	339,045
Total Liabilities	-	1,118,821	1,118,821
Net Position			
Restricted For:			
Individuals, organizations and/or other governments	425,366	-	425,366
Total Fiduciary Net Position	\$ 425,366	\$ -	\$ 425,366

Other Custodial Funds do not have Net Position but they are shown here in order to fully disclose all custodial assets and liabilities

Teller County, Colorado
Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended December 31, 2020

	SWTC Library Custodial Fund	Other Custodial Funds	Total
ADDITIONS			
Deposits from inmates	\$ -	\$ 363,259	\$ 363,259
CSHP Grant Deposits	-	49,250	49,250
County Clerk & Recorder collections	-	3,690,855	3,690,855
Tax collections for other entities	-	29,194,688	29,194,688
Tax collections for SWTC Library	193,637	-	193,637
Total additions	<u>193,637</u>	<u>33,298,052</u>	<u>33,491,689</u>
DEDUCTIONS			
Payments on behalf of inmates	-	364,793	364,793
CSHP Grant Payments	-	49,219	49,219
County Clerk & Recorder payments to other governments	-	3,700,956	3,700,956
Tax distributions to other entities	-	28,886,509	28,886,509
Tax distributions to SWTC Library	141,000	-	141,000
Total deductions	<u>141,000</u>	<u>33,001,477</u>	<u>33,142,477</u>
Change in fiduciary net position	52,637	-	52,637
Net Position Beginning of Year	<u>372,729</u>	<u>-</u>	<u>372,729</u>
Net Position End of Year	<u><u>425,366</u></u>	<u><u>-</u></u>	<u><u>425,366</u></u>

Other Custodial Funds do not have Net Position but they are shown here in order to fully disclose all changes to our custodial funds

See the accompanying independent auditors' report.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 1 - Summary of Significant Accounting Policies

The financial statements of Teller County (County) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the County's accounting policies are described below.

1-A. Reporting Entity

The reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the County consists of all funds, departments, boards and agencies that are not legally separate from the County.

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 organization; 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.

The reporting entity has been defined to include all County elected officials, including the Treasurer, Public Trustee, Assessor, Clerk & Recorder (including Elections), Sheriff (including Detentions, Animal Control, Equitable Sharing, Auxiliary Organizations and Search & Rescue), Coroner, Surveyor and Board of County Commissioners. The District Attorney does not meet the criteria of an includable entity; however, the County's contribution to the District Attorney's Office has been included as an expenditure of the general fund. In addition, the following County departments and organizations which report to the Teller County Board of County Commissioners are considered part of the reporting entity:

- Community Development Services (including the Building Department and Planning Department);
- Public Works (including Transportation, Fleet Services, Facilities, Parks and the Wastewater Utility);
- and:
- CSU Extension Office
- Environmental Health
- Human Resources
- Information Technology
- Public Health
- Emergency Management
- Finance & Budget
- Human Services
- Legal Services
- Veterans Office

The County has one component unit that is presented as "blended." When blended, it is reported as if it were a fund of the County throughout the year. It is included at both the government-wide and the fund financial reporting levels.

A brief description of the blended component unit follows:

The County entered into an annually renewable 28-year lease-purchase agreement with the Teller County Facilities Corporation for the Corporation's detentions facility in Divide, Colorado. The Facilities Corporation issued certificates of participation in June 1997 to purchase the jail facility from the Teller County Jail Authority. In 2005, and again in 2016, these certificates of participation were re-financed. At the time of each re-financing, the County entered into an amendment to the annually renewable lease-purchase agreement, in order to recognize both the cost savings and the shortened term gained through the re-finance. As the Corporation is thereby financially dependent upon the County for the lease payments, the financial activities of the Corporation have been blended in this report in the County's Jail Enterprise Fund.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

1-B. Basis of Presentation

The County's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County as a whole, excluding fiduciary funds. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the County's general revenues, from business-type activities, generally financed in whole or in part with user fees charged to external customers.

The statement of net position presents the financial position of the governmental and business-type activities of the County.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the County's governmental activities and for each identifiable activity of the business-type activities of the County. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The County does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the County's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for *charges for services* is which function *generates* the revenue. For *grants and contributions*, the determining factor is to which function the revenues are *restricted*.

Other revenue sources not classified as program revenues are reported as general revenues of the County. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the County.

Fund Financial Statements - During the year, the County segregates transactions related to certain County functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the County at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds.

Major individual governmental and enterprise funds are reported in separate columns in the fund financial statements.

Fund Accounting - The County uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The County uses three categories of funds: governmental, proprietary and fiduciary.

Governmental Funds - Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The County reports the difference between governmental fund assets and liabilities as fund balance. The following are the County's major governmental funds:

The General Fund – The general fund accounts for all financial resources except those required to be accounted for in another fund.

Road and Bridge Fund – This fund accounts for revenues that are generated from highway user tax funds, property taxes, various grants and other intergovernmental revenues and fees. Spending is restricted, committed or assigned to all types of construction and maintenance of the County's transportation system.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Social Services Fund – This fund accounts for revenues that are generated from state & federal human services payments, property taxes and other intergovernmental revenues and fees. Spending is restricted to the administration of, and the County’s share of program costs for, public assistance and welfare activities.

Capital Projects Fund – This fund is restricted, committed or assigned to account for general governmental capital building, land and equipment purchases and construction.

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

Wastewater Utility Fund – This fund is used to account for the capital assets, liabilities and operations of the Teller County Wastewater Utility in Divide, Colorado. The utility’s costs are intended to be financed or recovered primarily through user charges.

Jail Fund – This fund is used to account for the capital assets, liabilities and operations of the Teller County Detentions Facility in Divide, Colorado. The facility’s costs are intended to be financed or recovered primarily through user charges.

Fleet Management Internal Service Fund – This fund is used to account for the capital assets, liabilities and operational management of the Teller County Fleet. The fleet-related services are provided to other County departments on a cost reimbursement basis.

Custodial Funds – The County’s custodial funds are fiduciary in nature. These funds are used to account for assets that the County holds for others in a fiduciary capacity. Custodial funds are accounted for using the economic resources measurement focus and the accrual basis of accounting.

1-C. Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets, deferred outflows, liabilities and deferred inflows associated with the operation of the County are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and deferred outflows, and current liabilities and deferred inflows generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities in the government-wide financial statements are prepared and reported. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in fund net position present increases (i.e., revenues) and decreases (i.e., expenses) in net total position. The statements of cash flows provide information about how the County finances and meets the cash flow needs of its proprietary activities.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

1-D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Proprietary funds use the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenues, and in the presentation of expenses versus expenditures. Fiduciary funds use the accrual basis of accounting on the statement of net position.

Revenues – Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the County, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end or 90 days if the revenue source is inter-governmental.

Revenues - Non-exchange Transactions - Non-exchange transactions in which the County receives value without directly giving equal value in return, include sales taxes, property taxes, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. (Note 4-C) Property taxes assessed in 2020 that are due in 2021 are recorded as property taxes receivable and a deferred inflow at December 31, 2020.

Revenues from grants and donations are recognized in the fiscal year in which eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the County must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the County on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days or 90 days for inter-governmental) before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, fees, federal, state and private grants and intergovernmental revenue.

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as a deferred inflow (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met, excluding timing requirements, (e.g., cash advances) are recorded as unearned revenue. Unmet timing requirements are recorded as deferred inflows.

Expenses/Expenditures - On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1-E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and Fund Equity

1-E-1 Cash, Cash Equivalents, and Investments

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

Time deposits with a maturity date of more than three months but at or less than one year of the date acquired by the County are valued at amortized cost.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local government entities may invest:

- Obligations of the United States and certain U.S. government agencies securities
- Certain international agency securities
- General obligation and revenue bonds of U.S. local government entities
- Bankers' acceptances of certain banks
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts

The County's investments consist of external investment pools and U.S. Agency obligations.

1-E-2 Interfund Balances

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

1-E-3 Consumable Inventories

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

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

1-E-4 Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2020, are recorded as prepaid items using the consumption method by recording an asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

1-E-5 Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of five thousand dollars. The County's infrastructure consists of road improvements, trails and our wastewater system. The County has inventoried, valued and added 100% of defined infrastructure to the government-wide statement of net position. The County has adopted the modified approach under *GASB 34*, of tracking infrastructure assets as non-depreciable assets and targeting maintenance of infrastructure at certain condition levels. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

cost incurred before the end of a construction period are not included in the historical cost of a capital asset reported in a business-type activity or enterprise fund.

All reported capital assets are depreciated except for land, infrastructure and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings and plant	10 - 120 years	30 years
Improvements	25 - 50 years	30 years
Machinery, equipment and vehicles	5 - 30 years	5 - 25 years
Furniture and fixtures	5 - 30 years	5 - 10 years

At the inception of capital leases at the governmental fund reporting level, capital outlay expenditures and an “other financing source” of an equal amount are reported at the net present value of future minimum lease payments.

1-E-6 Deferred outflows/inflows of resources

In addition to assets, the statement of financial position reports 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. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide and the proprietary fund statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position reports 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. The government has two items, which arise under both the full (government-wide financial statement) and the modified accrual (fund financial statement) bases of accounting, that qualifies for reporting in this category. Accordingly; *property tax revenue and grant revenue*, are reported in both the statement of net position and in the balance sheet of governmental funds as deferred inflows of resources. These future revenues are deferred and recognized as an inflow of resources in the period for which they are levied or when time restrictions are satisfied and for the governmental funds when the amounts become available (calendar year 2021).

1-E-7 Compensated Absences

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

Sick leave benefits do not vest and therefore are not accrued.

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

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

1-E-8 Accrued Liabilities and Long-term Obligations

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

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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

1-E-9 Fund Equity (See Note 4-I)

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

Fund Balance – Generally, fund balance represents the difference between the assets and deferred outflows of resources, and liabilities and deferred inflows of resources. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the County is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

- ***Nonspendable*** – Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.
- ***Restricted*** – Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or State, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- ***Committed*** – Fund balances are reported as committed when they can be used only for specific purposes pursuant to constraints imposed by formal action of the Teller County Board of County Commissioners through the adoption of a resolution. The Board of County Commissioners also must modify or rescind the commitment through the same action as adopted.
- ***Assigned*** – Fund balances are reported as assigned when amounts are constrained by the County’s intent to be used for specific purposes, but are neither restricted nor committed. By resolution, the Board of County Commissioners has authorized the County Administrator and the County Director of Finance and Budget as the body which assigns fund balances.
- ***Unassigned*** – Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The County reports positive unassigned fund balance only in the general fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions – When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the County’s policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the County’s policy to use fund balance in the following order:

- ***Committed***
- ***Assigned***
- ***Unassigned***

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

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

During 2020 the County implemented GASB Statement No. 90, *Major Equity Interests*, which improves the consistency and comparability of reporting a government’s major equity interest in a legally separate organization and improves the relevance of financial statement information for certain component units. The statement is effective for periods beginning after December 15, 2019. The County has adopted this statement and applied it beginning in the year ended December 31, 2020. This adoption had no impact in the 2020 financial statements as the County does not currently have any major equity interests.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

1-E-10 Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for wastewater and prisoner housing. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1-E-11 Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets or from grants or outside contributions of resources intended to be used for capital acquisition, construction and maintenance.

1-E-12 Interfund Activity

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

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

Eliminations have been made to minimize the double counting of internal activities. The County's internal service fund (which provides services primarily to other funds of the County) is presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the County's governmental activities, financial activities of the internal service fund are presented in the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate function/program (general government, public safety, public works, health and human services, and culture and recreation) in the statement of activities.

1-E-13 Estimates

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

1-E-14 Comparative Data

Comparative total data for the prior year have been presented only for individual funds in the fund financial statements in order to provide an understanding of the changes in the financial position and operations of these funds. The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the government's financial statements for the year ended December 31, 2019, from which the summarized information was derived.

Note 2 – Intergovernmental Agreement

During the course of 2020, the County was involved in various intergovernmental agreements with local and federal law enforcement for the purpose of establishing federal task forces and special investigation funds, as well as other areas. These agreements are not considered joint ventures. The related revenue and expenses are accounted for within the general fund. The County has no specific claim to any assets of these funds, except as requested to pay for costs over and above normal operations of the County Sheriff's Department as allowed in these agreements and as approved by the entity in charge of the funds.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 3 – Stewardship, Compliance and Accountability

3-A. Excess of Expenditures over Appropriations

No individual funds had expenditures/expenses in excess of approved appropriations.

Note 4 - Detailed Notes on All Funds

4-A. Deposits and Investments

Custodial Credit Risk - Custodial credit risk for deposits and investments is the risk that, in the event of failure of the custodian, the County may not be able to recover the value of deposits that are in the possession of a third party. The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulations. Demand deposits and Time and Savings deposits are each insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The institution is allowed to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The following schedules show the cash balances and amount of insured versus collateralized deposits.

As of December 31, 2020, the County had the following deposits:

	Insured	Collateralized	Fair Value/ Bank Balance	Carrying Amount	Maturities
Cash On Hand	\$ -	\$ -	\$ -	\$ 33,739	
Deposits	798,625	8,048,873	8,847,498	8,686,741	
CDs	740,000	-	740,000	740,000	7/26/21-12/1/21
Total Deposits and Cash on Hand	<u>\$ 1,538,625</u>	<u>\$ 8,048,873</u>	<u>\$ 9,587,498</u>	<u>\$ 9,460,480</u>	

Investment Risk Factors - There are many factors that can affect the value of investments, some of which are custodial credit risk, credit risk and interest rate risk. The County Treasurer has established a cash and investment policy to minimize the County's exposure to these risks. The County follows Colorado state statutes for investing. As such, in 2020 the County investment portfolio includes certificates of deposit with maturity lengths in excess of three months. Because of this, the only exposure the County has is to custodial credit risk. The County's investment policy does not specifically address these risks.

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

Investment in obligations of the U.S government, or those explicitly guaranteed by the U.S. Government, are not subject to custodial credit risk, credit risk or foreign currency risk. The County's government obligations are subject to interest rate risk based on their maturity dates. The County has the intent and ability to hold all investments to maturity. Maturity dates and values are as below:

	Fair Value/ Carrying Amount	Maturities	Rating
Investments			
GNMA	\$ 5,852	11/20/22-2/20/31	AA+
Total	<u>\$ 5,852</u>		

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

The County's investments in U.S. Agency obligations (GNMA's and Federally Guaranteed Home Loans) are valued at \$5,852 using inputs, other than quoted prices that are observable, such as interest rates and yield curves observable at commonly quoted intervals (Level 2 inputs).

Investments in local government investment pools or in money market funds are not evidenced by securities that exist in physical or book entry form. The County had invested \$16,824,791 in Public Trust Pools, which are investment vehicles established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The pools, CSAFE Cash and Colotrust, operate similarly to a money market fund and each share is equal in value to \$1.00. The pool, CSAFE CORE, also operates somewhat similar to a money market, but is limited to only 3 withdrawals per month, and is managed to a per share value of \$2.00. The designated custodial bank provides safekeeping and depository services to the pools in connection with the direct investment and withdrawal functions of the pools. All securities owned by the pools are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pools. Investments of the pools consist of U.S. Treasury bills, notes and note strips and repurchase agreements collateralized by U.S. Treasury Notes. The State securities commission administers and enforces all state statutes governing public trust pools.

	Amount	Rating
Investments in local government Investment Pools		
Colotrust	\$3,663,475	AAAm
CSAFE Cash	6,616,020	AAAm
CSAFE CORE	6,545,296	AAAm
Total	\$16,824,791	

Colotrust and CSAFE CORE are external investment pools valued using the NAV per share (or its equivalent) of the investments. Colotrust and CSAFE CORE do not have any unfunded commitments, redemption restrictions (other than CSAFE CORE's 24-hour redemption notice and limit of 3 monthly withdrawals) or redemption notice periods. CSAFE CASH is an external investment pool valued at amortized cost, in accordance with GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*.

The external investment pools conform to Colorado Statutes CRS 24-75-601 et. seq. and therefore invest primarily in securities of the United States Treasury, United States Agencies, Primary Dealer Repurchase Agreements, highly rated commercial paper, highly rated corporate bonds, Colorado depositories collateralized at 102% of market value according to the guidelines of the Public Deposit Protection Act. The investments will conform to its Permitted Investments and will meet Standard & Poor's investment guidelines to achieve a AAAm rating, the highest attainable rating for a Local Government Investment Pool.

Financial statements for Colotrust may be obtained through its website at: www.colotrust.com . Financial statements for CSAFE may be obtained through its website at: www.csafe.org .

Cash & Investment Reconciliation:

Governmental Funds - Balance Sheet	\$21,289,538
Proprietary Fund Type Statement of Net Position	3,457,398
Statement of Fiduciary Assets, Liabilities & Net Position	1,544,187
Total	\$26,291,123

Note: The County Treasurer was appointed to the CSAFE Board of Trustees in July, 2020.

4-B. Receivables

Receivables at December 31, 2020 consisted of taxes, accounts (billings for user charges, including unbilled utility receivables), intergovernmental receivables arising from grants and other intergovernmental revenues.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

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

4-C. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on January 1 and payable in two installments on the last day of February and June 15, or in one installment due April 30. The Teller County Treasurer bills and collects property taxes for the County.

4-D. Capital Assets

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

	Balance 01/1/2020	Additions	Deductions	Balance 12/31/2020
Governmental activities, (including internal service fund):				
Capital assets not being depreciated:				
Land	\$ 2,594,155	\$ -	\$ -	\$ 2,594,155
Land - right of ways	631,755	-	-	631,755
Infrastructure - Roads	257,811,571	-	-	257,811,571
Infrastructure - Trails	162,993	-	-	162,993
Construction in progress	743,451	5,580,016	63,519	6,259,948
Vehicles not in service	109,882	89,302	-	199,184
Total capital assets not being depreciated	<u>262,053,807</u>	<u>5,669,318</u>	<u>63,519</u>	<u>267,659,606</u>
Other capital assets:				
Buildings	8,406,997	-	-	8,406,997
Vehicles and road equipment	11,496,898	489,495	79,417	11,906,976
Furniture and fixtures	1,752,241	17,054	6,210	1,763,085
Software	563,065	-	26,673	536,392
Other improvements	1,277,271	-	-	1,277,271
Total depreciable capital assets	<u>23,496,472</u>	<u>506,549</u>	<u>112,300</u>	<u>23,890,721</u>
Total cost of capital assets	<u>285,550,279</u>	<u>6,175,867</u>	<u>175,819</u>	<u>291,550,327</u>
Accumulated depreciation:				
Buildings	4,832,246	231,714	-	5,063,960
Vehicles and road equipment	9,201,953	433,494	72,365	9,563,082
Furniture and fixtures	1,424,346	66,456	5,899	1,484,903
Software	563,065	-	26,673	536,392
Other improvements	418,031	40,054	-	458,085
Total accumulated depreciation	<u>16,439,641</u>	<u>771,718</u>	<u>104,937</u>	<u>17,106,422</u>
Governmental activities capital assets, net	<u>\$ 269,110,638</u>	<u>\$ 5,404,149</u>	<u>\$ 70,882</u>	<u>\$ 274,443,905</u>

Additions include \$63,519 in asset value that was previously included as capital items in progress, which was not current year capital outlay. On the government-wide statement of net position and the schedule above, the internal service assets are included as governmental activities.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Governmental activities depreciation expense

General government	\$ 246,772
Public safety	42,527
Highways and streets	83,670
Health and welfare	2,830
Capital assets held by the government's internal service fund are charged to the various functions based on their usage of the assets	395,919
Total governmental activities depreciation expense	\$ 771,718

	Balance 01/1/2020	Additions	Deductions	Balance 12/31/2020
Business-type activities				
Capital assets not being depreciated:				
Land	\$ 101,300	\$ -	\$ -	\$ 101,300
Infrastructure - wastewater system	952,712	-	-	952,712
Construction in Progress	28,550	18,130	-	46,680
Total non-depreciable capital assets	1,082,562	18,130	-	1,100,692
Depreciable capital assets:				
Building/plant	5,407,281	-	-	5,407,281
Other improvements	405,100	-	-	405,100
Equipment	154,136	7,979	-	162,115
Furniture & fixtures	-	-	-	-
Total depreciable capital assets	5,966,517	7,979	-	5,974,496
Total cost of capital assets	7,049,079	26,109	-	7,075,188
Accumulated depreciation:				
Building/plant	4,163,063	180,155	-	4,343,218
Other improvements	319,051	13,503	-	332,554
Equipment	101,961	9,541	-	111,502
Furniture & fixtures	-	-	-	-
Total accumulated depreciation	4,584,075	203,199	-	4,787,274
Business-type activities capital assets, net	\$ 2,465,004	\$ (177,090)	\$ -	\$ 2,287,914

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

4-E. Interfund Transfers

Interfund transfers for the year ended December 31, 2020 consisted of the following:

Transfers to:	Transfers From:			Total
	Social Services Fund	General Fund	Capital Projects Fund	
General Fund	\$ 232,685	\$ -	\$ -	\$ 232,685
Internal Svc Fund	-	7,857	40,000	47,857
	\$ 232,685	\$ 7,857	\$ 40,000	\$ 280,542

Transfers are used to report revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; to segregate money for anticipated capital projects; to provide additional resources for current operations or debt service; and to return money to the fund from which it was originally provided once a project is completed. All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

4-F. Other Commitments

Operating Leases – On October 25th, 2007, the County entered into a lease agreement with PK Enterprises, Inc. for the property located at 11115 Highlands Center Building in Divide that houses the Teller County Public Health Department. The lease expired November 30th, 2018. A new lease agreement with PK Enterprises, Inc. was entered into on December 1st, 2018. This is a one-year lease with nine (9) one-year options to extend the lease. The initial monthly rent amount was \$3,258 plus triple net (NNN) charges. The rent will increase for each exercised renewal term by the trailing twelve-month percentage change of WSJ Prime Rate, with a minimum increase of 0.5% and maximum of 3%. Total rent for this lease for 2020 was \$39,289 and total NNN charges were \$7,107.

In March 2014, the County entered into a lease agreement with Tamarac Business Park, LLC for property located at 800 Research Drive, Suite 100 in Woodland Park, which replaced the County offices in the Manor Court and Cobblestone buildings previously leased from the State Land Board. In ensuing years' the County has amended the agreement to include suites 200, 220, 230, and 250. This lease commenced on August 1, 2014 and may be extended annually through June 30, 2024. Gross rent at December 31, 2020 was \$17,180 per month, increased 3% annually upon each extension, plus janitorial costs of \$1,422 per month.

Monthly payments are made through the General Fund and the Social Services Fund reimburses the General Fund for a portion of the rent. The amount of rent paid in 2020 was \$203,993, of which \$115,929 was reimbursed from Social Services. 2020 janitorial cost payments in the amount of \$16,280 were made through the General Fund, of which \$10,584 was reimbursed from Social Services.

On January 4th, 2019, the County entered into a lease agreement with Woodland Professional Building, LLC for property located at 400 West Midland Ave, Unit 275 in Woodland Park for a Probations Office. The initial term was for a one-year lease with a monthly rent amount of \$800. A new lease agreement was entered into on January 30th, 2020 extending the lease an additional 3 years with a 3% increase for each annual term. Total rent for this lease for 2020 was \$9,888.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

4-G. Long-Term Debt

Other Agreements – The County has a lease-purchase agreement with the Teller County Facilities Corporation for the County detentions facility in Divide. The agreement is for the County to make all payments under the Corporation’s Certificate of Participation agreement. Neither the Certificates nor the Lease constitute a mandatory payment obligation in any fiscal year beyond a fiscal year for which the County has appropriated or otherwise made available amounts to make payments under the Lease. The County may also elect to purchase the Project by payment of the Purchase Option Price.

County Business-type Direct Borrowings - In April, 2016, in order to take advantage of lower interest rates and to shorten the term of the COPs, the Teller County Facilities Corporation re-financed the certificates of participation. As part of that process, the County entered into a second amendment to the annually-renewable lease-purchase agreement with the Facilities Corporation, to gain the benefit of the re-finance. The assets acquired through the Jail COPs are as follows (amortization expense is included in depreciation expense):

	<u>Business-Type Activities</u>
Capital Assets	\$6,075,794
Less: Accumulated Depreciation	<u>(4,787,272)</u>
Total	<u>\$1,288,522</u>

The refunded principal was \$3,110,000. Upon refunding, the principal was reduced by \$470,019 using funds previously held in a restricted interest-bearing account in the Teller County Facilities Corporation’s name. The average interest rate on the refunded certificates was 4.94%, as compared to a rate of 1.84% after conversion. The present value savings resulting from the refinancing was about \$347,000. Remaining maturity dates are from December 2020 through December 2022, as compared to the previous final maturity date of December 2024. Scheduled debt service requirements are as follows:

Year	Certificates of Participation		Total
	Principal	Interest	
2021	\$ 390,000	\$ 14,444	\$ 404,444
2022	395,000	7,268	402,268
Total	\$ 785,000	\$ 21,712	\$ 806,712

Changes in Long-term Debt - Changes in the County’s long-term obligations consisted of the following for the year ended December 31, 2020:

	Outstanding 1/1/2020	Additions	Reductions	Outstanding 12/31/2020	Amounts Due in One Year
Governmental Activities					
Compensated absences*	\$ 426,254	\$ 811,367	\$ 667,514	\$ 570,107	\$ 118,722
Total Governmental Activities	<u>\$ 426,254</u>	<u>\$ 811,367</u>	<u>\$ 667,514</u>	<u>\$ 570,107</u>	<u>\$ 118,722</u>
Business-Type Activities					
Certificates of Participation	\$ 1,170,000	\$ -	\$ 385,000	\$ 785,000	\$ 385,000
Compensated absences	42,106	111,027	98,075	55,058	11,012
Total Business-Type Activities	<u>\$ 1,212,106</u>	<u>\$ 111,027</u>	<u>\$ 483,075</u>	<u>\$ 840,058</u>	<u>\$ 396,012</u>

* Includes the internal service fund liability.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

The business-type activities capital lease/direct borrowing is being retired from the jail fund. There are no assets pledged as collateral for the debt. In the event of a default, Wells Fargo Bank as Trustee will take directions from the certificate holder as to how to proceed, including whether there will be an acceleration clause enacted. In 2020, government-wide interest costs and interest charged to expense were \$68,865.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid.

The County currently has no unused lines of credit.

During 2020 the County implemented GASB Statement No. 91, *Conduit Debt Obligations*, which provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. The statement is effective for periods beginning after December 15, 2020 and allows for early adoption. The County has adopted this statement and applied it prospectively beginning in the year ended December 31, 2020. This adoption had no impact in the 2020 financial statements as the County does not currently have any conduit debt obligations.

4-H. Pensions

The County is a member of the Colorado Retirement Association, which operates a defined contribution retirement plan. Substantially all County employees are required to participate after one year of continuous service. Total payroll for 2020 was \$12,618,476 and covered payroll totaled \$10,392,731. Contributions by the County (employer) are 4% of the eligible employee's annual compensation. Employees must contribute a matching amount, but can increase their contribution up to ten percent on a non-deductible basis. Contributions made by the employer and employees for 2020 were \$415,709 each, which represents 3.3% of total payroll and 4% of covered payroll. The plan is funded through the various funds that pay for the employment of County personnel to cover the County's (employer) share. The County maintains no control over the plan, other than being a member of the Association. As of January 1, 1997, the plan was changed to pre-tax status (414H). No fixed benefits are paid or payable upon retirement; therefore, the County has no unfunded liability under the plan. Financial statements for CRA may be obtained through its website at: www.cra-online.org.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

4-I. Fund Equity (Note 1-E-9)

Fund Balances:

The components of fund balances are made up of:

	General Fund	Road & Bridge Fund	Social Services Fund	Capital Projects Fund	Other Governmental Funds	Total
Fund balances:						
Nonspendable:						
Prepaid expenses	\$ 173,239	\$ 1,231	\$ 1,639	\$ -	\$ 1,025	\$ 177,134
Restricted for:						
Local declared emergency disaster	-	-	-	-	500,000	500,000
Parks & open space	-	-	-	-	1,058,647	1,058,647
Social services programs	-	-	1,367,270	-	-	1,367,270
Clerk & Recorder expenditures	-	-	-	168,270	-	168,270
Certified VIN fees	31,626	-	-	-	-	31,626
ELC Grant	1,501	-	-	-	-	1,501
Total restricted:	33,127	-	1,367,270	168,270	1,558,647	3,127,314
Committed to:						
Capital Projects - Construction	-	-	-	1,184,734	-	1,184,734
Local declared emergency disaster-wildfires	-	-	-	-	1,599,624	1,599,624
Total committed to:	-	-	-	1,184,734	1,599,624	2,784,358
Assigned to:						
County parks	105,397	-	-	-	-	105,397
Facilities projects	290,314	-	-	-	-	290,314
Divide Master Plan	-	-	-	30,000	-	30,000
Radio System	-	-	-	146,112	-	146,112
Slash/mulch program	19,337	-	-	-	-	19,337
Sheriff's Annuity funds	3,367	-	-	-	-	3,367
Sheriff's Ammunitiona	8,000	-	-	-	-	8,000
I/T Bandwith Fiber Installation	-	-	-	8,472	-	8,472
I/T Monitors	16,369	-	-	-	-	16,369
Earned revenue not spent - Public Health	35,681	-	-	-	-	35,681
Ensuing year's budget	3,580,280	674,843	-	-	-	4,255,123
County transportation system	-	1,636,265	-	-	-	1,636,265
Local declared emergency disaster	-	-	-	-	773	773
Capital purchases & projects	-	-	-	1,962,489	-	1,962,489
Other purposes	1,724	-	-	-	-	1,724
Total assigned:	4,060,469	2,311,108	-	2,147,073	773	8,519,423
Unassigned:	5,377,400	-	-	-	-	5,377,400
Total fund balances	\$ 9,644,235	\$ 2,312,339	\$ 1,368,909	\$ 3,500,077	\$ 3,160,069	\$ 19,985,629

Net Position:

Net investment in capital assets reported on the government-wide statement of net position as of December 31, 2020 is as follows:

	Governmental Activities	Business Type Activities
Cost of capital assets	\$ 291,550,327	\$ 7,075,186
Less accumulated depreciation	17,106,422	4,787,272
Book value	274,443,905	2,287,914
Less capital related debt	-	785,000
Plus unamortized loss on refunding	-	95,855
Net investment in capital assets	\$ 274,443,905	\$ 1,598,769

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

Note 5 - Other Notes

5-A. Risk Management

Employee Benefits- The County has continued its health and dental insurance carrier contract with Humana and continues to offer two health plan choices, as well as one dental plan. The County maintains self-insurance arrangements with Humana for compensation of a flat administrative fee and reimbursement for claims paid. A monthly premium amount based on previous years' experience is required to be deposited in an interest-bearing account belonging to the County, from which claims are paid. In order to maintain a reasonable level of funds in this account, including an additional amount for potential outstanding claims upon termination of the contracts, the County examines the balance on a regular basis and, when appropriate, adjusts the required monthly liability deposits.

The Humana health agreement includes a \$70,000 individual stop-loss and a 125% aggregate stop-loss carry-forward. The County requires employee contributions based on the type of plan chosen, and the number of dependents covered, under an \$125 "Premium Only" plan.

For ease of tracking, the County records the related assets and liabilities of these agreements in an employee benefits fund, and expenses the monthly premiums to each fund and department with employee benefits, based on types of coverages. Cash is transferred from the various funds charged, to the employee benefits fund, and payments for claims and fees are made from that fund. Interest earned on the bank account is recognized as revenue in the employee benefits fund.

For reporting purposes, in compliance with GASB Statement #10 - "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues," the Employee Benefits Fund assets, liabilities, interest revenue and fund balance have been combined into the General Fund. The estimated claims liability is included as accounts payable in the financial statements.

Activity and balances related to these agreements for the past two years are as follows:

	<u>2020</u>	<u>2019</u>
Estimated Claims liability at January 1	\$ 909,493	\$ 462,298
Deposits	3,275,885	3,077,941
Less:		
Fixed Administrative Costs	805,017	618,145
Claims Paid	2,574,203	2,011,624
PPACA Fees	<u>0</u>	<u>977</u>
Estimated Claims liability at December 31	<u>\$ 806,158</u>	<u>\$ 909,493</u>

The County also provides, at a minimum cost to the County, vision coverage, a minimal Employee Term Life Insurance Plan and a 24 hour telemedicine benefit, none of which are self-funded, and none of which require an employee contribution.

Insurance Pools - 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 also is exposed to various risks of loss related to property and casualty losses. In 1986, the County joined together with other Counties in the State of Colorado to form the Colorado Counties Casualty and Property Pool (CAPP), a public entity risk pool currently operating as a common risk management and insurance program for member counties.

The County pays an annual contribution to each of these pools, respectively, for its workers' compensation and casualty and property insurance coverages. The intergovernmental agreement of formation of each pool provides that the pool will be financially self-sustaining through member contributions and additional assessments, if necessary, and the Pool will purchase excess insurance through commercial companies for members' claims in excess of a specified self-insured retention, which is determined each year. County claims to either of these pools have not exceeded coverage in the last three years.

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

5-B. Risks and Uncertainties

COVID-19 Pandemic – In March 2020, the World Health Organization characterized COVID-19 as a pandemic, and the President declared the COVID-19 outbreaks in the United States as a national emergency. This prompted many national, regional, and local governments to implement preventative or protective measures, such as travel and business restrictions, temporary store closures, and wide-sweeping quarantines and stay-at-home orders. As a result, COVID-19 and the related restrictive measures have had a significant adverse impact upon many sectors of the economy.

There were no layoffs, hiring or salary freezes required in 2020 for the County. However, departments were encouraged to reduce/delay unnecessary expenditures in order to offset some of the additional expenditures required to respond to the outbreak. The County also lost significant amounts of gaming tax and highway users' tax fund revenues. The pandemic remains a rapidly evolving situation. The extent of the impact of COVID-19 on the County will depend on future developments, including the duration and spread of the outbreak within the County and the United States and the related need for additional expenditures to respond to the outbreak and future federal and state grants related to the recovery.

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

The County continues to be involved in a number of litigation matters including property assessments, bankruptcies and code enforcement which, in the opinion of County management, will not have a material effect on the financial position of the County.

5-C. Subsequent Events

The federal American Rescue Plan Act which was passed in March, 2021 allocated \$4,931,321 in funding for the County. Use of this funding must be incurred by 12/31/2024. In May, 2021 the County received 50% of this allocation (\$2,465,660.50). The remaining 50% is scheduled to be distributed in 2022. The County is in the process of determining how these funds can/will be used. County leadership will continue to monitor the rules related to this funding and the needs of the county as a whole in order to continue providing the very best service to our residents.

5-D. Tax, Spending and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, (TABOR) 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.

In November 1997, the County asked for and received voter approval to collect, retain and expend all revenues beyond the limitations of TABOR and any other law, to be expended for road improvements and law enforcement. In accordance with legal counsel, the County believes it is in compliance with the requirements of the applicable law, with this voter-approved exemption.

In accordance with Article X, Section 20 of the Colorado Constitution, the County has reserved all fund balances for future expenditures. Included in these reserves is 3% for Emergency Reserves, estimated to be \$500,000 at December 31, 2020.

5-E. Welfare Reform

Conversion to the Colorado Electronic Benefit Transfer System (EBTS) occurred on August 1, 1997 pursuant to C.R.S. 26-1-122 (2) (a) and 26-2-104. The method of payment to recipients and service providers changed from a paper warrant system to an electronic debit card system or direct deposits. The electronic payments are processed by a State contractor, Fidelity Information Services. EBTS reduces or eliminates the amount of expenditures and revenues for the TANF/Colorado Works, AND, OAP, HCA, FA, LEAP, Child Care, Child Welfare & CORE programs reflected in the County General Ledger. The full amount of the EBTs are shown as expenditures at the state level and only the County share is shown on the County General Ledger. The State of Colorado assumes much of the internal control responsibility for these programs. The following is the Schedule of EBT Authorizations, Warrant Expenditures and Total Expenditures for the year ended December 31, 2020:

Teller County, Colorado
Notes to the Basic Financial Statements
For the Year Ended December 31, 2020

PROGRAM	STATE PD FOR TELLER COUNTY	COUNTY SHARE OF STATE PAID	EXPENDITURES BY COUNTY WARRANT	STATE PD + EXPEND. BY COUNTY WARRANT	TOTAL EXPEND & TRFRS OUT
Temporary Assistance for Needy Families (TANF)	331,738	75,921	312,622	644,360	388,543
CHATS/Child Care	406,954	35,521	59,552	466,506	95,073
Child Welfare	1,232,317	216,961	1,074,391	2,306,706	1,291,350
Regular Administration	34,973	3,851	752,341	787,314	756,192
Core Services	88,125	15,059	251,790	339,915	266,849
IV-D Administration	1,709	888	165,984	167,693	166,872
Low-Income Energy Assistance (LEAP)	474,384	0	11,447	485,831	11,447
Adult Protective Services	0		107,703	107,703	107,703
Aid to the Needy Disabled (AND)	63,457	10,394	0	63,457	10,394
Old Age Pension (OAP)	338,139	511	23,083	361,222	23,594
Food Assistance	4,844,875	0	8,440	4,853,315	8,440
Food Assist Fraud	0	0	0	0	0
IV-E Waiver Intervention	0	0	169,564	169,564	169,564
Title XX Training	0	0	135	135	135
FosterCare/Adoption Grant	0	0	5,174	5,174	5,174
Child Welfare Discr Grant	0	0	2,565	2,565	2,565
CO Comm Response Grant	0	0	0	0	0
PSSF grant (title IV-B pt 2)	0	0	0	0	0
1) Subtotal	7,816,671	359,106	2,944,789	10,761,460	3,303,895
Use of IV-E Waiver Savings		0	0	0	0
Use of Parental Fees	0	0	6,418	6,418	6,418
Use of HB1451 incentives	0		11,429	11,429	11,429
Medicaid Transportation	0	0	0	0	0
Workfare	0	0	0	0	0
RMS bkd to state not county	0	0	-24,139	-24,139	-24,139
County Only	0	0	50,811	50,811	50,811
Acctg Basis Differences	0	0	9,693	9,693	9,693
2) Subtotal	0	0	54,212	54,212	54,212
Grand Total	7,816,671	359,106	2,999,001	10,815,672	3,358,109

- 1) Programs Settled in CFMS
2) Programs Not Settled in CFMS



REQUIRED

SUPPLEMENTARY INFORMATION

Teller County, Colorado
General Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Property taxes	\$ 9,480,557	\$ 9,480,557	\$ 9,295,550	\$ (185,007)
Sales taxes	1,471,829	1,609,021	2,079,354	470,333
Intergovernmental	3,031,646	5,531,742	7,401,406	1,869,664
Licenses and permits	635,000	635,000	726,455	91,455
Charges for services	975,328	985,838	1,212,386	226,548
Fines and forfeitures	12,500	12,500	24,697	12,197
Investment earnings	107,000	116,500	72,158	(44,342)
Miscellaneous	129,028	135,510	785,109	649,599
Total Revenues	<u>15,842,888</u>	<u>18,506,668</u>	<u>21,597,115</u>	<u>3,090,447</u>
Expenditures				
Current:				
General government	9,438,704	9,456,953	8,066,399	1,390,554
Public safety	8,198,029	10,499,630	9,687,738	811,892
Health and human services	711,084	1,126,444	962,573	163,871
Culture and recreation	58,222	59,483	54,689	4,794
Capital Outlay	17,335	17,335	17,567	(232)
Total Expenditures	<u>18,423,374</u>	<u>21,159,845</u>	<u>18,788,966</u>	<u>2,370,879</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,580,486)</u>	<u>(2,653,177)</u>	<u>2,808,149</u>	<u>5,461,326</u>
Other Financing Sources (Uses)				
Transfers in	227,400	227,400	232,685	5,285
Transfers out	-	-	(7,857)	(7,857)
Total Other Financing Sources (Uses)	<u>227,400</u>	<u>227,400</u>	<u>224,828</u>	<u>(2,572)</u>
Net Change in Fund Balances	(2,353,086)	(2,425,777)	3,032,977	5,458,754
Reserve for Abatements	(15,000)	(15,000)	-	15,000
Fund Balances Beginning of Year	<u>5,649,716</u>	<u>5,722,407</u>	<u>6,611,258</u>	<u>888,851</u>
Fund Balances End of Year	<u>\$ 3,281,630</u>	<u>\$ 3,281,630</u>	<u>\$ 9,644,235</u>	<u>\$ 6,362,605</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Property taxes	\$ 320,823	\$ 320,823	\$ 319,807	\$ (1,016)
Sales taxes	504,000	505,155	663,624	158,469
Intergovernmental	2,998,902	2,998,902	2,601,642	(397,260)
Licenses and permits	23,000	23,000	22,069	(931)
Charges for services	13,340	13,340	13,340	-
Fines and forfeitures	1,000	1,000	2,156	1,156
Investment earnings	61,000	61,000	37,253	(23,747)
Miscellaneous	18,500	18,500	23,319	4,819
Total Revenues	<u>3,940,565</u>	<u>3,941,720</u>	<u>3,683,210</u>	<u>(258,510)</u>
Expenditures				
Current:				
Highways and streets	<u>5,766,091</u>	<u>6,149,131</u>	<u>4,832,504</u>	<u>1,316,627</u>
Total Expenditures	<u>5,766,091</u>	<u>6,149,131</u>	<u>4,832,504</u>	<u>1,316,627</u>
Net Change in Fund Balances	(1,825,526)	(2,207,411)	(1,149,294)	1,058,117
Reserve for Abatements	(2,000)	(2,000)	-	2,000
Fund Balances Beginning of Year	<u>2,854,364</u>	<u>3,236,249</u>	<u>3,461,633</u>	<u>225,384</u>
Fund Balances End of Year	<u>\$ 1,026,838</u>	<u>\$ 1,026,838</u>	<u>\$ 2,312,339</u>	<u>\$ 1,285,501</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ 791,811	\$ 791,811	\$ 788,533	\$ (3,278)
Intergovernmental	2,680,000	2,697,485	2,729,118	31,633
Miscellaneous	-	52,650	2,206	(50,444)
Total Revenues	3,471,811	3,541,946	3,519,857	(22,089)
Expenditures				
Current:				
Health and human services	3,737,824	3,806,905	3,125,424	681,481
Excess (Deficiency) of Revenues Over Expenditures	(266,013)	(264,959)	394,433	659,392
Other Financing Uses				
Transfers out	(227,400)	(227,400)	(232,685)	(5,285)
Total Other Financing Uses	(227,400)	(227,400)	(232,685)	(5,285)
Net Change in Fund Balances	(493,413)	(492,359)	161,748	654,107
Reserve for Abatements	(3,000)	(3,000)	-	3,000
Fund Balances Beginning of Year	1,202,549	1,201,495	1,207,161	5,666
Fund Balances End of Year	\$ 706,136	\$ 706,136	\$ 1,368,909	\$ 662,773

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Required Supplementary Information
Modified Approach for County Infrastructure Capital Assets
For the Year Ended December 31, 2020

In accordance with GASB Statement No. 34, the County is required to account for and report infrastructure capital assets. The County has several major infrastructure systems including the road system, trail system and the wastewater system. Each major infrastructure system can be divided into subsystems. For example, the road system can be divided into paved, unpaved (both including culverts/drainage & cattle guard improvements, original striping), bridges, traffic control devices (including signage, traffic lights, streetlights), guardrails and land (right-of-way). Subsystem detail is not presented in these basic financial statements; however, the County maintains detailed information on the subsystems.

In 2006, the County elected to use the “Modified Approach” as defined by GASB Statement No. 34 for infrastructure reporting for its road and trail systems. As of 2011 the County additionally elected to use the “Modified Approach” for reporting of the wastewater infrastructure system. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated, with the following requirements:

- ❖ The County manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amounts to maintain and preserve at the established condition assessment levels.
- ❖ The County documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment levels. The Teller County Public Works Department completes condition assessment surveys of all infrastructure systems every three years in accordance with the County’s Asset Management Program.
 - Road and trail improvements: The County uses the HUTF criteria administered by the State of Colorado to rate the condition of our infrastructure systems, with the exception of our bridges and tunnel.
 - Bridge and tunnel improvements: The County uses the AASHTO standards in compliance with CDOT and FHWA to rate bridges and the tunnel in our infrastructure systems. An engineering firm contracted by the State of Colorado performs condition assessments biannually on County bridges and the tunnel, with supplemental ratings performed by the County Engineer, as necessary to comply with the 3-year assessment cycle requirement. The state engineer’s sufficiency rating is converted to the County’s rating system.
 - Wastewater improvements: The Teller County Public Works department has developed criteria to measure the condition of the wastewater system, which are documented in the County infrastructure records.
 - County’s rating system for all eligible infrastructure capital assets:

<u>Condition</u>	<u>Rating</u>
Good	40
Fair	25
Poor	10

County management believes that compliance with these requirements facilitates constructive planning and tracking tools for the County’s development, repair and maintenance of our infrastructure networks.

Road and trail infrastructure systems:

The County policy is to maintain at least 60% of these infrastructure systems at a rating of 40, with an additional 25% at least at a rating of 25. These levels allow for normal wear and tear and Colorado weather events. The most recent 3-year assessment cycle was completed as of December 31, 2018.

The past four assessments rated the County’s road and trail infrastructure as follows:

As of 3 years ended:	Condition Distribution			
	2009	2012	2015	2018
Good	64%	93%	88%	90%
Fair	28%	4%	9%	8%
Poor	8%	3%	3%	2%

The County’s next full 3-year assessment cycle will be completed as of December 31, 2021.

See the accompanying independent auditors’ report.

Teller County, Colorado
Required Supplementary Information
Modified Approach for County Infrastructure Capital Assets
For the Year Ended December 31, 2020

The County's road and trail infrastructure is constantly deteriorating from the following factors: 1) usage, 2) weather and 3) utility installation and private road cuts. The County is continuously taking action to mediate the effects of deterioration through maintenance and improvement activities as annually defined in our Road Maintenance and Improvement Plan.

A schedule of the estimated annual cost to maintain and preserve roads at the targeted levels compared to actual expenditures for the road maintenance for the last five years is presented below.

<u>Year</u>	<u>Maintenance Estimate</u>	<u>Actual Expenditures</u>
2020	\$ 6,149,131	\$ 4,832,504
2019	5,379,714	4,889,770
2018	4,747,598	4,319,357
2017	3,491,206	4,023,463
2016	3,457,424	4,250,605

The County's goal will always be to maintain our roads in a passable condition.

Minimal amounts have been spent on maintaining County trails, as the system is relatively small and includes no hard surface improvements.

Wastewater infrastructure system:

The County policy is to maintain at least 70% of this infrastructure system in good condition, with the remaining 30% in fair condition, since any poor condition would cause an unacceptable failure in the wastewater treatment.

The past two assessments rated the County's wastewater infrastructure as follows:

Condition Distribution		
As of 3 years ended:	2017	2020
Good	97%	97%
Fair	3%	3%
Poor	0%	0%

The County's next full 3-year assessment cycle will be completed as of December 31, 2023.

A schedule of the estimated annual costs to maintain and preserve the wastewater infrastructure at the targeted levels compared to actual expenditures for maintenance for the last five years is presented below.

<u>Year</u>	<u>Maintenance Estimate</u>	<u>Actual Expenditures</u>
2020	\$ 2,568	\$ 5,725
2019	9,568	5,769
2018	2,568	1,132
2017	7,000	2,654
2016	7,000	6,436

A substantial recondition of the system was performed in 2011.

Best Management Practices (BMP's) that have been implemented (Infiltration program, pollution prevention program) and the enhanced performance of the plant since reconditioning have decreased operating costs.

See the accompanying independent auditors' report.

Teller County, Colorado
Notes to Required Supplementary Information
For the Year Ended December 31, 2020

Budgetary Information – The County adopts an annual operating budget for all County funds. All budgets are adopted on a basis consistent with GAAP.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the individual fund level; however additional restrictions on the use of personnel, fleet and other departmental budget amounts are established at the time of adoption by resolution. Any change in total to a fund appropriation or to the additionally restricted amounts requires approval of the County Commissioners through the adoption of a resolution, subsequent to legal publication.

Department heads and elected officials may transfer appropriations within each department from one line item to another, except that personnel services appropriations may not be used for operations or capital outlay and vice-versa, and certain fleet expense appropriations cannot be used for other line items.

All unexpended annual appropriations lapse at year-end.

The 2020 adopted budget was amended upward from \$39,805,008 to \$45,796,929.



SUPPLEMENTARY INFORMATION



**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES**

Teller County, Colorado
General Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended December 31, 2020 and 2019

	<u>2020</u>	<u>2019</u>
Revenues		
Property taxes	\$ 9,295,550	\$ 7,114,149
Sales taxes	2,079,354	1,848,350
Intergovernmental	7,401,406	5,282,824
Licenses and permits	726,455	826,624
Charges for services	1,212,386	1,146,489
Fines and forfeitures	24,697	21,455
Investment earnings	72,158	155,205
Miscellaneous	785,109	756,115
Total Revenues	<u>21,597,115</u>	<u>17,151,211</u>
Expenditures		
Current:		
General government	8,066,399	7,628,867
Public safety	9,687,738	7,908,638
Health and human services	962,573	901,079
Culture and recreation	54,689	50,994
Capital Outlay	<u>17,567</u>	<u>14,919</u>
Total Expenditures	<u>18,788,966</u>	<u>16,504,497</u>
Excess of Revenues Over Expenditures	<u>2,808,149</u>	<u>646,714</u>
Other Financing Sources (Uses)		
Transfers in	232,685	223,018
Transfers out	<u>(7,857)</u>	<u>(112,235)</u>
Total Other Financing Sources (Uses)	<u>224,828</u>	<u>110,783</u>
Net Change in Fund Balances	3,032,977	757,497
Fund Balances Beginning of Year	<u>6,611,258</u>	<u>5,853,761</u>
Fund Balances End of Year	<u>\$ 9,644,235</u>	<u>\$ 6,611,258</u>

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2020
(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Taxes					
Property taxes	\$ 9,480,557	\$ 9,480,557	\$ 9,304,886	\$ (175,671)	\$ 7,108,399
Delinquent property taxes	-	-	(18,142)	(18,142)	(5,319)
Interest and penalties	-	-	8,806	8,806	11,069
Sales taxes	1,471,829	1,609,021	2,079,354	470,333	1,848,350
Total Taxes	10,952,386	11,089,578	11,374,904	285,326	8,962,499
Intergovernmental					
Election fees	10,000	40,500	100,398	59,898	27,114
Specific ownership	940,200	940,200	1,001,216	61,016	908,077
Payment in lieu of taxes	263,000	263,000	295,271	32,271	305,561
Gaming taxes	1,162,727	1,162,727	716,619	(446,108)	1,221,183
Gaming impact grants	-	513,015	1,466,436	953,421	1,466,436
Cigarette taxes	6,900	6,900	12,923	6,023	7,588
Veterans office	14,700	14,700	13,475	(1,225)	16,200
Public health contracts	321,769	398,969	773,683	374,714	497,463
Law enforcement contracts	-	107,274	473,210	365,936	420,283
Federal mineral lease distribution	132,000	132,000	76,861	(55,139)	124,075
Sanitarian contract	20,000	20,000	20,000	-	20,000
Early childhood council grants	-	-	-	-	65,233
LEAF	2,000	2,000	1,907	(93)	2,209
EMA	-	-	42,000	42,000	35,000
EMS subsidy	-	-	20,000	20,000	2,050
State impact assistance	650	650	704	54	671
State payment in lieu taxes	1,200	1,200	1,307	107	1,277
Other governmental contracts	4,500	236,072	179,786	(56,286)	17,852
Other	152,000	1,692,535	2,205,610	513,075	144,552
Total Intergovernmental	3,031,646	5,531,742	7,401,406	1,869,664	5,282,824
Licenses and Permits					
Building permits	475,000	475,000	589,207	114,207	637,450
Planning and zoning fees	20,000	20,000	9,206	(10,794)	18,406
Elevator permits	3,000	3,000	1,120	(1,880)	4,600
Sanitation permits	40,000	40,000	32,095	(7,905)	35,809
Contractor licenses	70,000	70,000	75,350	5,350	75,175
Liquor licenses	2,000	2,000	1,850	(150)	4,438
Health licenses	25,000	25,000	17,627	(7,373)	50,746
Total Licenses and Permits	\$ 635,000	\$ 635,000	\$ 726,455	\$ 91,455	\$ 826,624

(continued)

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Revenues - Budget and Actual
For the Year Ended December 31, 2020
(With Comparative Actual Amounts for the Year Ended December 31, 2019)

(continued)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Revenues					
Charges For Services					
Fees of County Offices					
Assessor	\$ 500	\$ 500	\$ 3,003	\$ 2,503	\$ 1,063
Sheriff	80,000	83,600	92,226	8,626	92,131
Clerk	513,000	513,000	644,945	131,945	592,904
Treasurer	320,000	320,000	392,084	72,084	334,511
Public health	51,528	51,528	34,408	(17,120)	83,716
Public trustee	7,000	7,000	37,011	30,011	33,420
Other services	3,300	10,210	8,709	(1,501)	8,744
Total Charges For Services	975,328	985,838	1,212,386	226,548	1,146,489
Fines and Forfeitures					
Model traffic code fines	12,000	12,000	20,197	8,197	18,602
Code and enforcement	-	-	50	50	466
Animal control	500	500	450	(50)	690
Other fines	-	-	4,000	4,000	1,697
Total Fines and Forfeitures	12,500	12,500	24,697	12,197	21,455
Investment Earnings	107,000	116,500	72,158	(44,342)	155,205
Miscellaneous					
Sheriffs auxiliary organizations	-	-	-	-	37,082
Early childhood council	-	-	-	-	29,076
Other	129,028	135,510	785,109	649,599	689,957
Total Miscellaneous	129,028	135,510	785,109	649,599	756,115
Total Revenues	\$ 15,842,888	\$ 18,506,668	\$ 21,597,115	\$ 3,090,447	\$ 17,151,211

See the accompanying independent auditors' report.

Teller County, Colorado
General Fund
Schedule of Expenditures - Budget and Actual
For the Year Ended December 31, 2020
(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	2020			2019	
	Original Budget	Final Budget	Actual	Variance Positive (Negative)	Actual
Expenditures					
General Government					
Office of the Board	\$ 648,047	\$ 664,927	\$ 629,422	\$ 35,505	\$ 614,865
Finance	633,514	582,039	562,069	19,970	609,512
Legal services	664,788	864,788	753,413	111,375	723,332
Human resources	264,333	282,084	228,914	53,170	207,141
Central utilities	197,585	205,585	171,813	33,772	192,441
Public works administration	342,560	354,404	348,357	6,047	329,677
Central support	2,116,796	1,304,196	1,242,527	61,669	1,245,239
Information technology	1,063,371	1,032,005	1,013,273	18,732	950,722
Assessor	1,026,434	939,784	907,414	32,370	898,155
Clerk and recorder	728,723	928,789	849,977	78,812	679,284
Elections	114,627	158,068	147,714	10,354	53,544
Treasurer	423,132	429,051	418,103	10,948	373,596
Public trustee	127,933	127,426	112,818	14,608	112,755
County surveyor	35,524	31,308	28,270	3,038	23,320
Facilities	1,051,337	955,770	645,626	310,144	595,412
Personnel contingency	-	587,229	-	587,229	-
Employee benefits	-	9,500	6,689	2,811	19,872
Total General Government	9,438,704	9,456,953	8,066,399	1,390,554	7,628,867
Public Safety					
Law Enforcement					
Sheriff	4,111,157	4,990,137	4,860,077	130,060	3,954,004
Sheriff Equitable Sharing	-	5,500	3,836	1,664	-
Detentions	2,575,000	2,575,000	2,049,344	525,656	2,499,802
Sheriff Auxilliary Organizations	-	-	-	-	80,267
Animal control	143,490	168,656	160,009	8,647	140,250
Search and rescue	12,814	41,446	37,286	4,160	11,232
Coronor	159,650	162,889	144,721	18,168	137,173
CSDS - administration	231,849	261,337	241,106	20,231	218,340
CSDS - operations	590,872	613,415	596,939	16,476	548,022
Environmental health	95,165	110,529	91,988	18,541	91,223
Emergency management	170,922	1,463,611	1,416,711	46,900	182,673
Fire and EMS support	101,000	101,000	82,923	18,077	40,074
Hazmat	6,110	6,110	2,798	3,312	5,578
Total Public Safety	8,198,029	10,499,630	9,687,738	811,892	7,908,638
Health and Human Services					
Public health	685,407	1,098,722	939,589	159,133	773,951
Early childhood council	-	-	-	-	102,431
Veterans office	25,677	27,722	22,984	4,738	24,697
Total Health and Human Services	711,084	1,126,444	962,573	163,871	901,079
Culture and Recreation					
County parks	5,679	5,679	5,244	435	1,780
Extension office	52,543	53,804	49,445	4,359	49,214
Total Culture and Recreation	58,222	59,483	54,689	4,794	50,994
Capital Outlay	17,335	17,335	17,567	(232)	14,919
Total Expenditures	\$ 18,423,374	\$ 21,159,845	\$ 18,788,966	\$ 2,370,879	\$ 16,504,497

See the accompanying independent auditors' report.

Teller County, Colorado
Road and Bridge Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Property taxes	\$ 319,807	\$ 219,338
Sales taxes	663,624	1,039,697
Intergovernmental	2,601,642	3,615,253
Charges for services	13,340	13,340
Licenses and permits	22,069	28,835
Fines and forfeitures	2,156	775
Earnings on investments	37,253	70,207
Miscellaneous	23,319	20,538
Total Revenues	3,683,210	5,007,983
Expenditures		
Current:		
Highways and streets	4,832,504	4,889,770
Total Expenditures	4,832,504	4,889,770
Net Change in Fund Balances	(1,149,294)	118,213
Fund Balances Beginning of Year	3,461,633	3,343,420
Fund Balances End of Year	\$ 2,312,339	\$ 3,461,633

See the accompanying independent auditors' report.

Teller County, Colorado
Social Services Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Property taxes	\$ 788,533	\$ 888,823
Intergovernmental	2,729,118	2,691,571
Miscellaneous	2,206	4,670
Total Revenues	<u>3,519,857</u>	<u>3,585,064</u>
Expenditures		
Current:		
Health and human services	<u>3,125,424</u>	<u>2,992,806</u>
Excess of Revenues Over Expenditures	<u>394,433</u>	<u>592,258</u>
Other Financing Sources (Uses)		
Transfers in	-	12,235
Transfers out	<u>(232,685)</u>	<u>(224,938)</u>
Total Other Financing Sources (Uses)	<u>(232,685)</u>	<u>(212,703)</u>
Net Change in Fund Balances	161,748	379,555
Fund Balances Beginning of Year	<u>1,207,161</u>	<u>827,606</u>
Fund Balances End of Year	<u>\$ 1,368,909</u>	<u>\$ 1,207,161</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Capital Projects Fund
Comparative Statement of Revenues, Expenditures and
Changes in Fund Balances
For the Years Ended December 31, 2020 and 2019

	2020	2019
Revenues		
Sales taxes	\$ 1,681,180	\$ 962,682
Intergovernmental	348,552	507,317
Investment earnings	54,763	157,914
Miscellaneous	87,930	83,077
Total Revenues	2,172,425	1,710,990
Expenditures		
Current:		
General government	34,766	48,648
Public safety	206,114	196,460
Capital Outlay	5,598,984	732,075
Total Expenditures	5,839,864	977,183
Excess (Deficiency) of Revenues Over Expenditures	(3,667,439)	733,807
Other Financing Sources (Uses)		
Transfers in	-	1,920
Transfers out	(40,000)	-
Total Other Financing Sources (Uses)	(40,000)	1,920
Net Change in Fund Balances	(3,707,439)	735,727
Fund Balances Beginning of Year	7,207,516	6,471,789
Fund Balances End of Year	\$ 3,500,077	\$ 7,207,516

See the accompanying independent auditors' report.

Teller County, Colorado
Capital Projects Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Sales taxes	\$ 1,275,175	\$ 1,302,675	\$ 1,681,180	\$ 378,505
Intergovernmental	501,875	521,875	348,552	(173,323)
Investment earnings	90,000	90,000	54,763	(35,237)
Miscellaneous	588,000	699,400	87,930	(611,470)
Total Revenues	<u>2,455,050</u>	<u>2,613,950</u>	<u>2,172,425</u>	<u>(441,525)</u>
Expenditures				
Current:				
General government	38,850	75,467	34,766	40,701
Public safety	-	-	206,114	(206,114)
Capital Outlay	<u>3,800,000</u>	<u>6,261,044</u>	<u>5,598,984</u>	<u>662,060</u>
Total Expenditures	<u>3,838,850</u>	<u>6,336,511</u>	<u>5,839,864</u>	<u>496,647</u>
Deficiency of Revenues Over Expenditures	(1,383,800)	(3,722,561)	(3,667,439)	55,122
Other Financing Uses				
Transfers out	<u>-</u>	<u>-</u>	<u>(40,000)</u>	<u>(40,000)</u>
Net Change in Fund Balances	(1,383,800)	(3,722,561)	(3,707,439)	15,122
Fund Balances Beginning of Year	<u>3,900,273</u>	<u>6,239,034</u>	<u>7,207,516</u>	<u>968,482</u>
Fund Balances End of Year	<u>\$ 2,516,473</u>	<u>\$ 2,516,473</u>	<u>\$ 3,500,077</u>	<u>\$ 983,604</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2020

	Conservation Trust	Contingent	Total Nonmajor Special Revenue Funds
Assets			
Cash and investments	\$ 1,060,455	\$ 2,100,397	\$ 3,160,852
Prepaid expenses	1,025	-	1,025
Total Assets	<u>1,061,480</u>	<u>2,100,397</u>	<u>3,161,877</u>
Liabilities and Fund Balances			
Liabilities			
Accounts payable	1,808	-	1,808
Total Liabilities	<u>1,808</u>	<u>-</u>	<u>1,808</u>
Fund Balances			
Nonspendable	1,025	-	1,025
Restricted	1,058,647	500,000	1,558,647
Committed	-	1,599,624	1,599,624
Assigned	-	773	773
Total Fund Balances	<u>1,059,672</u>	<u>2,100,397</u>	<u>3,160,069</u>
Total Liabilities and Fund Balances	<u>\$ 1,061,480</u>	<u>\$ 2,100,397</u>	<u>\$ 3,161,877</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2020

	<u>Conservation Trust</u>	<u>Contingent</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues			
Property taxes	\$ -	\$ (771)	\$ (771)
Intergovernmental	161,144	-	161,144
Investment earnings	12,223	-	12,223
Total Revenues	<u>173,367</u>	<u>(771)</u>	<u>172,596</u>
Expenditures			
Current:			
Culture and recreation	58,584	-	58,584
Total Expenditures	<u>58,584</u>	<u>-</u>	<u>58,584</u>
Net Change in Fund Balances	114,783	(771)	114,012
Fund Balances Beginning of Year	<u>944,889</u>	<u>2,101,168</u>	<u>3,046,057</u>
Fund Balances End of Year	<u>\$ 1,059,672</u>	<u>\$ 2,100,397</u>	<u>\$ 3,160,069</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and
Changes in Fund Balances - Budget and Actual
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 145,000	\$ 147,000	\$ 161,144	\$ 14,144
Investment earnings	20,000	20,000	12,223	(7,777)
Total Revenues	<u>165,000</u>	<u>167,000</u>	<u>173,367</u>	<u>6,367</u>
Expenditures				
Current:				
Culture and recreation	<u>154,551</u>	<u>156,551</u>	<u>58,584</u>	<u>97,967</u>
Total Expenditures	<u>154,551</u>	<u>156,551</u>	<u>58,584</u>	<u>97,967</u>
Net Change in Fund Balances	10,449	10,449	114,783	104,334
Fund Balances Beginning of Year	<u>857,492</u>	<u>857,492</u>	<u>944,889</u>	<u>87,397</u>
Fund Balances End of Year	<u>\$ 867,941</u>	<u>\$ 867,941</u>	<u>\$ 1,059,672</u>	<u>\$ 191,731</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
 Contingent Fund
 Schedule of Revenues, Expenditures and
 Changes in Fund Balances - Budget and Actual
 For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Revenues				
Property taxes	\$ -	\$ -	\$ (771)	\$ (771)
Total Revenues	-	-	(771)	(771)
Expenditures	-	-	-	-
Deficiency of Revenues Over Expenditures	-	-	(771)	(771)
Other Financing Uses				
Transfers out	(1,952,016)	(1,952,016)	-	1,952,016
Total Other Financing Uses	(1,952,016)	(1,952,016)	-	1,952,016
Net Change in Fund Balances	(1,952,016)	(1,952,016)	(771)	1,951,245
Fund Balances Beginning of Year	2,102,589	2,102,589	2,101,168	(1,421)
Fund Balances End of Year	<u>\$ 150,573</u>	<u>\$ 150,573</u>	<u>\$ 2,100,397</u>	<u>\$ 1,949,824</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Wastewater Utility Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2020
(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	<u>2020</u>	<u>2019</u>
Operating Revenues		
Charges for services	\$ 147,713	\$ 164,845
Licenses and permits	150	450
Miscellaneous	861	716
Total Operating Revenues	<u>148,724</u>	<u>166,011</u>
Operating Expenses		
Administration	9,450	7,684
Operations	137,723	140,793
Total Operating Expenses	<u>147,173</u>	<u>148,477</u>
Gain before Capital Contributions	1,551	17,534
Capital Contributions	<u>45,000</u>	<u>158,100</u>
Change in Net Position	46,551	175,634
Net Position Beginning of Year	<u>1,072,618</u>	<u>896,984</u>
Net Position End of Year	<u>\$ 1,119,169</u>	<u>\$ 1,072,618</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Wastewater Utility Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Charges for services	\$ 150,000	\$ 150,000	\$ 147,713	\$ (2,287)
Licenses and permits	-	-	150	150
Miscellaneous	-	-	861	861
Total Operating Revenues	<u>150,000</u>	<u>150,000</u>	<u>148,724</u>	<u>(1,276)</u>
Operating Expenses				
Administration	50,934	51,497	9,450	42,047
Operations	154,551	154,551	137,723	16,828
Total Operating Expenses	<u>205,485</u>	<u>206,048</u>	<u>147,173</u>	<u>58,875</u>
Gain (Loss) before Capital Contributions	(55,485)	(56,048)	1,551	57,599
Capital Contributions	<u>45,000</u>	<u>45,000</u>	<u>45,000</u>	<u>-</u>
Change in Net Position	(10,485)	(11,048)	46,551	57,599
Net Position Beginning of Year	<u>1,012,929</u>	<u>1,013,492</u>	<u>1,072,618</u>	<u>59,126</u>
Net Position End of Year	<u>\$ 1,002,444</u>	<u>\$ 1,002,444</u>	<u>\$ 1,119,169</u>	<u>\$ 116,725</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Jail Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2020
(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	<u>2020</u>	<u>2019</u>
Operating Revenues		
Charges for services	\$ 2,572,447	\$ 3,541,797
Intergovernmental	237,879	-
Miscellaneous	67,193	60,530
Total Operating Revenues	<u>2,877,519</u>	<u>3,602,327</u>
Operating Expenses		
Administration	46,692	40,100
Operations	3,159,803	2,524,473
Depreciation	203,199	199,753
Total Operating Expenses	<u>3,409,694</u>	<u>2,764,326</u>
Operating Income	<u>(532,175)</u>	<u>838,001</u>
Non-Operating Revenues (Expenses)		
Non Capital Grants	3,160	-
Interest	(68,865)	(75,949)
Total Non-Operating Revenues (Expenses)	<u>(65,705)</u>	<u>(75,949)</u>
Change in Net Position	(597,880)	762,052
Net Position Beginning of Year	<u>1,699,886</u>	<u>937,834</u>
Net Position End of Year	<u>\$ 1,102,006</u>	<u>\$ 1,699,886</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Jail Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2020

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
Operating Revenues				
Intergovernmental	\$ -	\$ 230,851	\$ 237,879	\$ 7,028
Charges for services	3,018,000	3,019,031	2,572,447	(446,584)
Miscellaneous	68,000	68,000	67,193	(807)
Total Operating Revenues	<u>3,086,000</u>	<u>3,317,882</u>	<u>2,877,519</u>	<u>(440,363)</u>
Operating Expenses				
Administration	37,994	37,994	46,692	(8,698)
Operations	3,335,193	3,608,815	3,159,803	449,012
Depreciation	202,932	202,932	203,199	(267)
Total Operating Expenses	<u>3,576,119</u>	<u>3,849,741</u>	<u>3,409,694</u>	<u>440,047</u>
Operating Income	<u>(490,119)</u>	<u>(531,859)</u>	<u>(532,175)</u>	<u>(316)</u>
Non-Operating Revenue (Expenses)				
Non capital grants	-	-	3,160	3,160
Interest	(69,000)	(69,000)	(68,865)	135
Total Non-Operating Revenue (Expenses)	<u>(69,000)</u>	<u>(69,000)</u>	<u>(65,705)</u>	<u>3,295</u>
Change in Net Position	<u>(559,119)</u>	<u>(600,859)</u>	<u>(597,880)</u>	<u>2,979</u>
Net Position Beginning of Year	<u>1,121,998</u>	<u>1,163,738</u>	<u>1,699,886</u>	<u>536,148</u>
Net Position End of Year	<u>\$ 562,879</u>	<u>\$ 562,879</u>	<u>\$ 1,102,006</u>	<u>\$ 539,127</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.

Teller County, Colorado
Fleet Management Fund
Comparative Statement of Revenues,
Expenses and Changes in Fund Net Position
For the Year Ended December 31, 2020
(With Comparative Actual Amounts for the Year Ended December 31, 2019)

	<u>2020</u>	<u>2019</u>
Operating Revenues		
Charges for services	\$ 1,439,891	\$ 1,635,344
Miscellaneous	66	7,113
Total Operating Revenues	<u>1,439,957</u>	<u>1,642,457</u>
Operating Expenses		
Operations	914,163	1,187,328
Depreciation	395,919	413,347
Total Operating Expenses	<u>1,310,082</u>	<u>1,600,675</u>
Operating Income	<u>129,875</u>	<u>41,782</u>
Non-Operating Revenues		
Transfers in	47,857	-
Gain on sale of capital assets	32,152	8,511
Investment earnings	30,442	58,034
Total Non-Operating Revenues	<u>110,451</u>	<u>66,545</u>
Change in Net Position	240,326	108,327
Net Position Beginning of Year	<u>4,844,428</u>	<u>4,736,101</u>
Net Position End of Year	<u>\$ 5,084,754</u>	<u>\$ 4,844,428</u>

See the accompanying independent auditors' report.

Teller County, Colorado
Fleet Management Fund
Schedule of Revenues, Expenses and
Changes in Fund Net Position - Budget and Actual
For the Year Ended December 31, 2020

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
Operating Revenues				
Charges for services	\$ 1,656,328	\$ 1,672,646	\$ 1,439,891	\$ (232,755)
Miscellaneous	-	-	66	66
Total Operating Revenues	<u>1,656,328</u>	<u>1,672,646</u>	<u>1,439,957</u>	<u>(232,689)</u>
Operating Expenses				
Operations	1,114,237	1,143,720	914,163	229,557
Depreciation	740,061	740,061	395,919	344,142
Total Operating Expenses	<u>1,854,298</u>	<u>1,883,781</u>	<u>1,310,082</u>	<u>573,699</u>
Operating Income (Loss)	<u>(197,970)</u>	<u>(211,135)</u>	<u>129,875</u>	<u>341,010</u>
Non-Operating Revenue				
Transfers In	-	7,860	47,857	39,997
Gain on sale of capital assets	10,000	10,000	32,152	22,152
Investment earnings	50,000	50,000	30,442	(19,558)
Total Non-Operating Revenue	<u>60,000</u>	<u>67,860</u>	<u>110,451</u>	<u>42,591</u>
Change in Net Position	<u>(137,970)</u>	<u>(143,275)</u>	<u>240,326</u>	<u>383,601</u>
Net Position Beginning of Year	<u>4,655,406</u>	<u>4,660,711</u>	<u>4,844,428</u>	<u>183,717</u>
Net Position End of Year	<u>\$ 4,517,436</u>	<u>\$ 4,517,436</u>	<u>\$ 5,084,754</u>	<u>\$ 567,318</u>

Note: The basis of budgeting is the same as GAAP. This schedule is presented on a GAAP basis.

See the accompanying independent auditors' report.



SPECIAL REPORTS

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Teller
	YEAR ENDING : December, 2020
This Information From The Records Of County of Teller, CO	Prepared By: Phone:

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	859,048
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,173,705
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	175,252
2. General fund appropriations		b. Snow and ice removal	1,354,392
3. Other local imposts (from page 2)	1,039,953	c. Other	202,475
4. Miscellaneous local receipts (from page 2)	62,729	d. Total (a. through c.)	1,732,119
5. Transfers from toll facilities		4. General administration & miscellaneous	67,632
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	4,832,504
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	1,102,682	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	2,545,889	2. Notes:	
D. Receipts from Federal Government (from page 2)	34,639	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,683,210	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)	4,832,504

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
	3,461,633	3,683,210	4,832,504	2,312,339	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December, 2020

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	319,807	a. Interest on investments	37,253
b. Other local imposts:		b. Traffic Fines & Penalties	2,156
1. Sales Taxes	663,624	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	22,069	f. Charges for Services	
5. Specific Ownership &/or Other	34,453	g. Other Misc. Receipts	23,320
6. Total (1. through 5.)	720,146	h. Other	
c. Total (a. + b.)	1,039,953	i. Total (a. through h.)	62,729
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,231,468	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	34,639
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	104,378	d. Federal Transit Admin	
d. Other (Specify) - Gaming Tax	210,043	e. U.S. Corps of Engineers	
e. Other (Specify)	0	f. Other Federal	
f. Total (a. through e.)	314,421	g. Total (a. through f.)	34,639
4. Total (1. + 2. + 3.f)	2,545,889	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.I. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation	859,048		859,048
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	859,048	0	859,048
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	859,048	0	859,048
			(Carry forward to page 1)

Notes and Comments:



FEDERAL FINANCIAL

AWARD REPORTS



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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

**Independent Auditors' 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
Teller County, Colorado
Cripple Creek, Colorado

We 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 Teller County, Colorado (the County), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 3, 2021.

Internal Control Over Financial Reporting

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

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

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

Compliance And Other Matters

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

Purpose Of This Report

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

RubinBrown LLP

June 3, 2021



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CERTIFIED PUBLIC ACCOUNTANTS & BUSINESS CONSULTANTS

Independent Auditors' Report On Compliance For Each Major Federal Program And Report On Internal Control Over Compliance Required By The Uniform Guidance

Board of County Commissioners
Teller County, Colorado
Cripple Creek, Colorado

Report On Compliance For Each Major Federal Program

We have audited Teller County, Colorado's (the County) compliance with the types of compliance requirements described in the Office of Management and Budget's *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2020. The County's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its programs.

Auditors' Responsibility

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

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

Opinion On Each Major Federal Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

Report On Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County'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, we do not express an opinion on the effectiveness of the County's internal control over compliance.

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

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

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

RubinBrown LLP

June 3, 2021

TELLER COUNTY, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED DECEMBER 31, 2020

Federal Agency/Program Title	Direct/Pass Through	Pass Through Entity	Federal CFDA #	Pass-through Entity Identifying Number	Federal Expenditure	Passed through to subrecipients
U.S. DEPARTMENT OF AGRICULTURE						
Food Assistance Admin Cluster	Pass Through	CO Dept of Human Services	10.551	*	\$1,134	\$0
Food Assistance Admin Cluster	Pass Through	CO Dept of Human Services	10.561	*	187,482	0
Sub-Total SNAP Cluster					188,616	0
Women, Infant & Children	Pass Through	CO Dept of Health and Environment	10.557	20 FHLA 140916	71,260	0
WIC Food Vouchers	Pass Through	CO Dept of Health and Environment	10.557	*	151,018	0
Sub-Total CFDA #10.557					222,278	0
Title I - Schools and Roads Cluster	Direct		10.666	*	34,639	0
Total U.S. Dept of Agriculture					445,533	0
U.S. DEPARTMENT OF HOMELAND SECURITY						
OEM South Central Region Security Grant	Pass Through	CO Div of Homeland Security	97.067	*	14,700	0
Emergency Mgmt Program	Pass Through	CO Dept of Public Safety	97.042	20EM-21-54	42,000	0
Total U.S. Dept of Homeland Security					56,700	0
U.S. DEPARTMENT OF JUSTICE						
Equitable Sharing Program	Direct		16.922	*	3,836	0
Bulletproof Vest Partnership Program	Direct		16.607	*	5,210	0
Total U.S. Dept of Justice					9,046	0
U.S. DEPARTMENT OF TREASURY						
Covid-19 CRF County Admin	Pass Through	CO Dept of Human Services	21.019	*	33,572	0
Covid-19 CRF Adult Protection	Pass Through	CO Dept of Human Services	21.019	*	2,764	0
Covid-19 CRF TANF	Pass Through	CO Dept of Human Services	21.019	*	3,622	0
Covid-19 CRF Child Care	Pass Through	CO Dept of Human Services	21.019	*	6,460	0
Covid-19 DEF Funding	Pass Through	CO Dept of Health and Environment	21.019	PO FHJA 202000013600	54,630	0
Covid-19 OPPI Relief Funds	Pass Through	CO Dept of Health and Environment	21.019	PO FAAA 2021-4103	35,714	0
Covid-19 Immunizations	Pass Through	CO Dept of Health and Environment	21.019	PO 2021*2103	11,843	0
Covid-19 Coronavirus Relief Fund Program	Pass Through	CO Dept of Local Affairs	21.019	CVRF CM-103	1,362,534	0
Covid-19 Coronavirus Relief Fund Reserve Program	Pass Through	CO Dept of Local Affairs	21.019	CVRF-RF-049	615,000	0
Sub-Total CFDA #21.019					2,126,139	0
Total U.S. Dept of Treasury					2,126,139	0
U.S. ELECTION ASSISTANCE COMMISSION						
Covid-19 Primary Mailing Grant	Pass Through	CO Secretary of State	90.404	CT VAAA 2021-3250	4,639	0
Covid-19 Election Safety Grant	Pass Through	CO Secretary of State	90.404	CT VAAA 2021-3054	2,699	0
Covid-19 Election Drop Box Grant	Pass Through	CO Secretary of State	90.404	CT VAA 2021-2548	2,279	0
Sub-Total CFDA #90.404					9,617	0
Total U.S. Election Assistance Commission					9,617	0
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES						
Emergency Prep and Response CORE	Pass Through	CO Dept of Health and Environment	93.069	CT2020-281	24,574	0
Family Planning Project	Pass Through	CO Dept of Health and Environment	93.217	19FHLA 127750, 2017*0058	3,280	0
Immunization Programs	Pass Through	CO Dept of Health and Environment	93.268	19 FHHA 109516	10,982	0
Womens Wellness Connection Cancer Prev & Early Detection	Pass Through	CO Dept of Health and Environment	93.752	CT-2018*1762 AM#3	265	0
Womens Wellness Connection Cancer Prev & Early Detection	Pass Through	CO Dept of Health and Environment	93.898	CT-2018*1762 AM#1	8,019	0
Maternal & Child Health	Pass Through	CO Dept of Health and Environment	93.994	2019*0768 Am#2	18,118	0
Covid-19 Epidemiology & Lab Capacity	Pass Through	CO Dept of Health and Environment	93.323	PO 2020*13652	128,195	0
Covid-19 E/M Prep	Pass Through	CO Dept of Health and Environment	93.354	PO FHJA 2020-10714	71,260	0
IV-E Guardianship Assistance	Pass Through	CO Dept of Human Services	93.090	*	2,509	0
TANF Cluster	Pass Through	CO Dept of Human Services	93.558	*	644,119	0
Title IV-D Admin	Pass Through	CO Dept of Human Services	93.563	*	177,405	0
LEAP	Pass Through	CO Dept of Human Services	93.568	*	11,447	0
CCDF - Discretionary Cluster	Pass Through	CO Dept of Human Services	93.575	*	266,910	0
CCDF - Mandatory & Match Cluster	Pass Through	CO Dept of Human Services	93.596	*	60,369	0
Sub-Total CCDF Cluster					327,279	0
Title IV-B Child Welfare	Pass Through	CO Dept of Human Services	93.645	*	49,020	0
Covid-19 Title IV-B Child Welfare	Pass Through	CO Dept of Human Services	93.645	*	2,565	0
Sub-Total CFDA #93.645					51,585	0
Title IV-E FC	Pass Through	CO Dept of Human Services	93.658	*	325,487	0
Title IV-E Adoption	Pass Through	CO Dept of Human Services	93.659	*	110,934	0
Title XX Block Grant	Pass Through	CO Dept of Human Services	93.667	*	103,364	0
Healthy Communities Medical Assistance	Pass Through	CO Dept of Health Care Policy & Financing	93.767	UHAA 2016-27A4	1,308	0
Healthy Communities Medical Assistance Cluster	Pass Through	CO Dept of Health Care Policy & Financing	93.778	UHAA 2016-27A4	4,489	0
Title XIX Medicaid Cluster	Pass Through	CO Dept of Health Care Policy & Financing	93.778	*	274,187	0
Sub-Total CFDA #93.778 & Medicaid Cluster					278,676	0
Total U.S. Dept of Health & Human Services					\$2,350,391	\$0
TOTAL FEDERAL AWARDS					\$4,945,841	\$0

* Unavailable

See the note to the schedule of expenditures of federal awards

Teller County, Colorado
Notes to Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2020

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Teller County, Colorado, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Teller County, Colorado, financial statements for the year ended December 31, 2020.

Indirect Cost Rate

The County has not elected to use the de Minimis Indirect Cost Rate of 10% for federal grants and funds.

Donated Personal Protective Equipment (PPE)

The County did not receive any donated PPE that was originally purchased with federal funding.

TELLER COUNTY, COLORADO

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For The Year Ended December 31, 2020**

Section I - Summary Of Auditors' Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported
- Noncompliance material to financial statements noted? yes no

Federal Awards

Internal control over major federal programs:

- Material weakness(es) identified? yes no
- Significant deficiency(ies) identified? yes none reported

Type of auditors' report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

yes no

Identification Of Major Programs

CFDA No. Name Of Federal Program Or Cluster

21.019 Coronavirus Relief Fund

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

yes no

TELLER COUNTY, COLORADO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS *(Continued)*
For The Year Ended December 31, 2020

Section II - Financial Statement Findings

None

Section III - Federal Award Findings And Questioned Costs

None